

Schools Forum

Item No. 4

Report title:	DSG Final Outturn and Balances 2023-24
Date of meeting:	17 May 2024

Executive summary

The overall DSG outturn position for all four blocks was £43.136m¹ overspent for 2023-24, including:

- an overspend within the High Needs Block of £43.712m,
- an underspend within the Schools Block of (£0.161m),
- an underspend within the Early Years Block of (£0.410m), and
- an underspend within the Central Schools Services Block of (£0.005m).

The Dedicated Schools Grant deficit brought forward into the 2023-24 financial year was £45.877m. The LA received (£2.000m) of Safety Valve funding from the DfE towards the historic deficit in 2023-24 and contributed a further (£5.500m) from the LA budget.

The combined cumulative year-on-year overspend on the Dedicated Schools Grant is now £81.513m as at 31 March 2024.

Maintained schools' balances have reduced from (£15.797m) as of 31 March 2023 to (£14.820m) as at 31 March 2024.

This paper is for information and discussion with the NCC's Cabinet due to approve the final outturn position and balances in June.

Comments from Forum are welcome and, where appropriate, will be shared with NCC's Cabinet.

1. Introduction

This report outlines the final outturn for the Dedicated Schools Grant for 2023-24.

The Dedicated Schools Grant can only be used for specified purposes and must be accounted for separately from the other Children's Services spending and funding.

The Dedicated Schools Grant funds the Schools Block, Central Schools Services Block, the High Needs Block, and the Early Years Block.

The Schools Block has two main elements, the amounts delegated to schools and the amounts held centrally for pupil related spending, this includes de-delegated budgets and growth fund. Once funding is delegated to schools any over or underspend is shown within school balances.

The Dedicated Schools Grant Budget and schools local funding formula for 2023-24 was agreed at Norfolk County Council's January 2023 Cabinet meeting. The agenda papers and minutes can be viewed at [January 23 Cabinet Papers](#).

¹ All figures rounded to 3 decimal places

2. Variations on Dedicated Schools Grant Funded Budgets

The overall DSG outturn position for all four blocks was £43.136m overspend for 2023-24, including:

- an overspend within the High Needs Block of £43.712m,
- an underspend within the Schools Block of (£0.161m),
- an underspend within the Early Years Block of (£0.410m), and
- an underspend within the Central Schools Services Block of (£0.005m).

The Dedicated Schools Grant deficit brought forward into the 2023-24 financial year was £45.877m. The LA received (£2.000m) of Safety Valve funding from the DfE towards the historic deficit in 2023-24 and contributed a further (£5.500m) from LA budgets. The combined cumulative year-on-year overspend on the Dedicated Schools Grant is now £81.513m at 31 March 2024.

2.1 Schools Block (inc. Centrally Retained)

The LA received £601.033m of Schools Block DSG. A transfer of 1.5% from Schools Block to High Needs Block of £9.015m was made with the Secretary of State's agreement.

A top slice was made for the growth fund of £1.101m, agreed by Schools Forum.

Schools Block funding of £590.917m was allocated to schools via the agreed funding formula for 2023-24, based on National Funding Formula methodologies as consulted on with schools and discussed with Schools Forum in autumn 2022.

Of the £590.917m allocated to schools, £0.910m was de-delegated from schools to be held centrally as agreed by Schools Forum.

At the end of the 2023-24 financial year, there was an underspend of (£0.161m) against the centrally retained Schools Block elements due to a combination of:

- an overspend on de-delegated budgets due to increased demand;
- a small underspend of the Growth Fund due to final growth allocations being less than estimated;
- overall in-year savings from in relation to rates – rates refunds partially offset by academy rates changes.

The (£0.161m) total underspend on the Schools Block has been transferred to the Dedicated Schools Grant reserve and will contribute to mitigating the overall DSG deficit.

Variances against each of the de-delegated budgets are detailed in the 'Schools Block: Centrally Retained Items' table below.

