

Item 3

TITLE OF REPORT: Quarter 2 DSG Monitoring

Purpose of the Report

1. To inform Schools Forum of the projected outturn position, as at the end of quarter 2, of Dedicated Schools Grant (DSG) for 2023/24.

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 2023/24 is £110.580m.
5. The projected outturn for the year is £110.997m, an overspend of £0.417m. The projections are based on expected activity at the time of preparing the report. The main areas of variance are:
 - +£907k top ups for maintained and academy schools
 - +£310k SEN Support Services
 - -£157k alternative provision
 - -£173k Support for Inclusion
 - -£360k Early Years Block as actual places are less than estimated
6. The balance of the DSG reserve at 31 March 2023 was £3.965m. Factoring in the in year overspend of £0.417m and the Early Years clawback for 2022/23 of £0.182m would decrease the balance to £3.366m at 31 March 2024.

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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2023/24 DSG Revenue Outturn as at quarter 2

DSG Area	Total Approved Budget £'000	Outturn £'000	Variance £'000	Comments/Notes
Maintained Schools Budget Share	74,564	74,564	0	
DEDELEGATION				
Contingencies	0	2	2	
Behaviour support services	266	280	14	
Support to UPEG and bilingual learners	205	127	(78)	Change in staffing structure. Recruiting to posts
Staff costs	156	101	(55)	Maternity Credits & TU facilitator costs
HIGH NEEDS BUDGET				
High Needs Budget (including Special Schools, PRU and Additional Support Top-ups)	24,819	25,671	852	
EARLY YEARS BUDGET				
2,3 and 4 year-olds funding to PVI's	9,167	8,807	(360)	
CENTRAL PROVISION WITHIN SCHOOLS BUDGET				
Contribution to combined budgets	77	78	1	
School admissions	234	225	(9)	
Servicing of schools forums	47	47	0	
Termination of employment costs	313	345	32	Premature Retirement costs
Pupil growth/ Infant class sizes	24	24	0	
Other Items	148	166	18	CLA/ MPA Licences top sliced from DSG for all school licences
Education Welfare service	143	143	0	
Statutory/ Regulatory duties	417	417	0	Includes ESG topslice agreed by Schools Forum
TOTAL DSG	110,580	110,997	417	

	£'000	Comments/Notes
Reserves balance at 31 March 2023	(3,965)	
Appropriation from reserve: in year adjustments	182	EY 22/23 clawback
Appropriation (to)/from reserve: in-year (surplus)/deficit	417	
Projected reserve balance at 31 March 2024 (surplus) / deficit	(3,366)	