
Dedicated Schools Grant Monitoring Report

2022/23 – Quarter One

Report being considered by: Schools' Forum on 18th July 2022

Report Author: Ian Pearson

Item for: Information **By:** All Forum Members

1. Purpose of the Report

- 1.1 To report the forecast financial position of the services funded by the Dedicated Schools Grant (DSG), highlighting any under or over spends, and to highlight the cumulative deficit on the DSG.

2. Recommendation

- 2.1 That the report be noted.

Will the recommendation require the matter to be referred to the Council or the Executive for final determination?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
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3. Background

- 3.1 The Dedicated Schools Grant (DSG) is a ring fenced specific grant which can only be spent on school/pupil activity as set out in The School and Early Years Finance (England) Regulations 2018. The Local Authority and Schools' Forum are responsible for ensuring that the DSG is deployed correctly according to the Regulations. Monitoring of spend against the grant needs to take place regularly to enable decision making on over spends/under spends and to inform future year budget requirements.
- 3.2 There are four DSG funding blocks: Schools Block, High Needs Block, Early Years Block and Central Schools Services Block. The funding for each of the four blocks is determined by a national funding formula.

4. 2022/23 Budget Setting

- 4.1 The 2022/23 Dedicated Schools Grant allocation is £157.3m. This includes £48.6m which funds Academies and post-16 high needs places which is paid direct by the Education and Skills Funding Agency (ESFA) to schools. The DSG budget for 2022/2 has been built utilising the remaining grant of £108.7m.
- 4.2 The schools block is ring fenced but the Local Authority can transfer up to 0.5% of the funding out of the schools block with Schools Forum agreement. The other blocks are not subject to this limitation on transfers. For the 2022/23 budget, Schools Forum agreed to transfer 0.25% of the Schools Block funding to the High Needs Block amounting to £300k for invest to save projects.

4.3 The DSG expenditure budgets required for 2022/23 total £109.3m, which is £1.7m more than the funding available. As a result, a £1.7m in-year efficiency target has been set against this in order to balance the DSG budget, against the High Needs Block

4.4 There is a brought forward deficit on the DSG of £2.964m.

5. Quarter One Forecast (30 June 2022)

5.1 The forecast position at the end of June is shown in Table 1. A more detailed position per cost centre is shown in Appendix A.

Prior Years			Table 1 - DSG Block forecast 2022/23	2022/23				Deficit/ (surplus)
2019/20 Outturn £'000	2020/21 Outturn £'000	2021/22 Outturn £'000		Original Budget £'000	Budget Changes £'000	Final Budget £'000	Quarter 1 Forecast £'000	
			Expenditure:					
63,320	64,558	70,512	Schools Block (inc ISB)	71,663	0	71,663	71,663	0
10,042	10,441	9,899	Early Years Block	10,030		10,030	10,030	0
1,054	981	1,001	Central School Services Block	992		992	984	(8)
19,967	20,939	23,827	High Needs Block	26,638		26,638	26,515	(123)
(341)	0	0	High Needs Block In-Year deficit recovery	(1,707)		(1,707)	0	1,707
94,041	96,919	105,240	Total Expenditure	107,615	0	107,615	109,191	1,575
			DSG Grant Income:					
(63,602)	(65,700)	(70,293)	Schools Block	(71,663)		(71,663)	(71,663)	0
(9,491)	(10,229)	(9,834)	Early Years Block	(10,016)		(10,016)	(10,016)	0
(976)	(959)	(1,009)	Central School Services Block	(992)		(992)	(992)	0
(18,365)	(20,148)	(22,601)	High Needs Block	(24,944)		(24,944)	(24,944)	0
(92,434)	(97,037)	(103,737)	Total DSG Income	(107,615)	0	(107,615)	(107,615)	0
(16)	(112)		In-year adjustments					
(92,450)	(97,149)	(103,737)	Total Income	(107,615)	0	(107,615)	(107,615)	0
			In year net deficit/(surplus):					
(282)	(1,142)	219	Schools Block	0	0	0	0	0
551	211	65	Early Years Block	13	0	13	13	0
78	22	(8)	Central School Services Block	0	0	0	(8)	(8)
1,245	679	1,227	High Needs Block	(13)	0	(13)	1,571	1,584
1,591	(230)	1,503	Net In-year Deficit	0	0	0	1,575	1,575
100	1,691	1,461	Deficit Balance in reserves	2,964		2,964	2,964	2,964
			In year reserve movement	0		0	108	108
1,691	1,461	2,964	Cumulative Deficit	2,964	0	2,964	4,647	4,647

5.2 The Quarter One forecast shows an in-year forecast deficit of £1.6m, against the in-year efficiency target in the High Needs Block. When added to the cumulative deficit of £2.96m, the forecast year end deficit on the DSG is £4.6m.

