

ANNEX D – DSG KEY VARIANCES AND MANAGEMENT ACTIONS

The DSG is reporting a surplus carry forward at the end of 2020/21 of £3.657m.

Table 1 - The DSG High Level Summary to March 2021:

DSG	£m				
	Schools	Central School Services	Early Years	High Needs	Total
2019/20 Budgeted Surplus C/F	(0.727)	0.000	(0.243)	(1.774)	(2.636)
2020/21 Budgeted DSG Allocation	(203.584)	(1.496)	(21.652)	(44.506)	(271.236)
2020/21 Budgeted Expenditure	204.283	1.496	21.651	44.507	271.937
2020/21 Budgeted Carry Forward	(0.028)	0.000	(0.244)	(1.665)	(1.936)
2019/20 Actual Surplus C/F	(0.792)	(0.006)	(0.164)	(1.224)	(2.185)
2020/21 Actual DSG Allocation	(203.584)	(1.496)	(21.652)	(44.506)	(271.236)
2020/21 Actual Expenditure	203.857	1.500	21.106	43.304	269.767
2020/21 Carry Forward	(0.519)	(0.002)	(0.710)	(2.426)	(3.657)
Variance to Budget	(0.491)	(0.002)	(0.466)	(0.761)	(1.720)

Table 2 – High Level Variations

Service Area	DSG	Responsible Officer	Mac Heath	Variance £m	(£3.657m)
Key Variations:					
<ul style="list-style-type: none"> <li data-bbox="206 379 2024 539">• Schools Block 0.2%: Surplus carry forward into 2021/22 of £0.519m which has been allocated through the 2021/22 funding formula. The in-year underspend of £0.491m is as a result of an increased surplus carry forward from 2019/20 of £0.105m, a reduction in rates funding to schools of £0.135m and the growth fund contingency for additional places required at secondary schools is not expected to be required resulting in a reduction of £0.248m. <li data-bbox="206 592 1935 667">• Central School Services 0.1%: Surplus carry forward into 2021/22 of £0.002m as a result of a surplus carry forward from 2019/20. <li data-bbox="206 719 2047 1098">• Early Years Block 1.0%: Surplus carry forward into 2021/22 of £0.710m which is being held to manage the volatility of take up within the block. The in-year underspend of £0.466m is due to a reduction in carry forward of £0.079m from 2019/20. An underspend of £0.415m on the 3 and 4 year olds, which is to be expected as the increase in grant funding was not fully passed to providers in order to build up a small contingency early in the year to manage fluctuations in take up during the year. An overspend of £0.069m on 2 year olds due to take up being higher than the funding allocation due to the census being based on January 2020 only this year and therefore any increase in take up will not be funded. The take up was lower than anticipated for the inclusion fund and disability access fund, they underspent by £0.118m and £0.077m retrospectively, these will be carried forward to 2021/22. There is significant uncertainty regarding funding from ESFA in the area of EY as this has being reviewed by government in light of the impact Covid has had on take up in this area. <li data-bbox="206 1150 2047 1394">• High Needs Block 5.5%: Surplus carry forward into 2021/22 of £2.426m. The in-year underspend of £0.761m is as a result of a reduced surplus carry forward of £0.442m from 2019/20 offset with: <ul style="list-style-type: none"> <li data-bbox="250 1235 2047 1353">○ Top up funding for special schools is overspend by £0.292m. This reflects the banding reviews carried out for the new academic year which resulted in a higher number of children with complex needs requiring a higher level of top up funding band compared to the previous year. <li data-bbox="250 1362 2047 1394">○ Funding for special units is underspend by £0.270m. This is as a result of vacant places within departments throughout the 					

financial year, which has continued into the autumn term and therefore a reduction in top up funding payments. The budget was set on 122 places to August and 127 from September 2020, however current filled places at the end of the financial year is 103, which has increased steadily throughout the year.

- Independent special school and college placements underspend was £0.172m. The number of residential school placement numbers have fallen from 16 in 2019/20 to 14 in 2020/21 with a number of expensive packages coming to an end, however four hospital education packages begun during the financial year at a cost of £0.097m whilst we also saw a small increase of 2 in day placements.
- College top up funding overspend of £0.379m, due to increased demand at Milton Keynes Council's commissioned college. Commissioned places have been increased from 135 in September 2020 to 150 in September 2021 in order to meet increased demand seen during the financial year.
- Top up funding in mainstream school's underspend of £0.511m. This predominantly from seeing a reduction in the amount of SEN support payments being made to children without an EHCP, as schools have been closed due to Covid 19.
- The high needs contingency of £0.486m was not needed in 2020/21 and has therefore been released into the overall High Needs position.