

<b>Report Title</b>	Draft DSG budget 2023/24
<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	Open, with the exception of Appendix B. Appendix B is confidential and should not be published or shared further.

## February Report

### 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 Mainstream Schools Additional Grant 23/24 funding factors
- 2.2. To note the comparisons of Schools' delegated budgets for 2023/24.
- 2.3. To agree the draft 2023/24 DSG budget

### 3. Background

- 3.1. This report provides the draft DSG budget for 2023/24.

### 4. DSG Budget 2023/24

- 4.1. Attached in Appendix A is the DSG Draft Budget 2023/24, updated in accordance with discussions that took place at the previous Schools Forum meeting.

### 5. Schools Delegated Budget 2023/24

- 5.1. Appendix B is a summary of the Individual School Budgets for 2023/24, and a comparison to the 2022/23 allocations. The 2023/24 allocations include the 2022/23 Supplementary Grant, which was paid separately but has now been incorporated into the core budgets.

#### Mainstream Schools Additional Grant

- 5.2. For 2023/24, an additional grant, the Mainstream Schools Additional Grant, will be allocated to schools separately to the Individual School Budgets, as shown in Appendix C. The total indicative allocation to Sutton schools is £6.774m.

- 5.3. The allocations will be calculated using funding factors. These factors have been uplifted by the 2023/24 Sutton Schools Block Area Cost Adjustment for 2023/24, which is 1.10187. This grant value is not included in the Draft Budget as it will be a direct pass through from the ESFA, via the LA.
- 5.4. It is expected that this grant will be incorporated into the DSG Schools Block from 2024-25 onwards.
- 5.5. Final school level allocations and the timing of payments will be published in Spring 2023
- 5.6. Schools will have the flexibility to prioritise their spending of the MSAG to best support the needs of their pupils and staff and address cost pressures.
- 5.7. Schools have been provided with a calculation tool to estimate their individual funding allocation.

## **6. Financial Implications**

- 6.1. 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. Actual individual school budgets for 2023/24 will continue to be determined by local formulae in consultation with the Schools' Forum. Local formulae can be different from the notional allocations. For 2023/24 the NFF has set the Minimum Funding Guarantee (MFG) range between 0% and 0.5%. No schools in Sutton are affected by using either end of this range. Sutton implemented the NFF in full in 2019/20 and has maintained this position for 2023/24.

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

- 7.1. 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.

## **8. Appendices**

<b>Appendix Letter</b>	<b>Appendix Title</b>
A	DSG Draft Budget 2023/24
B	Delegated Schools Funding Comparison 2022/23 vs. 2023/24
C	Mainstream Schools Additional Grant Funding Factors 2023/24