
Dedicated Schools Grant Monitoring Report 2023/24 – Quarter Three

Report being considered by: Schools Forum on 22nd January 2024

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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.

3. Introduction/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 2023. 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. Supporting Information

- 4.1 The 2023/24 Dedicated Schools Grant allocation is £167.8m. This includes £52m 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 2023/24 has been built utilising the remaining grant of £115.7m
- 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 2023/24 budget, no balances were transferred.
- 4.3 The DSG expenditure budgets required for 2023/24 total £118.7m, which is £3m more than the funding available. As a result, a £3m 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 £4.761m.

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

Prior Years			2023/24							
2020/21 Outturn	2021/22 Outturn	2022/23 Outturn	Table 1 - DSG Block forecast 2023/24	Original Budget	Budget Changes	Final Budget	Quarter 1 Forecast	Quarter 2 Forecast	Quarter 3 Forecast	Deficit/ (surplus)
£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000
			Expenditure:							
64,558	70,512	73,090	Schools Block (inc ISB)	76,952	0	76,952	76,952	76,952	76,952	0
10,441	9,899	10,240	Early Years Block	10,848	0	10,848	10,848	10,849	10,849	1
981	1,001	967	Central School Services Block	973		973	966	967	954	(20)
20,939	23,827	26,456	High Needs Block	29,946	0	29,946	30,125	31,531	31,526	1,580
0	0	0	High Needs Block In-Year deficit recovery	(3,065)		(3,065)	0	0	0	3,065
96,919	105,240	110,754	Total Expenditure	115,656	0	115,656	118,892	120,300	120,282	4,626
			DSG Grant Income:							
(65,700)	(70,293)	(72,937)	Schools Block	(76,952)	0	(76,952)	(76,952)	(76,952)	(76,952)	0
(10,229)	(9,834)	(10,102)	Early Years Block	(10,848)	0	(10,848)	(10,848)	(10,848)	(10,848)	0
(959)	(1,009)	(992)	Central School Services Block	(973)		(973)	(973)	(973)	(973)	0
(20,148)	(22,601)	(24,983)	High Needs Block	(26,882)	0	(26,882)	(26,882)	(26,882)	(26,882)	0
(97,037)	(103,737)	(109,014)	Total DSG Income	(115,656)	0	(115,656)	(115,656)	(115,656)	(115,656)	0
(112)		(53)	In-year adjustments							
(97,149)	(103,737)	(109,067)	Total Income	(115,656)	0	(115,656)	(115,656)	(115,656)	(115,656)	0
			In year net deficit/(surplus):							
(1,142)	219	153	Schools Block	0	0	0	0	0	0	0
211	65	138	Early Years Block	(0)	0	(0)	(0)	1	1	1
22	(8)	(25)	Central School Services Block	0	0	0	(7)	(6)	(20)	(20)
679	1,227	1,474	High Needs Block	0	0	0	3,243	4,649	4,645	4,645
		(50)	Grant adjustment (re PPG)							
(230)	1,503	1,689	Net In-year Deficit	(0)	0	(0)	3,237	4,644	4,626	4,626
1,691	1,461	2,964	Deficit Balance in reserves	4,761		4,761	4,761	4,761	4,761	4,761
		108	In year reserve movement	0		0	148	148	148	148
1,461	2,964	4,761	Cumulative Deficit	4,761	0	4,761	8,145	9,553	9,535	9,535

4.6 The Quarter Three forecast shows an in-year forecast deficit of £4.6m, against the in-year efficiency target in the High Needs Block. When added to the cumulative deficit of £4.76m, the forecast year end deficit on the DSG is £9.5m.

4.7 The reported overspend on the High Needs Block is £4.6m. £3m of this was set as an in-year efficiency target which remains unmet. The remaining £1.58m reflects the current pressures on top up funding in schools. £892k of this is in mainstream schools covering additional EHCPs and funding awarded to schools who have children on roll who would be in a special school, if places were available.

4.8 The underspend forecast on the Central School Services block is in relation to one-off staffing savings and additional income from fixed penalty notices.

4.9 The table below shows the forecast position for the end of 2023/24 by block. The surplus balance on the Schools Block of £1.2m is supporting the forecast overspend position on the other blocks.

