



**North Northamptonshire Schools Forum: 14 December 2022**

**Agenda Item 3**

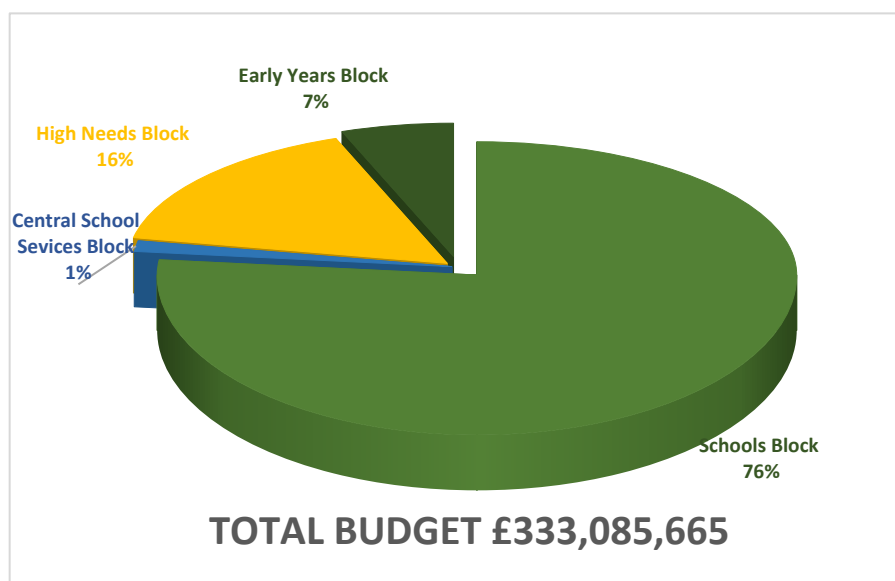
**DSG Update 2022-23**

**1. Purpose of the Report**

The purpose of the report is to ensure that the Schools Forum is informed of the current financial position of the Dedicated Schools Grant (DSG) against the budget for 2022-23.

**2. DSG Funding 2022-23**

2.1 The 2022 to 2023 DSG allocations before academies recoupment and deductions for national non-domestic rates and for direct funding of high needs places by Education and Skills Funding Agency (ESFA) is as follows:



Block	Allocation Date 16th Dec 2021	Allocation Date 30th Mar 2022	Difference	Allocation Date 19th July 2022	Difference	Allocation Date 17th November 2022
Schools Block	£ 254,876,162	£ 254,876,162	£ -	£ 254,876,162	£ -	£ 254,876,162
Central School Services Block	£ 3,567,298	£ 3,567,298	£ -	£ 3,567,298	£ -	£ 3,567,298
High Needs Block	£ 50,115,790	£ 52,005,755	£ 1,889,965	£ 52,370,722	£ 364,967	£ 52,370,722
Early Years Block	£ 21,812,758	£ 21,812,758	£ -	£ 22,271,483	£ 458,725	£ 22,271,483
<b>Total Gross DSG Allocation</b>	<b>£ 330,372,008</b>	<b>£ 332,261,973</b>	<b>£ 1,889,965</b>	<b>£ 333,085,665</b>	<b>£ 823,692</b>	<b>£ 333,085,665</b>

2.2 The increase in DSG funding since December 2021 is due to:

- Additional High Needs Block funding as announced in December 2021 (£1.889m)
- Favourable High Needs Block Import and Export adjustments in July 2022 (£0.365m)
- Recalculation of the Early Years Block indicative funding based on January 2021 and January 2022 census (£0.459m).

