



Report to Schools Forum

Date: 16th January 2024

Title: Dedicated Schools Budget – Revenue Budget Monitoring 2023-24

Author: Sarah Fogden, Head of Finance, Children’s Services

Recommendations:

Schools Forum is asked to note the revenue budget monitoring forecast at the end of December (Period 9)

Reason for decision: For Information

1. Purpose of the Report

1.1. This report updates Schools Forum on the current forecast for the Dedicated Schools Grant (DSG) budget for the 2023-24 financial year, based on the spend to 31st December 2023 (period 9).

2. Forecast 2023-24

2.1. The overall Dedicated Schools Budget is currently projected to overspend by £1.76m as at the end of December.

Table 1: DSG Forecast spend 2023-24

| | Budget £'000 | Forecast £'000 | Forecast Variance £'000 | % |
|-------------------|-----------------|-------------------|-------------------------------|----|
| Central Block | 4,935 | 5,097 | 163 | 3% |
| Early Years Block | 39,568 | 39,568 | 0 | 0% |
| High Needs Block | 114,594 | 116,188 | 1,594 | 1% |
| Schools Block | 171,678 | 171,678 | 0 | 0% |
| | 330,775 | 332,531 | 1,757 | |

2.2 The main reason for the projected overspend on DSG is the forecast overspend on the High Needs block of £1.594m. A summary of the current forecast against the

high needs block is attached as an appendix to this report. The projected overspend includes an additional £1.8m of independent special schools spend. This is an increase from the forecast at the end of P7, as additional costs are now charged to High Needs reflecting the cost of Education for young people with plans in the Cross Regional social care contract. This in line with the DfE High Needs Operational guidance. Top-ups in Early Years and Mainstream (for both those with plans and without plans) shows an overspend of £2.783 reflecting the expansion in the numbers supported. This has reduced by £0.211 from the forecast at P7.

2.3 Offsetting this are underspends of £0.984m in Integrated therapies due to delays in recruiting staff to deliver the contract and a reduced forecast for Post 16 which reflects updated data. In addition, there is a forecast decrease in Special School top-up, as the forecast has been amended for take-up of places by other local authorities.

2.4 Schools block is currently projected to break even.

2.5 Central schools services block is projected to overspend by £0.163m due to pressures against the budget for Premature Retirement Costs as costs continue to exceed the available budget.

3 DSG Reserve

3.1 Any variance against the DSG is to be managed through the DSG reserve which is ringfenced. At the start of the 2023-24 financial year the council had a deficit of £1.6m against its DSG reserve.

3.2 The current projected overspend will increase the deficit at the end of the year to £3.4m.