5.3 The reported underspend on the High Needs Block of £123k relates to £75k saving on Medical Home Tuition due to a delay in recruitment and £48k in relation to forecast underspends on top up funding.

5.4 The table below shows the forecast position for the end of 2022/23 by block. The surplus balance on the Schools Block of £1.5m is supporting the forecast overspend position on the other blocks.

Reserve Balances (surplus)/deficit	1.4.2022 Actual	Change in reserves	In-year Deficit/ (Surplus)	31.3.2023 Forecast
Schools Block De-delegated	(245)	108	0	(137)
Schools Block - growth fund	(1,283)	0	0	(1,283)
Schools Block - other	(88)	0	0	(88)
Early Years Block	914	0	0	914
Central School Services Block	64	0	(8)	56
High Needs Block	3,597	0	1,584	5,180
Grant changes	6	0	0	6
Total Deficit Balance	2,964	108	1,575	4,648

6. Conclusion

- 6.1 The total forecast deficit on the DSG amounts to £4.6m, comprising £2.96m from previous years and a further £1.68m forecast overspend in year. The forecast position will be kept under review and updates provided to Schools' Forum

Appendix A – DSG 2022-23 Budget Monitoring Report Month 3

Dedicated School's Grant (DSG) 2022/2023 Budget Monitoring Month Three

Cost Centre	Description	Original Budget 2022/23	Net Virements in year	Amended Budget 2022/23	Forecast	Variance	Comments
90020	Primary Schools (excluding nursery funding)	52,073,450		52,073,450	52,073,450	0	
DSG top slice	Academy Schools Primary	0		0	0	0	
90025	Secondary Schools (excluding 6th form funding)	18,816,950		18,816,950	18,816,950	0	
DSG top slice	Academy Schools Secondary	0		0	0	0	
90230	DD - Schools in Financial Difficulty (primary schools)	30,000		30,000	30,000	0	
90113	DD - Trade Union Costs	52,750		52,750	52,750	0	
90255	DD - Support to Ethnic minority & bilingual Learners	203,140		203,140	203,140	0	
90349	DD - Behaviour Support Services	214,770		214,770	214,770	0	
90424	DD - CLEAPSS	3,210		3,210	3,210	0	
90470	DD - School Improvement	195,570		195,570	195,570	0	
90423	DD - Statutory & Regulatory Duties	119,980		119,980	119,980	0	
90235	School Contingency - Growth Fund/Falling Rolls Fund	0		0	0	0	
90054	Funding from reserves	-107,970		-107,970	-107,970	0	
	SSR	61,075		61,075	61,075	0	
	Schools Block Total	71,662,925	0	71,662,925	71,662,925	0	
90583	National Copyright Licences	153,500		153,500	153,500	0	
90019	Servicing of Schools Forum	46,480		46,480	46,480	0	
90743	School Admissions	179,010		179,010	179,010	0	
90354	ESG - Education Welfare	161,900		161,900	161,900	0	
90460	ESG - Statutory & Regulatory Duties	320,590		320,590	320,590	0	
90054	Efficiency Target	8,360		8,360	0	-8,360	unallocated 22/23 grant to be used to off-set reserve deficit
	SSR	122,112		122,112	122,112	0	
	Central School Services Block DSG	991,952	0	991,952	983,592	-8,360	

Dedicated School's Grant (DSG) 2022/2023 Budget Monitoring Month Three

Cost Centre	Description	Original Budget 2022/23	Net Virements in year	Amended Budget 2022/23	Forecast	Variance	Comments
90010	Early Years Funding - Nursery Schools	824,890		824,890	824,890	0	
90037	Early Years Funding - Maintained Schools	1,875,190		1,875,190	1,875,190	0	
90036	Early Years Funding - PVI Sector	6,165,370		6,165,370	6,165,370	0	
90052	Early Years PPG & Deprivation Funding	235,690		235,690	235,690	0	
90053	Disability Access Fund	42,400		42,400	42,400	0	
90018	2 year old funding	736,930		736,930	736,930	0	
90017	Central Expenditure on Children under 5	281,980		281,980	281,980	0	
90287	Pre School Teacher Counselling	75,700		75,700	75,700	0	
90238	Early Years Inclusion Fund	90,000		90,000	90,000	0	
90054	Early Years adjustment re grant funding	-367,900		-367,900	-367,900	0	awaiting 21/22 final income adjustment
	SSR	69,307		69,307	69,307	0	
	Early Years Block Total	10,029,557	0	10,029,557	10,029,557	0	
90026	Academy Schools RU Top Ups	1,000,000		1,000,000	1,000,000	0	
90539	Special Schools - Top Up Funding	4,924,490		4,924,490	4,924,490	0	
90548	Non WBC Special Schools - Top Up Funding	620,810		620,810	445,980	-174,830	
90554	Non WBC free schools	331,700		331,700	517,270	185,570	
90556	Non WBC free schools	775,390		775,390	775,390	0	
90575	Non LEA Special School (OofA)	1,114,000		1,114,000	1,061,390	-52,610	
90579	Independent Special School Place & Top Up	4,656,200		4,656,200	4,591,680	-64,520	
90580	Further Education Colleges Top Up	1,016,940		1,016,940	959,580	-57,360	
90617	Resourced Units top up Funding maintained	314,000		314,000	314,000	0	
90618	Non WBC Resourced Units - Top Up Funding	180,640		180,640	176,540	-4,100	
90621	Mainstream - Top Up Funding maintained	850,000		850,000	873,770	23,770	

