

TITLE OF REPORT: Dedicated Schools Grant Revenue Q3 2021/22

Purpose of the Report

1. To inform Schools Forum of the quarter 3 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 £107.073m. This has reduced by £1.951m since the quarter 2 report primarily due to academy conversions and an in year Early Years clawback of £0.857m.
5. At quarter 3, the projected year-end outturn for the year was £106.669m, an underspend of £0.404m. The projections are based on expected activity at the time of preparing the report. The in-year Early Years clawback has significantly reduced the expected underspend position. The main areas of remaining underspend relate to: independent schools top ups, special schools top-ups, the PRU, alternative provision and SEN Support Services which are partially being offset by maintained and academy top ups.
6. The balance of the DSG reserve at 31 March 2021 was £2.241m. Factoring in the in year underspend of £0.404m and the Early Years adjustment for 2020/21 of £0.230m, it is forecast that the balance will increase to £2.415m at 31 March 2022.

Proposal

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

Recommendations

8. That Schools Forum notes the content of the report.
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2021/22 DSG Revenue Monitoring Quarter 3

DSG Area	Central Services Budget £'000	Total Approved Budget £'000	Central Services Outturn £'000	Outturn £'000	Variance £'000	Comments/Notes
Maintained Schools Budget Share		76,133	0	76,133	0	Reduced further due to a cademy conversions
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		177	0	108	(69)	Maternity Credits & TU facilitator costs
HIGH NEEDS BUDGET						
High Needs Budget (including Special Schools, PRU and Additional Support Top-ups)	447	19,586	447	19,176	(410)	-£209k Independent schools -£221k Special schools - OOB income -£135k PRU -£124k Alternative provision -£130k SEN Support Services +£449k Maintained and Academy
EARLY YEARS BUDGET						
2,3 and 4 year-olds funding to PVI's	0	8,674	0	8,734	60	£857k in year clawback January 22
CENTRAL PROVISION WITHIN SCHOOLS BUDGET						
Contribution to combined budgets	148	431	148	443	12	
School admissions		141	0	134	(7)	
Servicing of schools forums		116	0	86	(30)	
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	107,073	595	106,669	(404)	Appropriated to DSG reserve

	£'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	(404)	
Projected reserve balance at 31 March 2022 (surplus) / deficit	(2,415)	