Reserve Balances (surplus)/deficit	1.4.2023 Actual	Change in reserves	In-year Deficit/ (Surplus)	31.3.2024 Forecast
Schools Block - growth fund	(996)	0	0	(996)
Schools Block De-delegated	(267)	148	0	(119)
Schools Block - other	(92)	0	0	(92)
Early Years Block	1,052	0	1	1,053
Central School Services Block	39	0	(20)	19
High Needs Block	5,070	0	4,645	9,715
Grant changes	(45)	0	0	(45)
Total Deficit Balance	4,761	148	4,626	9,534

5. Conclusion

- 5.1 The total forecast deficit on the DSG amounts to £9.5m, comprising £4.76m from previous years and a further £4.6m forecast overspend in year. The forecast position will be kept under review and updates provided to Schools' Forum.

6. Appendices

- 6.1 Appendix A – DSG 2023-24 Budget Monitoring Report Month 9

Dedicated School's Grant (DSG) 2023/2024 Budget Monitoring Month Nine

Cost Centre	Description	Original Budget 2023/24	Net Virements in year	Amended Budget 2023/24	Forecast	Variance	Comments
90020	Primary Schools (excluding nursery funding)	55,688,850		55,688,850	55,688,850	0	
DSG top slice	Academy Schools Primary	0		0	0	0	
90025	Secondary Schools (excluding 6th form funding)	20,405,140		20,405,140	20,405,140	0	
DSG top slice	Academy Schools Secondary	0		0	0	0	
90230	DD - Schools in Financial Difficulty (primary schools)	0		0	0	0	
90113	DD - Trade Union Costs	57,830		57,830	57,830	0	
90255	DD - Support to Ethnic minority & bilingual Learners	186,100		186,100	186,100	0	
90349	DD - Behaviour Support Services	234,910		234,910	234,910	0	
90424	DD - CLEAPSS	3,210		3,210	3,210	0	
90470	DD - School Improvement	308,160		308,160	308,160	0	
90423	DD - Statutory & Regulatory Duties	124,230		124,230	124,230	0	
90235	School Contingency - Growth Fund/Falling Rolls Fund	0		0	0	0	
90054	De-delegated funding from reserves	-147,692		-147,692	-147,692	0	
	SSR	91,756		91,756	91,756	0	
	Schools Block Total	76,952,494	0	76,952,494	76,952,494	0	
90583	National Copyright Licences	168,090		168,090	168,090	0	
90019	Servicing of Schools Forum	45,030		45,030	43,050	-1,980	
90743	School Admissions	189,150		189,150	189,150	0	
90354	ESG - Education Welfare	177,480		177,480	156,980	-20,500	one-off saving on staffing costs plus FPN income considerably higher than budget
90460	ESG - Statutory & Regulatory Duties	294,530		294,530	298,210	3,680	
90054	Efficiency Target	997		997	0	-997	unallocated 23/24 grant to be used to off-set reserve deficit
	SSR	98,039		98,039	98,039	0	
	Central School Services Block DSG	973,316	0	973,316	953,519	-19,797	
90010	Early Years Funding - Nursery Schools	931,080		931,080	931,080	0	
90037	Early Years Funding - Maintained Schools	2,016,590		2,016,590	2,016,590	0	
90036	Early Years Funding - PVI Sector	6,202,250		6,202,250	6,202,250	0	
90052	Early Years PPG & Deprivation Funding	218,930		218,930	218,930	0	
90053	Disability Access Fund	43,060		43,060	43,060	0	
90018	2 year old funding	724,260		724,260	724,260	0	
90017	Central Expenditure on Children under 5	339,480		339,480	339,480	0	
90287	Pre School Teacher Counselling	64,040		64,040	65,070	1,030	Teacher payrise element that was more than the budgeted value
90238	Early Years Inclusion Fund	108,000		108,000	108,000	0	
90054	Early Years adjustment re grant funding	122,681		122,681	122,681	0	
	SSR	77,731		77,731	77,731	0	
	Early Years Block Total	10,848,102	0	10,848,102	10,849,132	1,030	

