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

Purpose of the Report

1. To inform Schools Forum of the provisional outturn position of Dedicated Schools Grant (DSG) for 2020/21.

Background

2. 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.
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.
4. The final outturn report for 2020/21 is included at Appendix 1, which shows an outturn of £104.362m against the budget of £105.590m; an underspend of £1.227m. This is a movement of £0.596m on the quarter 3 position and relates primarily to:
 - within HNB, the final outturn on alternative provision and top-up funding being less than previously projected, resulting in an overall underspend of £0.569m on HNB;
 - a further reduction in Early Years spending resulting in overfunding / underspending of £0.318m on statutory nursery entitlement in PVI's and nursery classes in schools.
5. The balance of the DSG reserve at 31 March 2020 was £1.212m. The in-year underspend, together with the 2019/20 Early Years clawback of £0.198m, will result in the reserve increasing to £2.241m at 31 March 2021. There is an expectation that there will be some clawback in July 2021 (estimated at c£0.260m) and an adjustment to the 2020/21 Early Years funding (estimated at c£0.450m) due to a reduction in the numbers of 2,3 and 4-year-olds eligible for statutory nursery provision in the January 2021 census.

Proposal

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

Recommendations

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

CONTACT: Terence Appleby ext. 2468

Appendix 1
2020/21 DSG Revenue Monitoring Quarter 4

DSG Area	Total Approved Budget £'000	Outturn £'000	Variance £'000	Comments/Notes
Maintained Schools Budget Share	75,731	75,581	(149)	Academy conversion adjustment; overfunding of Early Years
DEDELEGATION				
Contingencies	0	5	5	
Behaviour support services	211	211	0	
Support to UPEG and bilingual learners	268	232	(36)	
Staff costs	180	118	(62)	Maternity Credits & TU facilitator costs
HIGH NEEDS BUDGET				
High Needs Budget (including Special Schools, PRU and Additional Support Top-ups)	18,344	17,775	(569)	-£0.200m Special schools, maintained schools & academies top-ups -£0.315m Alternative provision -£0.054m Staffing & other provision
EARLY YEARS BUDGET				
2,3- and 4-year-olds funding to PVI's	9,151	8,833	(318)	-£0.080m 3/4-year-olds -£0.152m 2-year-olds -£0.090m inclusion fund
CENTRAL PROVISION WITHIN SCHOOLS BUDGET				
Contribution to combined budgets	501	467	(33)	
School admissions	127	129	2	
Servicing of Schools Forums	116	112	(4)	
Termination of employment costs	313	319	6	
Pupil growth/ Infant class sizes	150	80	(70)	Growth fund
Other Items	140	140	0	
Statutory/ Regulatory duties	358	358	0	
TOTAL DSG	105,590	104,362	(1,227)	Appropriated to DSG reserve

	£'000
Reserves balance at 31 March 2020	(1,212)
Appropriation from reserve: July Early Years adjustment re 2019/20	198
Appropriation to reserve: in-year surplus	(1,227)
Projected reserve balance at 31 March 2021 (surplus) / deficit	(2,241)