

## London Borough of Bromley

### PART 1 - PUBLIC

#### Briefing for Education Budget Sub-Committee Tuesday 20 October 2015

## DEDICATED SCHOOLS GRANT REDUNDANCY RESERVE

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### 1. Summary

- 1.1 This report is to update Members on the status of the creation of a DSG Redundancy Reserve/Budget following the meeting of the Schools Forum meeting.

### 2. THE BRIEFING

- 2.1 At the last meeting of the Education Budget Sub-Committee on 30<sup>th</sup> June 2015, members were informed that the Schools Forum had requested further information on the regulations that would apply for the creation of a DSG Redundancy Reserve, and had deferred their decision.
- 2.2 The attached report was presented to the Schools Forum on 24<sup>th</sup> September 2015 which provided details of the relevant regulations, and clarified that Secretary of State approval would also be required and would be sought subject to their approval.
- 2.3 For simplicity of accounting, the report requested that a budget was created instead of a reserve, with any underspends being carried forward and ring-fenced for the same purpose in future years, thus having the same effect as an earmarked reserve.
- 2.4 The report was discussed at some length, and although some members were in support, the final decision made was not to agree the proposal.
- 2.5 Although many funding decisions are made following consultation with Schools Forum, the decisions are made by the Local Authority and could be made without the support of the Forum; in this case the regulations specifically require the approval of Schools Forum.
- 2.6 This decision related to the creation of a budget, and therefore does not preclude the agreement of charging of redundancy costs to DSG by the Forum on a case by case basis.
- 2.7 Given that the Schools Forum meets only four times a year, this could add a considerable amount of time taken to gain the required approval, however it is hoped that when the first such request is presented to the Forum, an arrangement can be put in place for future decisions to be made via email circulation to members.
- 2.8 An update will be provided to the Budget Sub-Committee if and when any future request is made to Schools Forum.