2.3 There were 2022-23 DSG deductions for academies recoupment, national non-domestic rates, and direct funding of high needs places by ESFA of the following amounts:

Block	Allocation Date 16th Dec 2021	Allocation Date 30th Mar 2022	Difference	Allocation Date 19th July 2022	Difference	Allocation Date 17th November 2022	Difference
Schools Block	£ 1,720,380	£ 207,136,497	£ 205,416,117	£ 207,136,497	£ -	£ 207,797,719	£ 661,222
Central School Services Block	£ -	£ -	£ -	£ -	£ -	£ -	£ -
High Needs Block	£ 10,134,000	£ 10,464,835	£ 330,835	£ 10,440,835	£ 24,000	£ 10,440,835	£ -
Early Years Block	£ -	£ -	£ -	£ -	£ -	£ -	£ -
<b>Total Gross DSG Allocation</b>	<b>£ 11,854,380</b>	<b>£ 217,601,332</b>	<b>£ 205,746,952</b>	<b>£ 217,577,332</b>	<b>£ 24,000</b>	<b>£ 218,238,554</b>	<b>£ 661,222</b>

The recoupment is as follows:

- Academies budget share recoupment (£205.416m)
- Academies, Free Schools, and FE colleges high needs place recoupment (£0.331m)
- Adjustment for AP Free School places (-£0.024m)
- Park Junior Academy Conversion 1<sup>st</sup> Sept 2022 (£0.661m)

2.4 The following table shows the DSG that remained with North Northamptonshire for the maintained schools budget share and the delivery of central schools, high needs and early years services.

Block	Allocation Date 16th Dec 2021	Allocation Date 30th Mar 2022	Difference	Allocation Date 19th July 2022	Difference	Allocation Date 17th November 2022	Difference
Schools Block	£ 253,155,782	£ 47,739,665	-£ 205,416,117	£ 47,739,665	£ -	£ 47,078,443	-£ 661,222
Central School Sevices Block	£ 3,567,298	£ 3,567,298	£ -	£ 3,567,298	£ -	£ 3,567,298	£ -
High Needs Block	£ 39,981,790	£ 41,540,920	£ 1,559,130	£ 41,929,887	£ 388,967	£ 41,929,887	£ -
Early Years Block	£ 21,812,758	£ 21,812,758	£ -	£ 22,271,483	£ 458,725	£ 22,271,483	£ -
Total Gross DSG Allocation	£ 318,517,628	£ 114,660,641	-£ 203,856,987	£ 115,508,333	£ 847,692	£ 114,847,111	-£ 661,222

### 3. DSG Update 2022-23 – Year End Forecast

The latest DSG forecast position for 2022 – 23 for each block is shown below based on November 2022 allocation:

Block	2022-23 Budget	Year End Forecast	Variance
Schools Block	£ 254,876,160	£ 255,204,922	-£ 328,762
Central School Sevices Block	£ 3,567,298	£ 3,567,298	£ -
High Needs Block	£ 52,370,722	£ 50,990,415	£ 1,380,307
Early Years Block	£ 22,271,483	£ 22,299,010	-£ 27,527
Total Gross DSG Allocation	£ 333,085,663	£ 332,061,645	£ 1,024,018

#### 3.1 Schools Block

The overspend on the Schools Block is due to pressure on the Pupil Growth Fund. This relates to the opening of Stanton Cross Primary Academy in Sept 2022. At the time NNC's Schools Budget using DfE's Authority Proforma Tool (APT) was set, the opening of the Stanton Cross Primary School was not confirmed by the DfE which resulted in the school being omitted from the APT template. This was recently raised by the DfE which resulted in an additional recoupment of 135k from NNC's Growth Fund. The remainder of the overspend has materialised due to classroom bulges (£194k).

#### 3.2 Central Schools Block

Forecasted to come in within budget.

#### 3.3 High Needs Block

Currently forecasting an underspend of £1.380m this is mainly due to additional funding of £1.889m announced in Dec 21 and a favourable Import and Export adjustment in July.

#### 3.4 Early Years Block

Reduction in funding on the Maintained Nursery School Supplement due to lack of participation in maintained nursery schools has given rise to a forecast overspend of £27k.

### **3.5 DSG Summary**

In summary the DSG is forecast to underspend £1.024m by 31<sup>st</sup> March 2023.

### **4. Recommendations**

Schools Forum are asked to note this report.

### **5. Financial Implications**

The figures in this report are based on forecast and will be subject to change.

### **6. Legal implications**

Schools funding is governed by The School and Early Years Finance (England) Regulations 2021. It is important to ensure decisions are made within the regulations set.

### **7. Risks**

There is the risk that an adverse financial decision may be made by Schools Forum based on the content of this report.

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