

**Report Status**

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**Report to Haringey Schools Forum – July 2025**

**Report Title: DSG and Schools 2024/25 DSG Outturn and DSG Allocations 2025-26.**

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**Purpose:**

1. To inform members of the 3 years DSG allocations including 2025-26.
2. To inform members of the provisional DSG position 2024-25.
3. To note the schools closing balance as of 31<sup>st</sup> March 2025.

**Recommendations:**

1. To note the DSG 2024-25 provisional outturn and schools' balances.

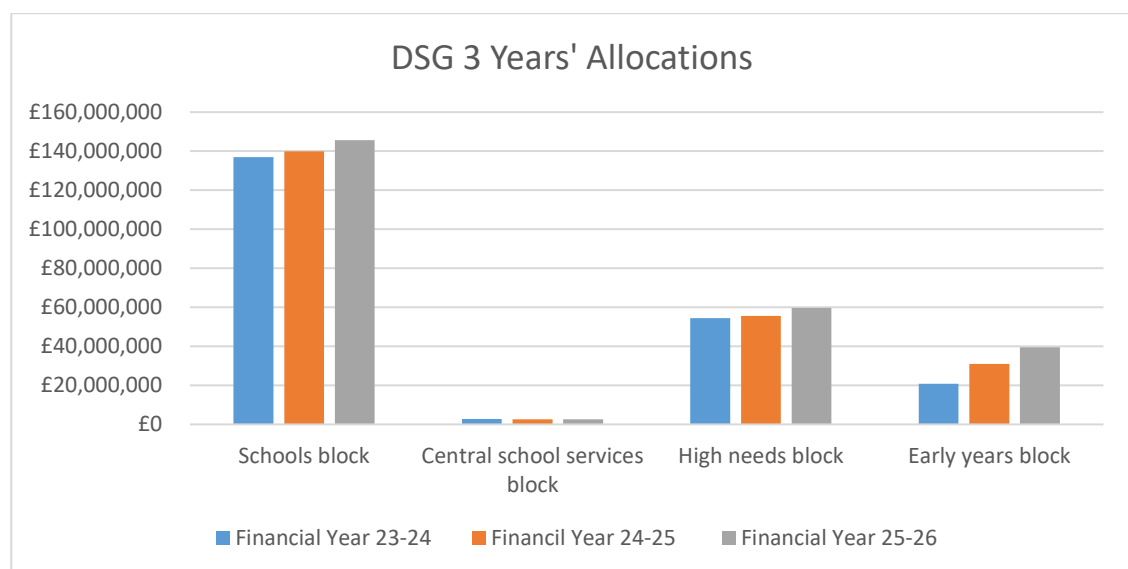
## 1 Introduction.

- 1.1 This report sets out the provisional outturn for the Dedicated Schools Grant (DSG) for 2024/25. The outturn shows that the overall deficit of the DSG grant stands at £9.507m.
- 1.2 This paper sets out a summary of the DSG analysis of the four blocks' financial position for the financial year 2024/25 and the indicative allocations for the financial year 2025/26.
- 1.3 The DSG is currently divided into four blocks: Schools, High Needs, Early Years and Central School Services blocks.

## 2 Analysis of Dedicated Schools Grant Allocations

- 2.1 Graph A below sets out Haringey's DSG allocations for 2023/24, 2024/25, and the indicative DSG allocations for 2025/26.

**Graph A: Dedicated Schools Grant Year on Year Allocations**



**Table A: Dedicated Schools Grant Year on Year Allocations**

Funding breakdown	Financial Year 23-24	Financial Year 24-25	Financial Year 25-26
Schools block *	£137,003,968	£139,862,802	£145,634,875
Central school services block	£2,709,791	£2,648,894	£2,703,149
High needs block	£54,475,762	£55,661,711	£59,665,064
Early years block	£20,793,959	£30,957,107	£39,522,570
Total	£214,983,480	£229,130,514	£247,525,658

\* Schools block increased in 2024/25 due to CSBG grant being rolled into DSG

- 2.2 The funding formulae are largely based on pupil census numbers, and the funding is passported to the schools and nurseries. There has been a year on year decrease in the Central School Services Block rate per pupil has decreased by 2.5% each year. The High Needs Block has seen an increase in the funding rate

as well as an increase in the number of pupils funded. However, there is a lag in funding the increased demand and the actual cost of per pupil expenditure currently exceeds the available budget.

