

Meeting/Date	Schools Forum 12 January 2023	Agenda Item No.	7
Report Title	2022-23 DSG Forecast Outturn		
Decision/ Discussion/ Update	Update		
Author	Madiha Bhenick – DSG Finance Manager		
Appendices	None		
Summary	This report contains an update of 2022-23 DSG forecast outturn as at Month 8 (Nov-22)		
Recommendations	Schools Forum to note 2022-23 Forecast outturn		

1. Summary

1.1. In November 2022, the DSG allocation for 2022-23 was revised, increasing the overall budget by £2.501m (Table 1).

1.2. The forecast expenditure for FY 2022-23 is £249.017m (Table 2).

2. DSG revised allocation

2.1. The 2022-23 DSG allocations are shown in Table 1 below. The allocations were amended in November 2022 to take into consideration the High Needs for Import & Export adjustments. The increase in Early Years is due to an increase in the number of pupils eligible for entitlement. Currently, this adjustment is an increase of £2.501m.

Table 1: DSG Allocation including the latest adjustment in November 2022

Block	Original DSG Allocation 2022-23*	Nov 2022 Amended DSG Allocation*	Change
	£'000	£'000	£'000
Schools Block	155,040	155,040	0
Central	2,266	2,266	0
Early Years	28,297	30,719	2,422
High Needs	62,353	62,432	0,079
DSG Income	247,956	250,457	2,501

*After Recoupment

3. DSG FY2022-23 Forecast

3.1. The November (Month 8) forecast in Table 2 shows the updated DSG budget based on the latest allocation as set out by the DfE and the current outturn forecast is shown in the table below.

Table 2: DSG 22-23 forecast as at M8

Dedicated Schools Grant (DSG)

Description	Budget	Forecast	Full Year Variance
	£'000	£ '000	£ '000
Schools Block			0
Individual Schools Budget	151,595	151,595	0
ESG Retained Funding	700	700	0
Growth fund	2,745	1,600	(1,145)
Central School Services Block	2,266	2,266	0
Sub-total	157,306	156,161	(1,145)
Early Years Block	30,719	30,719	0
High Needs Block	62,432	62,137	(295)
Sub-total	93,151	92,856	(295)
DSG Income	(250,457)	(249,017)	
DSG Balance	0	0	(1,440)

3.2. Within the schools' block, the amount forecast expenditure for individual school budgets and the ESG retained funding matches the budget. This is unlikely to change through the year.

3.3. We are showing an underspend in the growth fund of £1.145m. Subject to further discussion, this is potentially earmarked in part for Barnet Hill Academy as and when they come on stream.

3.4. The Growth Fund forecast of £1.6m is made up primarily of Ark Pioneer Academy and Saracens High, £0.5m each. Ashmole Primary, St James Catholic High School and St Michaels circa £0.1m each

3.5. The Central Schools Services block will be spent to match the budget, leaving no under or overspending. This will not change through 2022-23.

3.6. There is a projected underspend at £0.295m across the range of High Needs.

Overspend for specialist inclusion service (£0.105m) and SENIF (£0.215m) has been off by savings on Autism packages (0.295m) and placements in independent schools (0.270m).

3.7. The expenditure in the Early Years block forecast is in line with the budget.

4. DSG Reserves Forecast FY2022-23

Table 3: Forecast Reserve as at M8

DSG reserves	B/Fwd	Use of Reserve	Top Up Reserve	C/Fwd
	£'000	£ '000	£'000	£ '000
DSG Reserve	(4,870)	2,800	(1,440)	(3,510)

4.1. The current forecast at Month 8 is indicating that the DSG reserve will be £3.510m for FY22-23 as shown in Table 3.

4.2. The schools' forum (13.01.22) has agreed to earmark £1.0m of this reserve to fund Hong Kong & Afghanistan Refugees (HK&A Refugees) joining our schools in Barnet. The spend as at M8 regarding HK&A Refugees is £0.213m. The council is not expecting further significant spending for this financial year

4.3. The Maintained Nursery Lumpsum of £0.400m was agreed following Schools' Forum held on 13.01.22.

4.4. The breakdown of the £2.8m use of reserves is as follows.

Charges to Reserves	£'000
Hong Kong & Afghanistan Refugee Support	250
Trade Union Back Pay (2021-22)	50
Maintained Nursery Lumpsum	400
Missed Growth Funding for 2021-22	2,100
Total	2,800