

## SCHOOLS' FUNDING FORUM

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| <b>SUBJECT:</b> | DSG 2013/14 |
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| <b>DATE:</b> | 12 July 2013 |
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**SUMMARY OF REPORT:** THIS REPORT SETS OUT THE DISTRIBUTION OF KCC'S TOTAL DSG ALLOCATION FOR 2013/14 AND PROPOSES A WAY FORWARD FOR THE FUNDING FORUM TO REVIEW THIS.

### 1. Background

- 1.1 At a recent meeting of the Forum it was agreed that in light of all the current and predicted budget pressures together with the recent restructure of KCC it was an appropriate point in time for the Funding Forum to review the use and distribution of DSG across the authority.
- 1.2 Up until a few years ago a sub-group of the Forum – the Central Costs Group - had regularly reviewed the centrally retained/school related budgets of the authority including everything funded by DSG. This included calling in the relevant budget managers or Heads of Service to talk about their budgets and the levels of expenditure. At the time there was a great deal of focus on the old GEST and other specific grants. With their demise the work of the group reduced until it was eventually disbanded.

### 2 The current position

- 2.1 The restructure of the authority that began in 2011 has meant that whilst almost all of the DSG was within Children, Families & Education it is now spread across four of the five KCC directorates although by far the largest element remains within Education, Learning & Skills though this includes the funding delegated to schools, PRUs and the payments to Early Years providers.
- 2.2 The total allocation of DSG for 2013/14 is £729.6m and Appendix 1 provides an analysis of this setting out what each budget line is and in which Directorate that now sits. The table below sets out the summary by Directorate.

| <b>DSG 2013/14</b>           | <b>£'m</b>   |
|------------------------------|--------------|
|                              |              |
| Education, Learning & Skills | 718.7        |
| Communities                  | 0.3          |
| Business Support & Strategy  | 6.6          |
| Families & Social Care       | 4.0          |
| <b>Total</b>                 | <b>729.6</b> |

### **3. Reviewing the DSG**

- 3.1 The appendix sets out the overall budget but given that resources do not allow an immediate review of all the budget lines that are funded by DSG it would be helpful if the Forum could identify a limited number of budgets which it is most interested to know more about so that further work can be undertaken as a priority. At this stage if this was to result in any changes to the budget for next year then that work would need to be completed by mid-autumn. Other budgets could be reviewed at a later stage.
- 3.2 Previous experience is that a detailed review of a number of budgets is time consuming and not an activity best suited to the entire Funding Forum. As there is no longer a Central Costs Group we could either use the existing Forum Executive in that role or establish a “task and finish” group to do this work.

### **4 Recommendations**

- The Funding Forum to identify up to 10 budget lines that it would initially like to review
- The detailed work of the reviews is delegated to the Funding Forum Executive supported by Finance.