

NORTH LINCOLNSHIRE COUNCIL

SCHOOLS FORUM

DEDICATED SCHOOLS GRANT 2022/23 Outturn

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To update the schools forum on the Dedicated Schools Grant (DSG) outturn 2022/23 and the DSG earmarked reserve as at 31st March 2023.

2. BACKGROUND INFORMATION

- 2.1 The DSG is a ring fenced specific grant that must be used in support of the schools budget as defined in the School and Early Years Finance (England) Regulations 2022. It can be used for no other purpose.
- 2.2 Local authorities are responsible for ensuring that the DSG is deployed in support of the schools budget. This includes both DSG funding allocated to central expenditure (High Needs, Central (CSSB) and Early Years) and funding for the ISB allocated in accordance with their local schools funding formula.

3. OPTIONS FOR CONSIDERATION

- 3.1 The final DSG allocation for 2022/23 was £161.234m (£97.464m following academy and high needs recoupment of £63.771m).
- 3.2 Funding deployed to maintained schools amounted to £66.653m.
- 3.3 Central Expenditure for early years, high needs and central provision amounted to £29.576m
- 3.5 A breakdown of expenditure for each of the central budgets for early years, high needs and central provision is shown in appendix 1.
- 3.6 The net effect of spending resulted in a contribution to the DSG ring fenced earmarked reserve as detailed in the following table.

	Central expenditure £000	Individual schools budget £000	Total £000
Final DSG for 2022/23 before academy and high needs recoupment			161.234
Academy and high needs figure recouped for 2022/23			63.770
Total DSG after academy and high needs recoupment			97.464
Plus: Brought forward from 2021/22			5.565
Less: Carry-forward to 2023/24 agreed in advance			-5.128
Agreed initial budgeted distribution in 2022/23	31.248	66.653	97.901
In-year adjustments	59		59
Final budget distribution for 2022/23	31.307	66.653	97.960
Less: Actual central expenditure	29.576		29.576
Less: Actual ISB deployed to schools		66.653	66.653
Plus: Local authority contribution for 2022/23			0
In-year carry-forward to 2023/24	1.731	0	1.731
Plus: Carry-forward to 2023/24 agreed in advance			5.128
Carry-forward to 2023/24			6.859

4. ANALYSIS OF OPTIONS

- 4.1 Individual School Budgets were set in January 2022 for the 2022/23 financial year. Once allocated, school funding is counted as expenditure in support of the schools budget.
- 4.2 At the end of the financial year the central expenditure element of the schools budget may be under or overspent. If there is an underspend in respect of central expenditure at local authority level this should be separately identified within the associated notes to the accounts. The underspend must be carried forward to support the schools budget in future years, including any of the budget that is moved into earmarked reserves.

5. FINANCIAL AND OTHER RESOURCE IMPLICATIONS (e.g. LEGAL, HR, PROPERTY, IT, COMMUNICATIONS etc.)

- 5.1 A breakdown of 2022/23 expenditure is detailed in appendix 1.
- 5.2 The final expenditure and adjustments during 2022/23 result in £1.731m being allocated to the DSG earmarked reserve.
- 5.3 The DSG earmarked reserve as at 31st March 2023 is £6.859m. A breakdown between blocks is shown in appendix 1.

5.4 On 19^h January 2023 the Schools Forum endorsed the use of £814k earmarked reserves in setting the individual school budgets for 2022/23.

6. OTHER IMPLICATIONS

6.1 The Chief Financial Officer (CFO) needs to ensure that expenditure charged to the schools budget falls within the definitions set out in regulations 6 and 7 of the Schools and Early Years Finance (England) Regulations 2022. This includes both DSG funding allocated to central expenditure and funding for the Individual Schools Budget (ISB).

6.2 At the end of the 2022/23 financial year the chief finance officer (CFO) is required to append an additional note to the statement of accounts confirming the deployment of the DSG in support of the schools budget.

6.2 The CFO is also required to confirm the final deployment of the DSG in support of the schools budget.

9. RECOMMENDATIONS

9.1 That the school forum note the final reported outturn for 2022/23.

STRATEGIC LEAD (FINANCE)

Church Square
House High Street
Scunthorpe
North Lincolnshire
DN15 6NL
Author: Tracy Elliott
Date: 14 June 2023

Background Papers used in the preparation of this report –

DSG Final Allocations 2022/23
DSG Conditions of Grant 2022/23