



Report to: Schools Forum

Date: 23rd June 2022

Report of: Xiao-ming Hu, Finance Manager (Schools & Fair Funding)

Title: 2021/22 Non-Schools DSG Outturn Position

2. DSG Outturn 2021/22

The DSG outturn position for 2021/22 is an underspend of £3.9m. The breakdown by DSG blocks is set out in the table below:

	Allocation	Spend	(Under) / Over	HN* Deficit Repayment	DLP**- To Ensure £14m Over 2yrs	Revised (Under) / Overspend
	£m	£m	£m	£m	£m	£m
School Block - Non School	6.742	3.093	(3.649)	0.000	0.000	(3.649)
Central School Service Block	18.284	17.283	(1.001)	0.000	0.000	(1.001)
Early Years Block	81.537	80.108	(1.429)	0.000	0.000	(1.429)
Higher Needs Block	180.556	177.186	(3.370)	5.000	0.512	2.142
Total	287.119	277.670	(9.449)	5.000	0.512	(3.937)

*HN: Higher Needs

**DLP: Developing Local Provision

3. Schools Block – Underspend £3.6m

- An underspend of £0.9m on the de-delegated Closing Schools Contingency Fund as no deficit was funded by Birmingham City Council for primary or secondary school closures or academy conversions during Financial Year 2021/22.
- A total underspend of £2.7m for Growth Funding and Falling Pupil Funding.
- A £0.1m overspend on other items, including tree maintenance and minor adjustments for academy capitalisations.

4. Central Schools Services Block (CSSB) Underspend £1.0m

The CSSB underspend is mainly due to:

- School Admissions - a £0.5m underspend due to delays in the recruitment to vacancies, additional income generated for appeals services provided to Academy Schools and the deferral of IT development costs.
- An unallocated £0.4m budget, which will be allocated for Financial Year 2022/23 onwards.
- Minor underspends totalling £0.2m against historic commitments, such as equal pay and nursery redundancy costs, together with other small under spends on the Schools Forum budget and other miscellaneous items

5. High Needs Block £2.1m Overspend

The net overspend on the High Needs Block for 2021/22 is £2.1m, 1.0% of the gross High Needs Block allocation. This is after setting aside £5.0m as agreed in the deficit repayment plan and £0.5m for Developing Local Provision (DLP) to ensure that the financial commitment to DLP over the two-year programme is honoured.

The overspends are mainly in relation to significant increases for demand led services, which have been offset by underspends in relation to consultancy costs for new service provision. The key over and under spends are summarised below:

- £7.2m overspend on demand led service - Top Ups, sixth day provision, independent, Further Education and Other Local Authority school places.
- £1.7m underspend on transformation projects.
- £1.6m underspend against the contingency budget.
- £1.1m underspend due to Special Educational Needs Assessment and Review (SENAR) Team costs budgeted but not eligible to be funded from High Needs Block. This has been corrected for future year budget setting.

6. Early Years (EY) Block-£1.4m Underspend

The final 2021/22 DSG Early Years Block allocation is yet to be confirmed by the Department for Education (DfE), we have estimated that an additional £0.1m is owed to the local authority for 2021/22. Actual allocations are expected in July 2022. Schools Forum will be updated at the June meeting regarding the position.

The EY underspend is mainly due to:

- The original estimate of DfE recovery of overpayment for Financial Year 2020/21 was £3.5m, however the actual was £2.7m, resulting in £0.8m less than had been provided for.
- Other minor in-year underspends on Early Years totalling £0.5m.