



# Northumberland County Council

**Wellbeing and Community Health Services Group**  
**Education and Skills Service**

**Agenda Item 7**

## **SCHOOLS' FORUM**

**27 September 2023**

### **Dedicated Schools Grant (DSG):Use of 2022/23 Funding Balances**

#### **1. Purpose of the Report**

This report provides details of the intended use of the Dedicated Schools Grant (DSG) carry forward from 2022-23 to School Forum members.

#### **2. Recommendations**

Schools Forum is asked to:

- a) Note the intended use of £2,434,353 in 2023-24 of the overall carry forward from 2022-23 of £4,501,309 in line with the request at Appendix A.
- b) Note the carry forward to 2024-25 in advance of £2,066,956 from the overall surplus in 2022-23 of £4,501,309.
- c) Note the intention to carry forward the respective DSG blocks (Central Services Schools Early Years, High Needs and Schools Block) on a ringfenced basis into 2023-24.
- d) Approve the proposal to use the Schools Block reserve to create a growth fund to meet demand for new places at St Benet Biscop (£83,738) and Cramlington Learning Village (£108,859) covering the period September 2023 – March 2024.
- e) Approve the proposal to use the Central Schools Block reserve to fund the additional pressures on the cost of Independent Special School places at £77,390.

#### **3. Background**

- a) The CIPFA Code of Practice includes a requirement to consult with Schools forum about proposals to carry forward surplus grant from a previous year into a future year, rather than distribute funds in the current year.
- b) The Dedicated Schools Grant operational guidance requires the Local Authority to propose significant pupil growth and the Schools Forum must approve the decision.

#### 4. Proposed use of 2023-24 surplus carry-forward

The final position for the 2022-23 financial year was an underspend of £4.501 million, with a surplus across all blocks as shown below.

	2022-23 Carry Forward	Planned use in 2023-24	Proposed Carry forward to 2024-25
	£m	£m	£m
<b>Central Schools block</b>	0.307	(0.077)	0.230
<b>Early Years block</b>	0.690	-	0.690
<b>High Needs block</b>	1.876	(1.876)	-
<b>Schools block</b>	1.628	(0.481)	1.147
<b>Overall</b>	<b>4.501</b>	<b>(2.434)</b>	<b>2.067</b>

- a) Whilst the Authority has the power to transfer a surplus carry forward between blocks, at the present time, it is proposed that the surplus on each block is ring-fenced.
- b) Discussions have taken place with the relevant Heads of Service to assess the pressures that exist within each DSG Block for 2023-24, the availability of funding in the current year and future pressures. This has identified where we can use the surplus from 2022-23 to support in-year expenditure and where we should set aside funds for the rising demands in 2024-25 onwards.
- c) Budget pressures identified for 2023-24 include the following:
  - Ring-fenced funding for de-delegated services (Schools block)
  - Growth fund for additional places required from September 2023 at Cramlington Learning Village (39 Places) and St Benet Biscops (30 Places) (Schools Block). This is as a result of a need for additional Year 7 places from September 2023.
  - Growth in the number of pupils attending independent school without an EHCP (Central Schools block)
  - Growth in both the number and average value of top-up payments for 2023-24 (High Needs block)
  - Interest earned by those maintained schools with a surplus balance during 2022-23 (schools block)
- d) A detailed list of the commitments for 2023-24 can be found at Appendix A

#### 5 Future pressures for 2024-25 onwards

- a) The balance of the 2022-23 surplus of £2.067 million will be retained in the DSG Reserve. Should the DSG overspend at the end of 2023-24 then a drawdown from the reserve will be required to meet the balance. The future use of the reserve will be considered by Heads of Service when planning for the 2024-25 budget year and beyond.
- b) The following upcoming pressures have already been identified for 2024-25 and beyond:
  - Future pay award
  - The impact of inflation on contracts and fuel
  - Continued rise in demand for alternative provision, special school places and number of pupils with an EHCP. This links to additional top-up funding and place funding.
  - Upcoming school re-organisations across the Berwick and Coquet partnerships

## Detailed list of proposed commitments for 2023-24

	Proposal	Amount (£m)
<b>Central Schools Block</b>		
	Independent School provision without an EHCP	0.077
<b>Early Years Block</b>		
	No planned use in 2023-24	-
<b>High Needs Block</b>		
	Fund growth in top-up payments for 2023-24	1.876
<b>Schools Block</b>		
	English as an additional language Service	0.074
	Trade Union facility time	0.130
	Interest earned on individual school balances	0.085
	Growth at St Benet Biscop and Cramlington Learning Village	0.193
<b>Total</b>		<b>2.435</b>