

**DARLINGTON SCHOOLS FORUM**  
17<sup>th</sup> May 2022

**ITEM NO 3**

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**BUDGET UPDATE 2021/22**

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**Purpose of Report**

1. To update Forum regarding the 2021/22 final budget position.

**Background**

2. Schools Forum was notified at the January 2021 meeting of a Dedicated Schools Grant budget (DSG) allocation of £99,273,794 and a budget was agreed accordingly, there have been no changes to this since the last forum.
3. As mentioned in the last forum there has been a clawback in the early years funding of £117,903 for 2020/21 and this has been funded from the early years reserve. There may be a further clawback in June/July time when the January census information is completed for 2021/22 relating to this financial year.

**Budget Position – Appendix 1**

Schools Block

4. The in-year schools block has an underspend of £134,296 at the end of the financial year. As forum may recall this is mainly due to growth funding of £46,437 that has not been recouped but also includes an underspend from in-year growth. It is proposed that the underspend is rolled forward and added to the school's block reserve for future years, bringing the reserve to £150,966.

Central Schools Block

5. The in-year central schools block is underspent by £71,987. The funding is to be used to smooth the reduction in the historic central block over future years and brings the reserve to £307,639.
6. This is a better position from the last report of £52,827. The movements are due to the reduction of Newly Qualified Teacher costs, the majority of this expenditure is now being paid directly to schools. We were also projecting £3,000 in the previous report for Union cover but this has not been required in year.

### High Needs Block

7. The High Needs block has a year-end overspend position of £534,643, increasing the high needs budget deficit to £6,433,070, including the PFI.
8. This overspend is required by the DfE to be recovered through future years DSG in line with the high need's recovery plan.
9. This is a movement from the previous report of an additional £31,354 mainly due to the following:
  - a. We have seen increased costs in demand led services, Vulnerable Pupil Panel expenditure has also increased by £35,574 from the last report although overall it is still under spent and specialist equipment has increased by £14,244.
  - b. Other SEN/alternative provision has overspent by £135,454 which is an increase of £112,822, this is due to places being taken up in alternative settings including Rise Carr rather than being sent to more expensive provision.
  - c. We have had an underspend of £89,585 in the PFI budget due to insurance rebates and this has been offset against the high needs block.

### Early Years

10. The early years block is underspent in year by £33,150, this figure is across the various early year's budgets. As in previous years the underspend is proposed to be rolled forward to the early years reserve for use in future years. This underspend is prior to adjustments for the final 2021/22 early years block census data. It is therefore expected due to lower numbers that the DfE will clawback funding in 2022/23 for the 2021/22 financial year.

### **Recommendations**

11. That Forum notes the year end budget position.
12. That Forum approves the carry forward budgets from 2021/22 to 2022/23 as detailed

**Emma Clennell**  
**Finance Manager**  
**Operations Group**