

Item 6

TITLE OF REPORT: Dedicated Schools Grant Revenue Outturn 2020/21

Purpose of the Report

To inform Schools Forum of the quarter 2 (September 2020) projected outturn position of Dedicated Schools Grant (DSG) for 2020/21.

Background

The DSG is made up of four funding blocks:

1. The **Early Years (EY) block** for 2 and 3 & 4-year-old funding;
2. **Mainstream Schools block** which includes some centrally held and de-delegated funding;
3. **High Needs block (HNB)** which includes special schools, alternative provision and top-ups to maintained schools and academies; and
4. **Central Services Schools block** which includes central functions carried out on behalf of schools, for example, licences, schools' admissions, pension costs.

Schools Forum receives details of DSG revenue monitoring throughout the financial year, with the format presented based on the expenditure headings of the Section 251 statement.

The revised Council-lead DSG budget for 2020/21 is £105.673m as reported previously. At quarter 2, the projected year-end outturn for the year was £104.851m, an underspend of £0.822m, which is a movement of £0.079m since quarter 1. The projections are based on expected activity at the time of preparing the report. Details are provided in Appendix 1.

The balance of the DSG reserve at 31 March 2020 was £1.212m. It is forecast that the balance will increase to £1.836m at 31 March 2021. The movement of £0.624m accounts for the current projected underspend offset by a clawback of £0.198m in relation to the 2019/20 EY adjustment, as set out in Appendix 1.

Proposal

That Schools Forum notes the content of the report.

Recommendations

That Schools Forum notes the content of the report.

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2020/21 DSG Revenue Monitoring Quarter 1

DSG Area	Total Approved Budget £'000	Outturn £'000	Variance £'000	Comments/Notes
Maintained Schools Budget Share	75,874	75,874	0	
DEDELEGATION				
Contingencies	0	2	2	
Behaviour support services	211	211	0	
Support to UPEG and bilingual learners	268	245	(23)	
Staff costs	180	178	(2)	Maternity Credits & TU facilitator costs
HIGH NEEDS BUDGET				
High Needs Budget (including Special Schools, PRU and Additional Support Top-ups)	18,296	18,013	(283)	-£68k Maintained & Academies top-ups -£156k Special schools +£165k Independent schools -£159k Alternative provision -£88k Staff slippage +£22k ARMS
EARLY YEARS BUDGET				
2,3- and 4-year-olds funding to PVI's	9,152	8,640	(512)	-£401k 3/4-year-olds, -£200k 2-year-olds, -£71k staff costs, -£20k DAF, +£117k sustainability grant, +£65k use of reserve to support transition
CENTRAL PROVISION WITHIN SCHOOLS BUDGET				
Contribution to combined budgets	488	495	7	
School admissions	127	120	(7)	
Servicing of schools forums	116	112	(4)	
Termination of employment costs	313	313	0	Premature Retirement costs
Pupil growth/ Infant class sizes	150	150	0	
Other Items	140	140	0	CLA/ MPA Licences top sliced from DSG for all school licences
Statutory/ Regulatory duties	358	358	0	ESG topslice agreed by Schools Forum
TOTAL DSG	105,673	104,851	(822)	Appropriated to DSG reserve

	£'000	Comments/Notes
Reserves balance at 31 March 2020	(1,212)	
Appropriation to reserve: in year adjustments	198	EY 19/20 clawback
Appropriation (to)/from reserve: in-year (surplus)/deficit	(822)	
Projected reserve balance at 31 March 2021 (surplus) / deficit	(1,836)	