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| <b>Report Title</b>     | Revenue Report - February 2023                                  |
| <b>Meeting</b>          | Schools Forum   |
| <b>Date</b>             | 21 February 2023  |
| <b>Chair</b>            | Jenny Sims  |
| <b>Report Author(s)</b> | Carol Worne, Strategic Finance Business Partner, Sutton Council |
| <b>Open/Exempt</b>      | Open  |

## 1 Summary

- 1.1 This report provides an update on the Dedicated Schools Grant (DSG) since the last meeting of the Forum.

## 2 Recommendations

- 2.1 To note the latest position on the DSG for 2022/23, as at January 2023 (month 10).
- 2.2 To note the report on £150k DSG contribution to Children's Services placements/

## 3 Background

- 3.1 Spending decisions on the DSG were agreed by the Schools Forum in February 2022 for the financial year 2022/23. This report refers to issues that have arisen since the last meeting on 17 January 2023 and provides details of the latest DSG budget for 2022/23.

## 4 DSG Budget 2022/23

- 4.1 The latest DSG allocation for 2022/23 is £112.493m after recoupment for academies and high needs place funding provision of £133.324m and £7.668m respectively.
- 4.2 Attached, at Appendix A, is a breakdown of the DSG for 2022/23 and the variance as at January 2023 (month 10). The highlighted areas in the high needs block indicate the SEN budget. The DSG is currently forecasting an overspend, as at month 10, of £621k, this forecast is unchanged from the previous report as at Month 8.
- 4.3 There is a forecast £721k overspend in the High Needs Block and a forecast £100k underspend in Early Years. The projection includes an allowance for future placements based on current placement costs projected to March 2023, with a net increase of 17 EHCP learners per month, at an average annual cost of £15k per learner. Further details of the High Needs forecast will be provided in the meeting.
- 4.4 The current in-year forecast overspend will be offset by the cumulative surplus balance on the DSG. The 2023/24 brought forward balance was £1.367m, of which £497k was drawn

back into the 2022/23 budget, as it was committed at year end, for SENCo Cluster Groups (£390k) and Statutory Exclusions (£107k), this leaves a balance of £0.870m, assuming the drawdown values are fully spent.

- 4.5 As requested at the previous Schools Forum meeting, Appendix B provides a breakdown of how the DSG contribution to Children's Services for Placements has been spent within the service.

## **5 Financial Implications**

- 5.1 Since 2018/19 the schools block funding for each local authority has been set by calculating notional allocations for each school according to the National Funding Formula (NFF) and these have then been aggregated and used to calculate a total allocation for each local authority.

## **6 Influence on the Council's Corporate Core Values and Objectives**

- 6.1 One of the core values is partnership working. Setting the budget for the Dedicated Schools Grant, and considering related issues, is an important part of the budget process that fully involves schools as partners and particularly recognises the important role of the Schools' Forum.

## **7 Appendices**

| <b>Appendix Letter</b> | <b>Appendix Title</b>  |
|------------------------|--|
| A                      | DSG budget 2022/23   |
| B                      | Report: £150k DSG Contribution to Children's Services Placements |