

TITLE	2021/22 Revenue Monitoring Report
FOR CONSIDERATION BY	Schools Forum on 16 March 2022
WARD	None Specific;
LEAD OFFICER	Director, Children's Services - Helen Watson

OUTCOME / BENEFITS TO THE COMMUNITY

This reports forms part of regular reporting to Schools Forum, informing areas of statutory decision making and improving visibility and consultation on wider Dedicated Schools Grant (DSG) financial matters.

RECOMMENDATION

Schools Forum is asked to note the contents of the report and the forecast position for the 2021/22 financial year.

SUMMARY OF REPORT

This report provides Schools Forum with an update on the 2021/22 Dedicated Schools Grant (DSG) forecast, as at 28th February 2022.

An in-year deficit of £3.8m is projected, with the budget pressure continuing to be within the High Needs Block. Taken with the brought forward deficit of £6.5m, a forecast cumulative deficit of £10.3m is now projected to 31st March 2022.

The current in-year forecast represents an increase of £933k on that reported to Schools Forum in January, reflecting updated information within the High Needs Block, and an updated position of the Growth Fund in the Schools Block.

2021/22 Revenue Monitoring Report

01. Purpose of the Report

This report provides Schools Forum with an update on the Dedicated Schools Grant (DSG) revenue budget forecast for the 2021/22 financial year, as at 28th February 2022.

02. Recommendation

Schools Forum is asked to note the contents of this report, and the forecast position for the 2021/22 financial year.

03. Background

This report forms part of the regular updates to Schools Forum on the anticipated outturn for the Dedicated Schools Grant (DSG), with explanation for significant variances.

At the January 2022 meeting of Schools Forum a forecast deficit of £2.8m was reported for the 2021/22 financial year, due to continued pressure within the High Needs Block.

04. DSG Forecast as at 28th February 2022

As at 28th February, the DSG forecast for the 2021/22 financial year now reports an in-year deficit of £3.8m. Against the £2.8m previously reported, this represents a negative movement of £933k.

05. Movement on January forecast

The movement of £933k on that reported previously to Schools Forum relates to the following change in forecast.

Schools Block – Growth Fund

Reduction on forecast of £146k. See “Update under Contingencies Held” item below.

High Needs Block

The in-year deficit on the HNB is now forecast at £4.17m, an increase of £1,079k on that reported previously. The increase reflects the continued increase in the number of EHCPs and the difficulty in securing appropriate specialist placements.

The main changes, which are reflected in the increases shown in the activity data appendices, are:

- £169k mainstream – both in and out of borough
- £115k special schools – out of borough
- £515k independent & non-maintained special schools
- £143k education other than at school

06. Update on Contingencies Held

Schools Block – De-delegated Contingency

There have been no applications nor allocations made in the current financial year in respect of the de-delegated allocation. £55k remains held in reserves.

Early Years – Provider Reserve Fund

For financial year 2020-21, we set aside £206,500 in the Provider Reserve Fund. £122,500 was used to fund new settings in 2020-21, namely 2 new nursery classes in primary academy schools, and the number of registered childminders increased from 80 to 120. We held the remainder as we were expecting a clawback of circa £84k. Final clawback was confirmed as £90k by the DfE in November 2021.

A reserve fund of £146,500 was set aside as part of 2021/22 budget setting, we are anticipating an underspend of around £300k this financial year. We are still working through the Spring headcount data and will have an informed decision at year end as to what our year-end position will be. We will know whether there will be anything left to distribute to settings once we have been advised of any recoument by the DfE in July 2022.

Schools Block - Growth Fund

As reported to Schools Forum in December, £89k was being held for primary and £77k was being held for secondary contingency. So far these additional mid-phase classes haven't been agreed, although discussions are still ongoing as there is a need for additional year 7, year 6 and year 5 places. Therefore, we will be carrying forward £406k into the new financial year to supplement the £1,589k we set aside from our 2022-23 Schools Block budget allocation.

07. Finance Summary

The attached appendices provide further detail across each of the four DSG blocks.

Appendix A – Summary of 2021/22 School Revenue Monitoring

Appendix B – Breakdown of each Block

Appendix C – Activity Updates

Appendix D – Growth Fund

Contact:	Katherine Vernon – Schools Finance Manager
Email:	katherine.vernon@wokingham.gov.uk

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