### 3 DSG closing position – 31<sup>st</sup> March 2025.

- 3.1 The Schools Block began the financial year with a zero-opening balance. A total budget of £139.86 million was allocated for 2024/25, and the actual outturn matched this figure exactly, indicating 100% funding passported to schools as budgeted, after the block transfer of 0.5% from the High Needs Block (£1,167,130), along with the block transfer of 0.05% (£122,000) to the Central School Services Block for the Education Welfare Service, and the allocation of £328,254 to the Growth Fund.
- 3.2 Similar to the Schools Block, the Central Block also started the year with an opening balance of £0. The budget for the year was set at £2.65 million. With no variance between the planned and actual spending, the block closed the year with a balanced position of £0.
- 3.3 The High Needs Block started the year with a significant deficit of £10.72 million, highlighting ongoing financial pressures. Despite a budget allocation of £57.57 million for 2024/25, the actual outturn exceeded this by £608,538, bringing the total expenditure to £58.18 million. As a result, the deficit increased further to £11.33 million by the end of the year. This growing shortfall underscores the need for continued monitoring and potential intervention to address the structural funding challenges in this block.
- 3.4 The Early Years Block started the year in a positive position, with a surplus of £742,278. A budget of £30.96 million was allocated, but actual spending came in lower at £29.88 million, resulting in an underspend of £1.08 million. This led to an increased closing surplus of £1.82 million.

**Table B: 2024/25 DSG Provisional Outturn**

DSG Block Closing Position 24-25	Opening balance at 01/04/24	Budget	Outturn 2024/25	Outturn Variance 2024/25	Closing Balance at 31/03/25
	£	£	£	£	£
Schools Block	0	139,862,802	139,862,802	0	0
Central Block	0	2,648,894	2,648,894	0	0
High Needs Block *	(10,718,601)	57,571,711	58,180,249	(608,538)	(11,327,139)
Early Years Block **	742,278	30,957,107	29,879,646	1,077,461	1,819,739
<b>Total</b>	<b>(9,976,323)</b>	<b>231,040,514</b>	<b>230,571,591</b>	<b>468,923</b>	<b>(9,507,400)</b>

\* High Needs Block – Includes £1,910,000 from the DfE as part of the Safety Valve allocation, and a £1,167,130 (0.5%) block transfer from the Schools Block for the 2024–25 financial year.

\*\* EYE Block - Opening position after £423,608 clawback for the FY 23-24

## 4 Overview of Schools balances as at 31<sup>st</sup> March 2025

- 4.1 The analysis below provides an update on the schools' year end balances as at 31<sup>st</sup> March 2025. Graph C illustrates the movement in school reserve balances from 2020–21 to 2024–25, while Table C provides a detailed overview of the changes specifically during the 2024–25 financial year.

**Graph C: Schools Reserve Balances**



**Table C: Schools Reserve Balances**

Type of School	Number of Schools with Deficit	(Deficit) £'000s	Number of schools with Surplus	Surplus £'000s	Total net (deficit) / surplus	Schools with Licensed Deficit Recovery Plan
Nursery	1	(21)	2	770	749	0
Primary	24	(5,380)	26	3,997	(1,382)	20
Secondary	3	(1,461)	2	820	(641)	0
Special	3	(1,185)	1	25	(1,160)	0
Alternative Provision	1	(198)	0	0	(198)	1
<b>Total</b>	<b>33</b>	<b>(8,245)</b>	<b>31</b>	<b>5,612</b>	<b>(2,632)</b>	<b>21</b>

### Licensed Deficits

- 4.2 At the end of financial year 2024-25, 21 schools had a licenced deficit with the total amount outstanding of £2.947m in comparison to financial year 2023/24, 19 schools had a licenced deficit, when the total amount outstanding was £4.231m.

### Schools in Financial Difficulty

- 4.3 The council has supported schools in financial difficulty with dedicated central finance support, providing cashflow advances and assisting with redundancy

costs of restructures relating to permanent staff savings via the Restructure and Scrutiny Panel.

- 4.4 Haringey Council will shortly be issuing a Terms of Reference document on “Schools in Financial Difficulty” to all maintained schools, following the necessary approvals by council officers. This document will apply to all Haringey maintained schools identified as being in financial difficulty. Specifically, schools with a cumulative financial deficit exceeding £100,000 or 5% of their budget for primary schools, and £200,000 or 3% of their budget for secondary schools, will receive support from the “Schools in Financial Difficulty Group.” The Terms of Reference will outline the expectations and procedures for these schools, including the requirement to report on and manage the repayment of their cumulative financial deficits in a structured and transparent manner.

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