

REPORT TO: Schools' Forum
DATE: 19th June 2024
REPORTING OFFICER: Operational Director – Finance
SUBJECT: DSG Outturn for 2023-24
WARD(S) Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To report to the Schools' Forum the Dedicated Schools Grant final Outturn for 2023-24.

2.0 RECOMMENDATION: That

- 2.1 The overall deficit balance of DSG from 2023-24 of £5,348,546 is carried forward into the 2024-25 financial year to be noted by Schools' Forum.
- 2.2 Schools' Forum note the continuing pressures resulting in an in-year overspend on the High Needs block of £2,538,695.

3.0 SUPPORTING INFORMATION

3.1 Grant settlement

The final amount of DSG allocated to Halton for 2023-24 was £143,393,022 broken down as follows:

Schools Block	£106,745,453
CSSB	£737,941
Early Years Block	£9,774,577
High Needs Block	£26,135,051

3.2 DSG Expenditure

Schools Block:

Following the approved transfer by Schools Forum to the High Needs Block of 0.2% resulting in £235,721 being transferred from the Schools Block to help support the ongoing High Needs pressures. The balance of £106,509,732 was fully devolved to mainstream primary and secondary schools and academies through the funding formula.

The total Academy Recoupment from the Schools Block in 2023-24 was £52,890,167 which was provided directly to Academies via the Education and Skills Funding Agency (ESFA) General Annual Grant (GAG) process.

The balance of £53,619,566 was provided directly to Maintained schools via their Individual School Budget (ISB) allocations.

High Needs Block:

Including the transfer from the Schools Block the revised High Needs block available for 2023-24 was £26,135,051 which was subject to recoument of £924,000 for Further Education high needs places.

The in-year overspend for High Needs block came to £2,538,695 due to the ongoing pressures of increasing volumes of pupils requiring an Education Health and Care Plan (EHCP) with all associated costs including top-up funding as well as high-cost specialist placements in or out of Borough.

The notable areas of overspend include:

- Independent and Non-Maintained Special (INMS) out-borough Placements £1,337,834
- Post-16 SEND placements £258,579
- EHCP top-up funding in Maintained and Academy provision £1,158,286

Early Years Block:

The final Early Years block allocation for 2023-24 was £9,774,577 with the actual spend based on hourly participation of 2, 3, and 4 year olds accessing universal and/or extended entitlements in Maintained of Private, Voluntary, and Independent (PVI), including Childminder provisions.

The actual spend was £9,691,843 resulting in an underspend on the Early Years block of £82,734. The underspend will be subject to a subsequent year adjustment to the Early Years block allocation expected to be announced by July 2024.

3.3 Final Outturn position

In-year overall the DSG has overspent by £2,455,961 and taking into consideration the carry forward deficit balance of £2,892,585 from the previous financial year there is a total DSG deficit of £5,348,546 to be carried forward into 2024-25.

Appendix A includes a more detailed analysis of the 2023-24 Final DSG Outturn.

4.0 FINANCIAL IMPLICATIONS

4.1 The Council is required to ensure that DSG funding is allocated in accordance with the Schools and Early Years Finance (England) regulations and in compliant with the statutory operational guidance relevant to each block of DSG.

4.2 The deficit on the DSG, specifically in respect to the High Needs pressures, is subject to DfE scrutiny through their Delivering Better Value (DBV) programme, of which Halton is included in Tranche 3 and which commenced from September 2023. Following a submission of the DBV plan Halton has been awarded £1 million to in effect put in a strategic plan to reduce this deficit going forwards.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Children & Young People in Halton

It is essential that schools and education support services receive sufficient funding to allow them to support all children and young people.

5.2 Employment, Learning & Skills in Halton

None.

5.3 A Healthy Halton

None.

5.4 A Safer Halton

None.

5.5 Halton's Urban Renewal

None.

6.0 RISK ANALYSIS

6.1 The Council will continue to closely monitor the level of DSG spend throughout the year to mitigate against the risk of overspend against available funding.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.

8.0 CLIMATE CHANGE IMPLICATIONS

8.1 None identified.