

DEDICATED SCHOOLS BUDGET – BUDGET MONITORING 2022-23

Purpose of the Report

1. To present budget monitoring information against the Dedicated Schools Grant (DSG) for the financial year 2022-23 as at 31st October 2022.

Main Considerations

2. Appendix 1 to this report outlines the budget monitoring summary as at 31st October 2022.
3. An overspend of £9.260 million is currently projected against the overall schools budget which is an increase of £2.223m – largely due to the finalised September specialist school placements for the new academic year but also, impact of both children not being in school and able to be assessed during the pandemic and the inevitable impact of lockdown on children has meant the number of plans issued has exceeded pre-pandemic rates. The detailed budget monitoring report is shown in Appendix 1.

Early Years Budgets (Budget £31.047M, forecast variance (£2.386M))

4. Although this is forecast, it is anticipated that the DfE's post financial year adjustment will adjust for this in whole or, part in the 2023-24 financial year if the January 2023 census numbers fall.

	Budgeted PTE	Forecast PTE	Forecast PTE Variance	Budgeted Spend £M	Forecast Spend £M	Forecast spend Variance £M
2-year-olds	828	759	(69)	2.686	2.461	(0.225)
3- & 4-year olds	10,738	9,779	(959)	27.055	24.865	(2.190)
ISF	2,826 (hours)	3,240 (hours)	414 (hours)	0.537	0.616	0.079

COMF Grant Funding

5. Early Years officers have been successful with a 2022-23 bid to the Director of Public Health to facilitate containment of the virus as below.
 - a. Payment to open or partially open settings - funded and non-funded provision; a one-off grant to support purchase of PPE and increased cleaning costs. £0.370 million.
 - b. Deep cleaning and hardship fund – available for applications of support £0.100

Schools Budgets (Budget £326.956M, forecast variance (£0.141M))

6. The forecast underspend on schools largely relates to the school supply cover fund which currently shows a forecast underspend and is helping to offset the overall pressure on the DSG.

High Needs Budgets (Budget £66.405M, forecast variance £11.820M)

7. High Needs budgets are projected to overspend by £11.820m. The biggest areas of overspend are Independent Special School packages, alternative provision, named pupil allowances and top ups. When the level of funding available does not match the local needs, the budget cannot be set at an achievable level and so the location of the overspend is not an indication of individual budget issues but that the whole block under significant pressure.
8. Following the pandemic, when professionals could not assess children and young people in school, EHC assessments were delayed due to inevitable backlog. Whilst we have put in place temporary support funding to support learners, we continue to see increases in requests for assessment for plans, and our assumptions around future plans will need constant adjustment to be as accurate as possible.
9. The major driver of the increased cost is volume. Activity (volume) is measured in FTE – full time equivalent pupils. Variance analysis is provided at Appendix 2. Please note the lower growth rate of EHCPS than in previous years in the table below.

	Children with an EHCP in Wiltshire	Prior Year Data (2021-22)
Number as at 1 st April 2022	4,371	(01/4/21) – 4,118
As at 31 st October 2022	4,650	(31/8/21) – 4,242
Forecast demand to 31 st March 2023 (based on historical trend)	5,073	(31/3/22) – 4,371
Annual movement	423 (16.1% increase)	253 (6.1% increase)

10. As Schools Forum are aware, much work has been done, over recent years to investigate and address the issues. More detail is reported regularly through the high needs working group update from the Director, Education and Skills and Head of Inclusion & SEN.

Central School Services Block (Budget £2.344M, forecast variance (£0.034M))

11. There is a small forecast underspend in this area driven by careful management of the specialist education packages for children in care.

DSG Reserve

12. The reserve brought forward of £25.973 million is increased by the positive early years block adjustment of £0.564 million. The forecast overspend would take the reserve into a deficit position of £32.446 million.
13. The local authority is working closely with the DfE Developing Better Value partners CIPFA and Newton to enhance our current plans, adding insight from other local authority action plans and offering the opportunity to bid for transformational funding.
14. At the next available meeting, the early years reference group will consider limited one off usage of the early years contingency to support children for school readiness and support for vulnerable early years pupils with additional needs.

DSG Reserve	Early Years Ringfence (effective 01-04-22)	Schools Block, HNB & Central	Total 22/23 FY
Balance Brought Forward from 21/22	(1.692)	27.665	25.973
Early Years Adjustment 21/22 prior year	(0.564)		(0.564)
Forecast variance 22/23	(2.386)	11.645	9.260
Estimated balance CFWD 2023-24	(4.642)	39.310	34.669

Proposals

15. Schools Forum is asked to note the budget monitoring position at the end of October 2022 in conjunction with the high needs recovery plan and the “Developing Better Value” (DBV) update later in the agenda.

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