

## NORTH LINCOLNSHIRE COUNCIL

### SCHOOLS FORUM

#### DEDICATED SCHOOLS GRANT 2023/24 OUTTURN FORECAST

#### 1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To update the Schools Forum on the Dedicated Schools Grant (DSG) Budget and Outturn Forecast 2023/24.

#### 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 2023. 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 2023/24 was £169.781m (£101.298m after the deductions for ESFA payment of NNDR and academy and high needs recoupment).
- 3.2 Funding deployed to maintained schools amounted to £69.722m.
- 3.3 Central Expenditure for early years, high needs and central provision is forecast to be £33.133m
- 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 will result in either a contribution to or a drawdown from the DSG ring fenced earmarked reserve.

#### **4. ANALYSIS OF OPTIONS**

- 4.1 Individual School Budgets were set in January 2023 for the 2023/24 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.)**

- 5.3 On 19<sup>h</sup> January 2023 the Schools Forum endorsed the use of £814k earmarked reserves in setting the individual school budgets for 2023/24.
- 5.4 The DSG earmarked reserve as at 31<sup>st</sup> March 2024 is forecast to increase by £93k to £6.953m. A breakdown between blocks is shown in appendix 1.

#### **6. OTHER IMPLICATIONS**

- 6.1 The Chief Finance 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 2023. This includes both DSG funding allocated to central expenditure and funding for the Individual Schools Budget (ISB).
- 6.2 At the end of the 2023/24 financial year the 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.

#### **9. RECOMMENDATIONS**

- 9.1 That the Schools Forum note the forecast outturn for 2023/24.

#### **STRATEGIC LEAD (FINANCE)**

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**Background Papers used in the preparation of this report –**  
DSG Final Allocations 2023/24  
DSG Conditions of Grant 2023/24