

TITLE OF REPORT: Dedicated Schools Grant Revenue Q2 2021/22

Purpose of the Report

1. To inform Schools Forum of the quarter 2 projected outturn position of Dedicated Schools Grant (DSG) for 2021/22.

Background

2. The DSG is made up of four funding blocks:
 - The **Early Years (EY) block** for 2 and 3 & 4-year-old funding;
 - **Mainstream Schools block** which includes some centrally held and de-delegated funding;
 - **High Needs block (HNB)** which includes special schools, alternative provision and top-ups to maintained schools and academies; and
 - **Central Services Schools block** which includes central functions carried out on behalf of schools, for example, licences, schools' admissions, pension costs.
3. 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. Details are provided in Appendix 1.
4. The Council-lead DSG budget for 2021/22 is £109.024m. At quarter 2, the projected year-end outturn for the year was £107.362m, an underspend of £1.392m. The projections are based on expected activity at the time of preparing the report. The main areas of underspend relate to: Early Years payments to PVI's, independent schools top ups, special schools top-ups and the PRU partially offset by maintained and academy top ups and alternative provision.
5. The balance of the DSG reserve at 31 March 2021 was £2.241m. Factoring in the Early Years adjustment for 2020/21 of £0.230m, it is forecast that the balance will increase to £3.403m at 31 March 2022.

Proposal

6. That Schools Forum notes the content of the report.

Recommendations

7. That Schools Forum notes the content of the report.
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2021/22 DSG Revenue Monitoring Quarter 2

DSG Area	Central Services Budget £'000	Total Approved Budget £'000	Central Services Outturn £'000	Outturn £'000	Variance £'000	Comments/Notes
Maintained Schools Budget Share		77,266	0	77,266	0	
DEDELEGATION						
Contingencies		0	0	33	33	
Behaviour support services		151	0	151	0	
Support to UPEG and bilingual learners		247	0	247	0	
Staff costs		180	0	180	0	Maternity Credits & TU facilitator costs
HIGH NEEDS BUDGET						
High Needs Budget (including Special Schools, PRU and Additional Support Top-ups)	447	19,534	447	18,912	(622)	-£385k Independent schools -£189k Special schools - OOB income -£129k PRU -£108k Alternative provision +£276k Maintained and Academy
EARLY YEARS BUDGET						
2,3 and 4 year-olds funding to PVI's	0	9,541	0	8,753	(788)	-£162k 2 year-olds, -£546k 3-4 year olds -£13k staff costs
CENTRAL PROVISION WITHIN SCHOOLS BUDGET						
Contribution to combined budgets	148	431	148	441	10	
School admissions		141	0	134	(7)	
Servicing of schools forums		116	0	91	(25)	
Termination of employment costs		313	0	320	7	Premature Retirement costs
Pupil growth/ Infant class sizes		607	0	607	0	
Other Items		139	0	139	0	CLA/ MPA Licences top sliced from DSG for all school licences
Statutory/ Regulatory duties		358	0	358	0	ESG top slice agreed by Schools Forum
TOTAL DSG	595	109,024	595	107,632	(1,392)	

	£'000	Comments/Notes
Reserves balance at 31 March 2021	(2,241)	
Appropriation to reserve: in year adjustments	230	EY 20/21 clawback
Appropriation (to)/from reserve: in-year (surplus)/deficit	(1,392)	
Projected reserve balance at 31 March 2022 (surplus) / deficit	(3,403)	