

TITLE	2023/24 Revenue Monitoring Report
FOR CONSIDERATION BY	Schools Forum on 13 th March 2024
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 that with the exception of the Growth Fund Forecast there is no change to the forecast position for the 2023/24 financial year.

SUMMARY OF REPORT

This report provides Schools Forum with an update on the 2023/24 Dedicated Schools Grant (DSG) forecast, as at 31st December 2023.

An in-year deficit of £12.1m is projected, with the budget pressure continuing to be within the High Needs Block. Taken with the brought forward deficit of £9.2m, and expected Safety Valve funding received in-year, a forecast cumulative deficit of £19.6m is now projected to 31st March 2024.

2023/24 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 2023/24 financial year, as at 31st January 2024.

02. Recommendation

Schools Forum is asked to note that with the exception of the Growth Fund Forecast there is no change to the forecast position for the 2023/24 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 2024 meeting of Schools Forum a forecast deficit of £12.5m was reported for the 2023/24 financial year budget, largely due to continued pressure within the High Needs Block.

04. DSG Forecast as at 31st January 2024

As at 31st January, the DSG forecast for the 2023/24 financial year reports an in-year deficit of £12.1m.

05. Key Variances

Schools Block

Growth Fund

Small variance in forecast due to updated Growth Fund to reflect full year expected usage. Expect an opportunity of £200k if this isn't called upon before the end of the financial year. This means that less will need to be drawn down from the Schools Block funding for growth in 2024-25. See Appendix B.

De-delegation - Contingency

£55k brought forward and held on behalf of maintained schools for contingency purposes remains in reserve, with no commitments to date. Expect an opportunity of £55k if this isn't called upon before the end of the financial year. This means that this fund will still be available for next financial year. Whilst no additional

provision has been agreed for 2024-25, Schools Forum will be asked to consider a proposal to support schools in deficit in due course.

Early Years Block

No variance or significant risks identified at this time.

Early Years – Provider Reserve Fund

Contingency of £173k was set aside as part of 2023/24 budget setting, to allow for changes in activity during the year and protect against over allocation on set rates and therefore no variance is reported.

Early Years – Hardship Fund

£50k has been set aside from 2022/23 to fund any settings that wish to make an application to the Early Years Hardship Fund. To date the Early Years Team have received no applications for this fund.

Central Schools Services Block

No variance or significant risks identified at this time.

06. **Key Drivers to Outturn vs Budget**

High Needs Block

The in-year deficit on the HNB is still forecast at £4m higher than budget.

Increased demand in mainstream has led to a £1.6m deficit (£0.3m relating to AP).

We have a higher number of children in special schools which accounts for £1.1m of the deficit.

Higher cost of holding children in Alternative Provision and increased costs of places at Independent and Non-maintained Special schools (INMSS). Demand lead cost price increases continue to dominate the INMSS sector. INMSS makes up 28% of our cost base and accounts for £2.1m of the overspend vs budget of which £0.8m of Health income not yet received is expected to offset this (INMSS £1.3m overspend).

07. **Summary**

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

Appendix A – 2023/24 DSG Revenue Monitoring by Block

Appendix B – Growth Fund Forecast 2023-24 and 2024-25 projection

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