

## Schools Funding Forum 15<sup>th</sup> June 2023

## ITEM 5

<b>Subject Heading:</b>	<b>Dedicated Schools Grant – Year End Balance 2022-23</b>
<b>Report Author:</b>	<b>Nick Carter – Principal Finance Officer (Schools)</b>
<b>Eligibility to vote:</b>	<b>All members</b>

### SUMMARY

This report sets out the year end position on expenditure from the Dedicated Schools Grant in 2022-23 and the proposed use of balances in 2023-24.

### RECOMMENDATIONS

That the Schools Funding Forum:

- (i) notes the areas of under or overspend from the 2022-23 Dedicated Schools Grant
- (ii) agrees the allocation of funding in financial year 2023-24 as set out in the proposals below

### REPORT DETAIL

#### 1. Balance carried forward from 2022-23

Including all earmarked funding from previous financial years, the carry forward balance from centrally retained DSG from 2022-23 into 2023-24 is a deficit of £8.258m. The revised deficit, after commitments have been taken in consideration, at the end of 2021-22 was £4.728m, so the in-year increase was £3.530m.

This is the fourth year that the combined total of all year end balances of activities funded by the DSG has been in deficit. This is due to High Needs costs rising faster than funding

and 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 2022-23 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.

The DfE have setup a Delivering Better Value (DBV) in SEND Programme, and this new programme commenced in financial year 2022-23. The programme has been phased, starting with a first tranche of 20 authorities in June 2022, followed by a second tranche of 20 authorities in autumn (2022) and the third tranche of 15 authorities in spring (2023). Havering are in the second tranche which commenced in autumn (2022). The DfE prioritised the programme based on those LAs with significant deficits, ensure a balanced spread of advisers and also specific local authority requests.

A full breakdown of the under and overspends along with proposals for the allocation of underspends for use in 2023-24 is shown in the tables below.

	<b>Under/(Over) spend</b>	<b>Proposals</b>
<b>Funding Block</b>	<b>£000</b>	
<b>Early Years</b>	<b>200</b>	
Provision for 2 year olds	(5)	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	351	
Provision for Early Inclusion Funding	(162)	
Centrally retained	16	To be determined

<b>Schools Block</b>	<b>135</b>	Offset HN deficit *
Pupil Growth/Falling Rolls	(31)	
Other	166	

<b>De-delegation</b>	<b>(17)</b>	
Maternity	(135)	An increase in the number of staff on maternity leave
Insurance	83	Cost and claims less than previous year; to offset maternity scheme deficit
Free School Meals Checking Service	7	Cost less than previous year; to offset maternity scheme deficit
Trade Union Facility Time	9	Carry-forward to 23-24
EAL	19	Cost less than previous year; to offset maternity scheme deficit

<b>High Needs Block</b>	<b>(8,614)</b>	
In year overspend	(3,886)	Deficit to be partially offset by other DSG underspends
Cary forward of overspent DSG from 21-22 (prior year deficit)	(4,728)	Increases the in-year deficit

<b>Central Schools Support</b>	<b>12</b>	Offset HN deficit *
School Partnerships/SCC	(20)	
Central Services	32	

<b>Other DSG Funding</b>	<b>26</b>	
Balance of additional grants	26	Released in 2023-24

<b>TOTAL</b>	<b>(8,258)</b>	<b>2022-23</b>	<b>In year change</b>
		(4,728)	(3,530)

#### Committed for 2023-24

Trade Union Facility Time	9
Additional grants to be released	26
<b>Total commitments</b>	<b>35</b>

Early Years central retention	16
Balance of early years grant	184
<b>To be determined</b>	<b>200</b>

<b>Revised DSG cfwd to HN Block</b>	<b>(8,493)</b>
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#### Reconciliation of offset of HN deficit

HN deficit	(8,614)
Schools Block	135
Central Schools Support	8
Other Block Adjustments	(22)
<b>HN deficit carried forward</b>	<b>(8,493)</b>