

Schools Funding Forum 17th June 2021

ITEM 5

Subject Heading:	Dedicated Schools Grant – Year End Balance 2020-21
Report Author:	Nick Carter – Principal Finance Officer (Schools)
Eligibility to vote:	All members

SUMMARY

This report sets out the year end position on expenditure from the Dedicated Schools Grant in 2020-21 and the proposed use balances in 2021-22.

RECOMMENDATIONS

That the Schools Funding Forum:

- (i) notes the areas of under or overspend from the 2020-21 Dedicated Schools Grant
- (ii) agrees the allocation of funding in financial year 2021-22 as set out in the proposals below

REPORT DETAIL

1. Balance carried forward from 2020-21

Including all earmarked funding from previous financial years, the carry forward balance from centrally retained DSG from 2020-21 into 2021-22 is a deficit of £1,662,056 (0.72% of DSG). The deficit at the end of 2019-20 was £1,034,426, so the in year increase was £627,630.

This is the second year that the combined total of all year end balances of activities funded by the DSG has been in deficit. This is due to DSG underspends in other areas being insufficient to cover the overspend in the High Needs Block.

Any local authority that has an overall deficit on its DSG account at the end of the 2020-21 financial year, or whose DSG surplus has substantially reduced during the year, is required to complete the Dedicated School Grant Management Plan or to have an equivalent framework.

A full breakdown of the under and overspends along with proposals for the allocation of underspends for use in 2021-22 is shown in the tables below.

	Under/(Over) spend	Proposals
Funding Block	£000	
Early Years	952	
Provision for 2 year olds (in-year)	81	As agreed, the use of any unspent balances in the Early Years Block is discussed with EYPRG prior to a decision being made
Provision for 3&4 year olds (in-year)	62	
Centrally retained	108	
Previous year adjustment	701	Previously agreed to earmark for supporting Early Years funding levels for 2021-22

Schools Block	661	
Pupil Growth/Falling Rolls	629	Offset HN deficit *
Other	32	Offset HN deficit *

De-delegation	53	
Maternity/Paternity Scheme	62	Refund to primary/special schools
Trade Union Facility Time	(9)	cfwd as T.U. Facility Time deficit in 2021-22 due to Academy schools not procuring for LA-wide central support

High Needs Block	(3,504)	
In year overspend	(2,920)	Deficit to be partially offset by other DSG underspends
School Block transfer to High Needs	500	Previously agreed balance to support High Needs
Cary forward of overspent DSG from 19-20 (prior year deficit)	(1,084)	Increases the in-year deficit

Central Schools Support	115	
School Partnerships/SCC	16	Offset HN deficit *

Central Services	99	Offset HN deficit *
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Other DSG Funding	58	
Balance of additional grants	61	Offset HN deficit *

TOTAL	(1,662)	2019-20	In year change
		(1,034)	(628)

Committed for 2021-22

De-delegated balances to be returned to schools	62
De-delegated Trade Union Facility Time balance to be carried forward	(9)
Earmarked early years adjustment	701
Total commitments	754

Early Years central retention	108
Balance of early years grant	143
To be determined	251

Revised DSG cfwd to HN Block	(2,667)
<i>Percentage of DSG</i>	<i>1.15%</i>

(1,084)	(1,583)
<i>0.49%</i>	<i>0.66%</i>

Reconciliation of offset of HN deficit

HN deficit	(3,504)
Pupil Growth/Falling Rolls & Other	661
Central Schools Support	115
Grants balance	61
HN deficit carried forward	(2,667)

A breakdown of expenditure from the Growth Fund is shown in Appendix A

USE OF PUPIL GROWTH FUND IN 2020-21		£
PRIMARY		
New permanent expansions in 3 primary schools for 90 places		145,645
Funding of cohorts moving through from previous year permanent expansions 11 schools, 334 additional places (11.5 forms of entry)		304,056
New bulges in primary schools		0
Commitment to schools for unfilled bulge classes from previous year 7 schools, 8 bulge classes, 61 places funded		152,559
Unfilled places in primary schools		270,632
Falling rolls - pupil numbers below 85% of operating PAN in first 2 years		386,618
Allocations to meet infant class size regulations (1 school)		41,613
SECONDARY		
New permanent expansions in 1 secondary school for 30 places		58,514
Funding of cohorts moving through from previous year permanent expansions 8 schools, 236 additional places		441,290
New bulge in secondary schools		0
TOTAL		<u>1,800,927</u>
Budget		2,430,363
Underspend		-629,436
2019-20 expenditure (for comparative purposes)		1,994,077