Dedicated School's Grant (DSG) 2022/2023 Budget Monitoring Month Three

Cost Centre	Description	Original Budget 2022/23	Net Virements in year	Amended Budget 2022/23	Forecast	Variance	Comments
90622	Mainstream - Top Up Funding Academies	510,000		510,000	510,000	0	
90624	Non WBC Mainstream - Top Up Funding	161,780		161,780	166,800	5,020	
90625	Pupil Referral Units - Top Up Funding	830,140		830,140	830,140	0	
90627	Disproportionate No: of HN Pupils NEW	42,000		42,000	42,000	0	
90628	EHCP PRU Placement	767,020		767,020	767,020	0	
	High Needs Block: Top Up Funding Total	18,095,110	0	18,095,110	17,956,050	-139,060	
90320	Pupil Referral Units	660,000		660,000	660,000	0	
90540	Special Schools	2,860,000		2,860,000	2,860,000	0	
90546	Special Schools - Place Funding Post 16	790,000		790,000	790,000	0	
90551	Mainstream Maintained - post 16 SEN places	44,000		44,000	44,000	0	
90552	Special Schools and PRU Teachers Pay and Pension	312,050		312,050	312,050	0	
90584	Resourced Units - Place Funding	226,000		226,000	242,000	16,000	
	High Needs Block: Place Funding Total	4,892,050	0	4,892,050	4,908,050	16,000	
90240	Applied Behaviour Analysis	167,910		167,910	234,600	66,690	
90280	Special Needs Support Team	334,140		334,140	334,140	0	
90281	SEND Strategy (DSG)	60,740		60,740	60,740	0	
90282	Medical Home Tuition	386,090		386,090	311,090	-75,000	£75k underspend due to time lag between funding and recruitment
90237	High Needs Contingency	273,780		273,780	273,780	0	
90287	Pre School Teacher Counselling	75,700		75,700	75,700	0	
90288	Elective Home Education Monitoring	29,310		29,310	29,310	0	
90290	Sensory Impairment	243,900		243,900	251,820	7,920	
90295	Therapy Services	323,820		323,820	323,820	0	
90372	Therapeutic Thinking	55,900		55,900	55,900	0	
90373	Emotional Based School Avoiders (EBSA)	123,840		123,840	123,840	0	
90555	LAL Funding	135,740		135,740	135,740	0	
90565	Equipment For SEN Pupils	15,000		15,000	15,000	0	
90577	SEN Commissioned Provision	584,480		584,480	584,780	300	
90582	PRU Outreach	61,200		61,200	61,200	0	
90585	HN Outreach Special Schools	50,000		50,000	50,000	0	
90610	Hospital Tuition	39,950		39,950	39,950	0	

Dedicated School's Grant (DSG) 2022/2023 Budget Monitoring Month Three							
Cost Centre	Description	Original Budget 2022/23	Net Virements in year	Amended Budget 2022/23	Forecast	Variance	Comments
90830	ASD Teachers	288,330		288,330	288,330	0	
90961	Vulnerable Children	179,400		179,400	179,400	0	
90581	Dingleys Promise	30,000		30,000	30,000	0	
	High Needs Block: Non Top Up or Place Funding	3,459,230	0	3,459,230	3,459,140	-90	
90054	Efficiency Target	-1,706,840		-1,706,840	0	1,706,840	
	SSR	191,506		191,506	191,506	0	
	High Needs Block Total	24,931,056	0	24,931,056	26,514,746	1,583,690	
	TOTAL DSG EXPENDITURE	107,615,490	0	107,615,490	109,190,820	1,575,330	
90030	DSG Grant Account	-107,615,490		-107,615,490	-107,615,490	0	
	Net In-year Deficit	0	0	0	1,575,330	1,575,330	
	Deficit Balance brought forward	2,964,515		2,964,515	2,964,515	0	
	In year reserve movement				107,970	107,970	
	Cumulative Deficit	2,964,515	0	2,964,515	4,647,815	1,683,300	