

REPORT TO: Schools Forum
DATE: 13th October 2021
REPORTING OFFICER: Operational Director - Finance
SUBJECT: DSG forecast outturn for 2021-22
WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

To report to the Schools Forum the Dedicated Schools Grant forecast outturn for 2021-22.

2.0 RECOMMENDATION: That

2.1 The report is noted.

3.0 SUPPORTING INFORMATION

3.1 Grant settlement

The Dedicated Schools Grant allocation for 2021-22 is £130,991,359 broken down as follows:

Schools Block	£99,050,733
CSSB	£698,973
Early Years Block	£9,862,865
High Needs Block	£21,378,788

Of this, £44,821,323 is recouped from the Schools Block and an estimated £3,050,000 is recouped from the High Needs Block for academies etc.

3.2 Schools Block

No transfer to the High Needs Block was requested for 2021-22 so the full amount of £99,050,733 was devolved to mainstream primary and secondary schools and academies through the funding formula.

We are following the National Funding Formula factors and criteria as well as the NFF cash values.

3.3 Central Schools Services Block

We are currently forecasting the CSSB to come in under budget by £22,902. We are unlikely to achieve the income target for Permanently Excluded pupils but this is offset by the CSSB Contingency which as yet has had no calls upon it. The individual budget lines are shown in Appendix A.

3.4 Early Years Block

The Early Years Block is currently showing as coming in under budget by £20,480. This is mainly from an underspend on the Staffing budget and Supplies & Services budgets, offset by a small overspend on the EY SEN Inclusion Fund. Again the individual budget lines are shown in Appendix A.

3.5 High Needs Block

We are currently facing an in-year deficit of £1,236,414 within the High Needs Block. The areas that are overspending are:

	Budget	Forecast	Variance
Top-up funding	£1,872,080	£2,068,851	£196,771 (10.5%)
INMSS	£4,452,830	£5,134,808	£681,978 (15.3%)
Inter Authority	£382,670	£790,423	£407,753 (106.6%)

There are a number of areas forecast to come in under budget, totalling £276k however our High Needs Block grant allocation was reduced by £226k by the DfE in March after our budgets had been set. Therefore the rest of the High Needs Block is coming in £50k under budget.

3.6 DSG Balances

Therefore the in-year position is a deficit of £1,193,032 plus the deficit balance from 2020-21 of £995,742 to give a cumulative deficit of £2,188,774.

For the last two years we have not requested any transfer from the Schools Block to the High Needs Block. This was to allow the increase in the Schools Block to be passed to schools to allow them to be more inclusive. We have said previously that if costs within the High Needs Block continue to rise we would be requesting a transfer of funds for 2022-23.

4.0 FINANCIAL IMPLICATIONS

4.1 Further savings and reducing overspends are essential to getting back to a balanced DSG position.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Children & Young People in Halton

It is essential that schools and education support services receive sufficient funding to allow them to support all children and young people.

5.2 Employment, Learning & Skills in Halton

None.

5.3 A Healthy Halton

None.

5.4 **A Safer Halton**
None.

5.5 **Halton's Urban Renewal**
None.

6.0 RISK ANALYSIS

6.1 If the transfer from the Schools Block to the High Needs Block is not permitted future year's funding and services from the High Needs Block will face some harsh decisions.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.