

REPORT TO: Schools Forum
DATE: 13th July 2022
REPORTING OFFICER: Operational Director - Finance
SUBJECT: DSG Outturn for 2021-22
WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

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

2.0 RECOMMENDATION: That

- 2.1 The deficit balance of DSG from 2021-22 of £1,856,222 is carried forward into the 2022-23 financial year to be noted by Schools Forum.
- 2.2 That a decision is made on the treatment of the unspent Schools delegated contingency budget that has been carried forward into 2022-23.

3.0 SUPPORTING INFORMATION

3.1 Grant settlement

The final amount of DSG allocated to Halton for 2021-22 was £130,991,359 split as follows:

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

3.2 DSG Expenditure

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.

High Needs Block:

The actual overspend for HN block came to £766,634 which is significantly lower than the forecasted outturn. It has been identified that some costs relating to 2021-22 have only been paid in 2022-23. The key areas of overspend include the Independent Special Schools which was overspent by £811,098 and Inter Authority costs which was overspent by £89,691. There have been underspends across other

areas of the High Needs Block, totalling £290,359 which have helped to offset the overspend.

Early Years Block:

The Early Years block has been shown as balanced. The actual spend was £9,121,006, some £984,220 under budget. However, the estimated recovery of Early Years block grant is £983,644 so we would be left with an underspend of £576 if the estimate is correct. This final grant adjustment for 2021-22 should be announced in July, but the actual date is uncertain.

Central School Services Block:

The Central School Services Block has come in over budget by £93,846. This is due to a shortfall of Exclusions and Inter Authority income. We have shown the Schools De-delegated contingency budget of £192,590 as fully spent in order that it can be ring-fenced and carried forward into 2022-23, as we did with the £100,387 of unspent Schools contingency last year. A decision needs to be made whether this total unspent de-delegated contingency is to remain ring-fenced as a Schools contingency budget available in 2022-23.

A breakdown of the 2021-22 outturn position is shown in Appendix A.

3.3 Outturn position

In-year DSG has overspent by £860,480 and taking into consideration the carry forward deficit balance of £995,742 from the previous financial year we have a total DSG deficit of £1,856,222 to be carried forward into 2022-23.

4.0 FINANCIAL IMPLICATIONS

4.1 The Council is required to ensure that DSG funding is allocated in accordance with the regulations attached to each block of DSG. The balance of unspent DSG as at 31st March 2021 will contribute towards budget pressures in 2022-23.

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 The Council will continue to closely monitor the level of DSG spend throughout the year to mitigate against the risk of overspend against available funding.

7.0 EQUALITY AND DIVERSITY ISSUES

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