

## ANNEX D – DSG KEY VARIANCES AND MANAGEMENT ACTIONS

The DSG has a forecast carry forward at the end of 2023/24 of £6.037m.

**Table 1 - The DSG High Level Summary to June 2023**

DSG Budget Headlines	£m				
	Schools	Central Services	Early Needs	High Needs	Total
<b>2023/24 Budget c/f</b>	<b>(0.016)</b>	<b>(0.005)</b>	<b>(1.501)</b>	<b>(1.375)</b>	<b>(2.897)</b>
2022/23 Surplus c/f	(0.451)	(0.013)	(2.973)	(3.358)	<b>(6.795)</b>
2023/24 DSG Allocation	(257.565)	(1.829)	(23.537)	(59.785)	<b>(342.716)</b>
<b>2023/24 DSG Income</b>	<b>(258.016)</b>	<b>(1.842)</b>	<b>(26.510)</b>	<b>(63.143)</b>	<b>(349.511)</b>
Forecast Expenditure	258.310	1.842	23.537	59.785	<b>343.474</b>
<b>2023/24 Forecast c/f</b>	<b>0.294</b>	<b>0.000</b>	<b>(2.973)</b>	<b>(3.358)</b>	<b>(6.037)</b>
<b>2023/24 Variance to Budget</b>	<b>0.310</b>	<b>0.005</b>	<b>(1.472)</b>	<b>(1.983)</b>	<b>(3.140)</b>

**Table 2 – High Level Variations**

Service Area	DSG	Responsible Officer	Mac Heath	Variance £m	(£6.037m)
<ul style="list-style-type: none"> <li data-bbox="203 225 2056 344">○ <b>Schools Block:</b> There is a forecast deficit carry forward of £0.294m (0.1%) which will need to be managed through the 2024/25 funding formula. The in-year overspend of <b>£0.310m</b> is due to additional growth funding requests for secondary places, because of increased pressure for year 7 places in the 2023/24 academic year. This was approved at the July 2023 Schools Forum.</li> <li data-bbox="203 392 2056 560">○ <b>Early Years Block:</b> There is a forecast surplus carry forward of £2.973m (12.6%). The in-year underspend of <b>(£1.472m)</b> is due to an increase in the carry forward balances, however the funding allocation for 2022/23 will not be confirmed by the Education and Skills Funding Agency (ESFA) until Summer 2023. The Early Years Reference Group are exploring options of using one-off funding from the carry forward position so that some of the funding will be paid out to providers during 2023/24.</li> <li data-bbox="203 608 2056 855">○ <b>High Needs Block:</b> There is a forecast surplus carry forward into 2023/24 of £3.358m (5.6%) which is equal to the surplus brought forward from 2022/23. The in-year underspend of <b>£1.983m</b> is due to an increase in the carry forward balances from 2022/23. The 2023/24 budget includes a demand reserve for high needs growth of £1.000m, at this early stage in the financial year, it is anticipated that this will be sufficient to contain any demand increases and cover the cost of any new high needs placements required in September 2023 but given increasing demand (both locally and nationally), this will need to be closely monitored.</li> <li data-bbox="203 903 2056 1150">○ <b>Individual Schools Budgets:</b> <ul style="list-style-type: none"> <li data-bbox="304 951 2056 983">○ In March 2023 the surplus maintained school balances were £12.627m revenue and £1.380m capital.</li> <li data-bbox="304 991 2056 1070">○ The original 2023/24 budgets submitted in May 2023 predicted closing surplus balances of £7.162m revenue and £0.633m capital.</li> </ul> </li> <li data-bbox="203 1078 2056 1150">○ There are currently 13 schools in a deficit position as at July 23, the total deficit is £0.498m. In addition there is one school with a notice of concern in place and one school with a sponsored academy conversion notice in place.</li> </ul>					