

**Bristol Schools Forum**  
**DSG Budget Monitor 2021/22 Period 8**

<b>Date of meeting:</b>	13 January 2022
<b>Time of meeting:</b>	5.00 pm
<b>Venue:</b>	Virtual meeting

## 1 Purpose of report

- 1.1 This report provides information of the forecast financial position for the DSG overall as at Period 8 (to end of November 2021).

## 2 Recommendation

### Schools Forum is invited to:

- a) Note the in-year 2021/22 position for the overall DSG.

## 3 Background

- 3.1 The report updates Schools Forum on the forecasted financial position at Period 8 2021/22.

## 4 Budget monitoring 2021/22

- 4.1 The DSG ended the 2020/21 financial year with an overall deficit of £10.004m.
- 4.2 This period 8 monitor is showing that the in-year forecast net deficit is £16.774m (an adverse movement of £2.2m from previous reported period (p6), predominantly from ALP), which when added to the brought forward balance will give a total forecast net deficit to carry forward at the end of the 2021/22 financial year of £26.778m. The variation is predominantly attributed to the High Needs block which is forecasting an in-year overspend of £17.101m and £0.768m in Early Years' SEN; offset slightly by Schools' Block underspend of £1.095m.

The Period 8 position is set out in **Table 1** with more detail set out in **Appendix 1**.

**Table 1: Forecast position on overall DSG for 2021/22 at Period 8 (as at November 2021)**

<i>All figures £'000</i>	<i>b/f Deficit</i>	<i>DSG Funding 2021/22</i>	<i>Forecast Outturn Period 08 2021/22</i>	<i>In-year variance</i>	<i>Forecast Carry- forward Period 08 2021/22</i>
Schools Block	(619)	295,864	294,768	(1,095)	(1,714)
De-delegation	(553)	0	0	0	(553)
Schools Central Block		2,627	2,627	0	0
Early Years	(621)	37,185	37,406	768	147
High Needs Block Education	12,609	68,513	85,614	17,101	28,898
Transformation Funding	(812)	1,400	1,400	0	0
		(405,590)	(405,721)	0	0
<b>Total</b>	<b>10,004</b>	<b>0</b>	<b>16,774</b>	<b>16,774</b>	<b>26,778</b>

- 4.3 **Schools Block (-£1.095m underspend).** The formula funding for maintained mainstream schools and academies has been fully allocated. Scope for variation is in the growth fund, or if schools close during the year.
- 4.4 Three schools (St Pius X, St George and St Michael on the Mount) closed at the end of August 2021, and one new school (Willow Park) opened on 1<sup>st</sup> September 2021. These movements account for £0.493m of the forecast variance on Schools Block.
- 4.5 Spend on the growth fund will depend on the pupil number information included on the October 2021 pupil census due to be confirmed in January 2022. Any variation will be calculated and reported following receipt of this data, but at this stage known growth commitments are expected at £2.5m against funding of £2.861m, a forecast underspend of £0.361m. The remaining £0.241m underspend is attributed to Teachers' Pension grant timing differences.

Overall Schools position - individual school balances are expected to be in the region of £3.023m at the end of 2021/22, with 14 of 62 maintained schools in deficit predominantly maintained nursery schools.

Underspends at year end are not designated by block but treated as a whole for the DSG, and therefore will be utilised to partially offset the DSG deficit.

- 4.6 **De-delegated resources (Nil variance).** At this stage of the year it is anticipated that this will achieve a balanced position. Any variance should one materialise, will be carried forward to future years.
- 4.7 **School Central Services Block (Nil Variance).** Current forecasting indicates that all of the services in this block will spend to budget.
- 4.8 **Early Years Block (£0.768m forecast overspend).** Early Years income and expenditure is based on participation throughout the academic year, and as such the reported position may be subject to change in subsequent reports as further details becomes available. Early Years is experiencing significant pressure in emerging SEN; the current overspend in this area is forecasted to reach £1.221m at the end of this financial year, offset slightly by staffing budget underspend.
- 4.9 **High Needs Block (£17.101m forecast overspend).** The High Needs block is currently forecasting an in-year overspend of £17.101m for the 2021/22 financial year, including future panel decisions.

