

**Agenda Item
3.1**



Report Status

For information/note ☒

Report to Haringey Schools Forum – 2nd December 2021

Report Title: Dedicated Schools Grant Outturn Projection 2021-22

Authors:

Muhammad Ali
Schools Finance Business Partner
Email: Muhammad.Ali@haringey.gov.uk

Brian Smith
Finance Manager
Email: Brian.smith@Haringey.gov.uk

Report authorised by:

Josephine Lyseight
Head of Finance
Email: Josephine.Lyseight@haringey.gov.uk

Purpose:

1. To inform members of the Dedicate School Grant expected financial position for 2021-2022 overall; and for updates on Early Years Block, Schools Block, High Needs Block and Central School Services Block and latest updates from the DfE.

Recommendations:

1 Introduction.

- 1.1 This paper sets out a summary of the DSG expected outturn financial position of the four blocks: (Early Years Block, Schools Block, High Needs Block and Central School Services Block) for the financial year 2021-2122.

2 DSG 2021-22 Expected Outturn Position at – September 2021.

- 2.1 The overall DSG position projection in September 2021 (P6) is an in-year deficit of £6.38m. The High Needs Block is the main pressure to the DSG grant with a £6.38m deficit in-year projection. The following graph represents the under and overspends projections of the different blocks for 2021-22. The overall overspend equates to 3.14% of Haringey's overall grant allocation after recoupment.

Graph A: DSG Expected Outturn

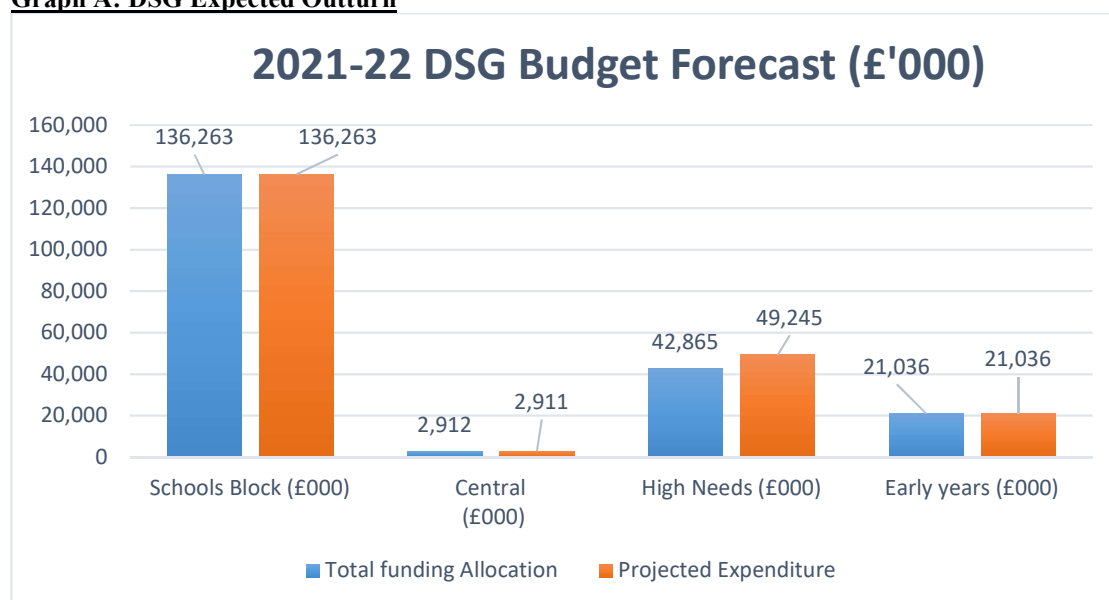


Table A below provides the gross expenditure projections of the DSG and details of the forecast closing DSG reserve balance. The in-year overspend of £6.4m when added to the brought forward deficit from 2020-21 shows the accumulated DSG deficit is forecasted to be £23.4m.

Table A: DSG Out-turn Projection @ P6 2021.

2021-22 DSG Budget Forecast	Schools Block (£000)	Central (£000)	High Needs (£000)	Early years (£000)	Total (£000)
Schools Block DSG funding settlement	135,163	2,912	43,473	21,036	202,584
Schools Block to High Needs Block	0	0	0	0	0
Growth Fund	1,100	0	0	0	1,100
Additional SEN funding	0	0	0	0	0
Total funding Allocation	136,263	2,912	42,865	21,036	203,076
Projected Expenditure	136,263	2,911	49,245	21,036	209,455
In year Position	0	1	-6,380	0	-6,379
B/fwd Balances	-1	79	-16,987	-108	-17,017
Net Position	-1	79	-23,367	-108	-23,397

3 Early Years Update

Early Years Block

- 3.1 Further to announcements from the DfE reported at the last Schools Forum we are still awaiting the final confirmation for the funding mechanisms for 2020-21. All available funding will be distributed to the providers according to the guidelines.

High Needs Block

- 3.2 The High Needs Block (HNB) overspend forecast for the year is £6.4m. When added to the brought forward position deficit of £17.0m the forecast cumulative deficit will be £23.4m. The main pressure areas continue within the special schools spend and various top up funding as this is a demand led funding pot.
- 3.3 The SEND strategy consultation closed the first week of November. A comprehensive report from the Head of Service will be presented to the Schools Forum for HNB strategies over the next 3 years and which forms part of DSG deficit recovery plan.
- 3.4 The SEND review by the DfE is still waiting publication.

Schools Block

- 3.5 The projections for the Schools Block is reported as breaking even but there has been a further rise in Licenced Deficit applications from our schools in this financial year. The total number of Schools with a Licenced Deficit is 21 with 5 new cashflow advances and licenced deficits agreed from April to November 2021.
- 3.6 A combination of falling pupil numbers, loss of income from activities due to Covid and funding for SEN pupils are the reported driving factors. The Council are still committed to providing cash advances to address any cash flow problems that schools face due to Covid.

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