



BOURNEMOUTH, CHRISTCHURCH, and POOLE SCHOOLS FORUM

Subject	Dedicated Schools Grant (DSG) Budget Monitoring 2021-22
Meeting Date	14 th September 2021
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Status	Public
Classification	For information
Executive Summary	<p>The report considers the projected year end position for the DSG budget 2021-22 of a balanced position against the £9.6 million budgeted funding gap.</p> <p>The cumulative deficit at 31 March 2022 is forecast to be £17.4 million.</p>
Recommendations	To note the contents of the report.
Reasons for Recommendations	Budget monitoring is an important element of current year financial management and budget planning for future years.

Summary DSG Forecast

1. The DSG budget for this year was set with a funding gap of £9.6 million, adding to the deficit brought forward. The quarter one projection is for a balanced position against the budget set.

Table 1: Summary DSG Forecast 2021-22

			Funding	Spend	Net
Early Years	Budget	£000's	-21,283	21,283	0
	Forecast	£000's	-21,283	21,245	-38
	Variance	£000's	0	-38	-38
School Block	Budget	£000's	-227,785	227,624	-161
	Forecast	£000's	-227,785	227,603	-181
	Variance	£000's	0	-21	-21
Central School Services Block	Budget	£000's	-2,058	2,058	0
	Forecast	£000's	-2,058	2,049	-9
	Variance	£000's	0	-9	-9
High Needs Block	Budget	£000's	-48,850	58,587	9,737
	Forecast	£000's	-48,916	58,709	9,793
	Variance	£000's	-66	122	56
Total DSG	Budget	£000's	-299,976	309,552	9,576
	Forecast	£000's	-300,042	309,606	9,564
	Variance	£000's	-66	54	-12

Estimated DSG Income

2. The early years adjustment has not yet been finalised for 2020-21 due to the move to termly census for 2021-22. The allocation for the current year is therefore still provisional but is expected to match spend.
3. The central schools services block remains as budgeted.
4. The £66,000 additional high needs block funding is made up of two adjustments. BCP had received an extra £12,000 for special free school places and £54,000 from the import / export adjustment.

Estimated DSG Expenditure

5. Estimated expenditure for each block is summarised in the appendix. The budgeted overspend on the high needs block, after the 0.5% transfer from schools block, of £9.7 million is offset by the unallocated schools block funding of £161,000.

Early Years Block Spend

6. The early years adjustment has not yet been finalised for 2020-21 due to the move to termly census for 2021-22.
7. The allocation for the current year is therefore still provisional but the funding paid to providers is expected to broadly match the revised allocation. A saving against the cost of the LA duties for this block is expected of £38,000.

Schools Services Block Spend

8. The mainstream schools funding formula is being paid to mainstream schools and recouped by the ESFA as per the formula set in January 2021.
9. A small saving on non-domestic rates bills is expected of £21,000.
10. The growth allocations will be finalised after the autumn census, the forecast is therefore still as budget. The unallocated schools block of £161,000 will contribute to the overall DSG position at year end.

Central Schools Services Block Spend

11. The continuation of schools forum meetings on-line and small savings on the cost of performance licencing are expected to deliver a £9,000 saving against the budget.

High Needs Block Spend

12. Early data on the number of EHCP's for the coming year suggests a £122,000 overspend in addition to the £9.7 million year funding gap, due to higher-than-expected average costs resulting from higher than budgeted use of independent and non-maintained special schools. This is offset by the additional £66,000 funding allocated by the ESFA.

Recommendations

13. The forum is recommended to note the contents of this report.

Financial Implications

14. The DSG deficit was budgeted to grow by £9.6 million in 2021-22. The cumulative deficit at 31 March 2022 is therefore forecast to be £17.4 million.

Legal Implications

15. It is a requirement of the council to monitor budgets during the financial year and best practice that the schools forum is made aware of issues relating to the DSG.

Appendix

Budget Monitoring	Early Years £000's	Schools £000's	Central Services £000's	High Needs £000's	Total Budget £000's	Forecast	
						Outturn £000's	Variance £000's
DSG 2 year olds NFF	-2,427				-2,427	-2,427	0
DSG 3 year olds NFF	-18,661				-18,661	-18,661	0
DSG Pupil Premium	-118				-118	-118	0
DSG Disability Access Fund	-77				-77	-77	0
DSG Prior Year					0		0
DSG NFF School Block		-225,765			-225,765	-225,765	0
DSG Premises		-1,679			-1,679	-1,679	0
DSG Growth Fund NFF (final)		-1,435			-1,435	-1,435	0
Block Transfer		1,094		-1,094	0	0	0
DSG High Needs Block				-47,756	-47,756	-47,822	-66
DSG Central School Services Block			-2,058		-2,058	-2,058	0
Total Funding	-21,283	-227,785	-2,058	-48,850	-299,976	-300,042	-66
Providers - 2 year olds	2,364				2,364	2,364	0
Providers - 3 and 4 Year olds	18,037				18,037	18,038	0
Providers SEN top up grants	501				501	501	0
Early Years Pupil Premium	118				118	118	0
Disability Access Fund	77				77	77	0
Early Years LA duties	185				185	147	-38
Mainstream Schools Formula		227,344			227,344	227,323	-21
Growth Fund - budget		280			280	280	0
School Admissions			423		423	423	0
Servicing Schools Forum			18		18	10	-8
Ex ESG Services (all schools)			1,088		1,088	1,088	0
Commitments - Premature retirements			20		20	20	0
Commitments - ASD Base / other			275		275	275	0
Licences Purchased by DfE			234		234	233	-1
Place Funding				12,849	12,849	12,984	135
Top up Funding - State Sector				16,971	16,971	16,354	-617
Top up Funding - Independent/NMSS				15,351	15,351	16,143	792
Top up Funding - Post Schools				4,791	4,791	4,382	-409
Top up Funding - Pre schools				24	24	30	6
Top up Funding - Excluded Pupils/AP				1,844	1,844	1,534	-310
Commissioned Services including Outreach				1,534	1,534	1,578	44
Hospital Education Top up				98	98	0	-98
Bespoke SEN /Therapies				2,870	2,870	1,981	-889
Awaiting school placement				0	0	1,535	1,535
Support for Inclusion				141	141	71	-70
Special Schools Teachers Pay & Pension Grants				740	740	743	3
Early Years Central SEN support				616	616	616	0
Sensory Impaired Service				758	758	758	0
Total Expenditure	21,283	227,624	2,058	58,587	309,552	309,606	54
In-year (Surplus) / Deficit	0	-161	0	9,737	9,576	9,564	-12
(Surplus) / Deficit bf						7,853	
(Surplus) / Deficit cf						17,417	