Top-up funding remains the single greatest pressure, with a significant forecast overspend of £11.967m. Detailed breakdown of HNB Top Up overspend is summarised in Table 2 below.

<b>Table 2 - High Needs Block top up funding breakdowns by settings:</b>	<b>Funding 2021/22</b>	<b>Outturn Period 08 2021/22</b>	<b>In-year movement</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
HNB: Special Schools	15,823	21,299	5,476
HNB: OLA	1,648	2,800	1,152
HNB: GFE	2,213	3,632	1,419
HNB: Top Up - Resource Bases	1,885	2,130	245
HNB: Top Up - Mainstream Schools	9,134	12,505	3,371
HNB: Top Up - PRUs	1,334	1,639	305
<b>HNB: Top Up</b>	<b>32,037</b>	<b>44,004</b>	<b>11,967</b>

- 4.10 The Education Transformation Programme commenced in 2020-21 and is primarily concerned with consequently the High Needs Block, the programme aims to improve outcomes and achieve long term sustainability. Nationally High Needs funding continues to be challenging and in Bristol this has been exacerbated by work to clear the backlog of EHCP and complexity of need.
- 4.11 Following agreement of Forum, the amount transferred from the Schools Block in 2021/22 is being earmarked to the Education Transformation

Programme and we are currently forecasting that this funding of £1.4m will be fully utilised in 2021/22.

- 4.12 **Funding (Nil Variance).** £405.590m is the latest DSG amount notified by the ESFA as at 18<sup>th</sup> November 2021.

## Appendix 1 - Forecast position for Overall DSG 2021/22 as at Period 8 (Block financing position)

Appendix 1	Brought forward 1.4.21	Funding 2021/22	Outturn Period 08 2021/22	In-year movement	Carry forward 31.3.22
	£'000	£'000	£'000	£'000	£'000
Maintained Schools		84,395	83,661	(734)	
Academy Recoupment		208,608	208,608	0	
Growth Fund		2,861	2,500	(361)	
<b>Schools Block</b>	<b>(619)</b>	<b>295,864</b>	<b>294,768</b>	<b>(1,095)</b>	<b>(1,714)</b>
<b>De-delegation Services</b>	<b>(553)</b>				<b>(553)</b>
Admissions		526	526		
Centrally Retained		2,101	2,101		
<b>Schools Central Services</b>	<b>0</b>	<b>2,627</b>	<b>2,627</b>	<b>0</b>	<b>0</b>
National Formula		29,269	29,119	(150)	
2 Year Old Funding		3,498	3,498	0	
Pupil Premium (EYPP)		538	303	(235)	
Additional Support Services		500	555	55	
SEN Top up		1,275	2,495	1,221	
Staffing		1,986	1,933	(53)	
Disability Access Fund		121	52	(69)	
<b>Early Years Block</b>	<b>(621)</b>	<b>37,185</b>	<b>37,954</b>	<b>768</b>	<b>147</b>
Commissioned Services		2,301	3,228	927	
Core Place Funding		9,507	8,819	(688)	
Staffing		1,160	1,581	421	
Top Up		32,037	44,004	11,967	
Placements		9,044	12,775	3,731	
Pupil Support		814	1,556	742	
HOPE Virtual School		236	235	(0)	
Academy Recoupment		13,415	13,415	0	
Education Transformation		1,400	1,400	0	
<b>High Needs Block</b>	<b>11,797</b>	<b>69,913</b>	<b>87,014</b>	<b>17,101</b>	<b>28,898</b>
<b>Funding</b>		<b>(405,590)</b>	<b>(405,590)</b>		
<b>Total</b>	<b>10,004</b>	<b>0</b>	<b>16,774</b>	<b>16,774</b>	<b>26,778</b>