Dedicated School's Grant (DSG) 2023/2024 Budget Monitoring Month Nine

Cost Centre	Description	Original Budget 2023/24	Net Virements in year	Amended Budget 2023/24	Forecast	Variance	Comments
90026	Academy Schools RU Top Ups	985,450		985,450	1,276,100	290,650	
90539	Special Schools - Top Up Funding	5,950,060		5,950,060	5,702,270	-247,790	
90548	Non WBC Special Schools - Top Up Funding	430,660		430,660	432,620	1,960	
90554	Non WBC free schools	536,480		536,480	685,870	149,390	
90556	SEMH provision at Theale	919,000		919,000	987,770	68,770	
90575	Non LEA Special School (OofA)	1,177,630		1,177,630	1,091,690	-85,940	
90579	Independent Special School Place & Top Up	5,566,450		5,566,450	5,413,090	-153,360	
90580	Further Education Colleges Top Up	1,212,000		1,212,000	1,674,370	462,370	
90617	Resourced Units top up Funding maintained	320,630		320,630	560,140	239,510	
90618	Non WBC Resourced Units - Top Up Funding	119,850		119,850	105,640	-14,210	
90621	Mainstream - Top Up Funding maintained	1,142,580		1,142,580	1,668,790	526,210	More EHCP's plus additional special place funding
90622	Mainstream - Top Up Funding Academies	548,920		548,920	914,950	366,030	More EHCP's plus additional special place funding
90624	Non WBC Mainstream - Top Up Funding	180,000		180,000	147,280	-32,720	
90625	Pupil Referral Units - Top Up Funding	999,700		999,700	1,085,000	85,300	
90627	Disproportionate No: of HN Pupils NEW	65,000		65,000	200,000	135,000	
90628	EHCP PRU Placement	920,420		920,420	980,510	60,090	
	High Needs Block: Top Up Funding Total	21,074,830	0	21,074,830	22,926,090	1,851,260	
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	36,000		36,000	36,000	0	
90552	Special Schools and PRU Teachers Pay and Pension	312,050		312,050	324,860	12,810	
90584	Resourced Units - Place Funding	242,000		242,000	242,000	0	
	High Needs Block: Place Funding Total	4,900,050	0	4,900,050	4,912,860	12,810	
90240	Applied Behaviour Analysis	226,660		226,660	284,800	58,140	
90280	Special Needs Support Team	346,350		346,350	351,350	5,000	Capita charge higher than budgeted
90281	SEND Strategy (DSG)	64,940		64,940	50,440	-14,500	
90282	Medical Home Tuition	388,730		388,730	216,330	-172,400	huge reduction in use of casual workers going forward, with emphasis on using permanent staff - plans have been further delayed re way forward so a current year saving
90237	High Needs Contingency	200,960		200,960	110,960	-90,000	£90k saving on i-college expansion
90286	Early Years Speech & Language	0	23,665	23,665	12,290	-11,375	
90287	Pre School Teacher Counselling	90,430		90,430	91,990	1,560	Teacher payrise element that was more than the budgeted value
90288	Elective Home Education Monitoring	34,320		34,320	36,620	2,300	Increased number of children resulting in more visits and therefore mileage claims

Dedicated School's Grant (DSG) 2023/2024 Budget Monitoring Month Nine

Cost Centre	Description	Original Budget 2023/24	Net Virements in year	Amended Budget 2023/24	Forecast	Variance	Comments
90290	Sensory Impairment	282,340		282,340	260,790	-21,550	
90295	Therapy Services	469,700		469,700	494,020	24,320	
90372	Therapeutic Thinking	58,590		58,590	42,000	-16,590	
90373	Emotional Based School Avoiders (EBSA)	134,840		134,840	125,250	-9,590	
90374	SEMH Practitioner	41,490		41,490	32,620	-8,870	
90555	LAL funding	161,690		161,690	161,690	0	
90565	Equipment For SEN Pupils	15,000		15,000	15,000	0	
90577	SEN Commissioned Provision	636,220		636,220	633,250	-2,970	
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	36,180		36,180	36,180	0	
90830	ASD Teachers	285,880		285,880	289,880	4,000	Teacher payrise element that was more than the budgeted value
90961	Vulnerable Children	179,400		179,400	124,400	-55,000	
90581	Dingleys Promise	30,000		30,000	30,000	0	
	High Needs Block: Non Top Up or Place Funding	3,794,920	23,665	3,818,585	3,511,060	-307,525	
90054	Efficiency Target	-3,064,547	-23,665	-3,088,212	0	3,088,212	
	SSR	176,475		176,475	176,475	0	
	High Needs Block Total	26,881,728	0	26,881,728	31,526,485	4,644,757	
	TOTAL DSG EXPENDITURE	115,655,640	0	115,655,640	120,281,630	4,625,990	
90030	DSG Grant Account	-115,655,640		-115,655,640	-115,655,640	0	
	Net In-year Deficit	0	0	0	4,625,990	4,625,990	
	Deficit Balance brought forward	4,761,000		4,761,000	4,761,000	0	
	In year reserve movement				147,692	147,692	Funding from reserves for de-delegations
	Cumulative Deficit	4,761,000	0	4,761,000	9,534,682	4,773,682	

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