Table 1: Schools Block: Centrally Retained Items

	Approved Budget £m	Outturn £m	Over /(Underspend) £m	Over /(Underspend) as a % of the budget
Growth Fund	1.101	1.088	(0.013)	(1%)
De-delegation Staffing Costs	0.882	0.936	0.053	6%
Free Schools Meal Eligibility	0.028	0.028	0.000	0%
Academy Rates Adj by DfE		0.024	0.024	n/a
Recoupment Adj by DfE		(0.001)	(0.001)	n/a
Rates Refunds		(0.224)	(0.224)	n/a
Schools Block: Centrally Retained Items	2.011	1.851	(0.161)	(8%)

2.2 Central Schools Services Block

The Central Schools Services Block underspent by (£0.005m) attributed to reduced meeting, expenses and printing/admin costs.

The underspend of (£0.005m) has been transferred to the Dedicated Schools Grant reserve where it will partially offset the in-year overall DSG deficit.

Table 2: Central Schools Services Block

	Approved Budget £m	Outturn £m	Over / (Underspend) £m	Over / (Underspend) as a % of the budget
Fees to boarding schools for pupils with SEN	0.100	0.100	0.000	0%
Servicing of Schools Forum	0.030	0.025	(0.005)	(17%)
Termination of employment costs	0.065	0.065	0.000	0%
Admissions	0.487	0.487	0.000	0%
Contribution to central budgets supporting learning and inclusion leadership ²	0.120	0.120	0.000	0%
LA responsibilities held for all schools	2.317	2.317	0.000	0%
Central Teachers' TPG/TPECG	0.182	0.182	0.000	0%
Central Licences Scheme	0.779	0.779	0.000	0%
Central School Services Block	4.080	4.075	(0.005)	(0.1%)

2.3 High Needs Block

The High Needs Block overspend at year end was £43.712m.

The High Needs Block had been initially set with a budget deficit of £25.149m for 2023-24 based on the DSG Management Plan submitted to the DfE as part of the Safety Valve programme in January 2023 (the budget was for higher expenditure than DSG HN block income). This budget variance is included within the overall overspend figure for 2023-24 as it represents a shortfall in income compared to DSG management plan.

It should be noted that the outturn for 2022-23 was higher than forecast when the 2023-24 plan was set, meaning that some areas of spend were experiencing significant pressures as the financial year was started.

² Includes contributions of £0.010m to the Norfolk Governors Network, £0.010m to the Norfolk Association of Special School Heads, £0.050m to Educate Norfolk

The final outturn of £43.712m overspend for High Needs Block is, therefore, £18.563m higher than in the DSG Management Plan submitted and, therefore, the budgeted deficit. The outturn on other DSG blocks has offset this by (£0.576m) and, therefore, the overall DSG outturn for all blocks is approximately £17.987m higher than expected in the submitted original DSG Management Plan for 2023-24.

Table 3: High Needs Block

	Final Budget £m	Outturn £m	Over / (under)spend £m	Over / (under)spend as a % of budget
Maintained / Academy / Free Special Schools	54.247	54.202	-0.045	<-1%
Specialist Resource Bases & Deaf Resource Bases	7.966	7.592	-0.374	-5%
Independent Special Schools	47.472	48.313	0.841	2%
Alternative Provision	2.110	1.877	-0.233	-11%
Short Stay Schools including permanent exclusion income	8.831	7.604	-1.227	-14%
Post-16 (Further Education)	8.631	9.690	1.059	12%
Other Provisions ³	4.040	9.840	5.800	144%
Inclusion fund (including mainstream SEN / EHCP support)	23.984	36.801	12.817	53%
Speech & Language, Sensory, Youth Offending and Child & Adolescent Mental Health support & contributions	3.621	3.560	-0.061	-2%
High Needs Inclusion Infrastructure ⁴	6.588	6.163	-0.425	-6%
Other, including TPG/TPECG, H&SC levy and new school start-up costs	2.550	2.732	0.182	7%
Total Budget vs Expenditure	170.038	188.373	18.335	
Plus: DSG Shortfall (for Deficit Budget set from Reserves)			25.149	
Less: DfE in-year Adjustments (import/export)	-0.228		0.228	
High Needs Block Budget Vs Final Outturn	169.810		43.712	26%

The largest variance during the year was an increase in the costs of Element 3 funding for mainstream schools due to increasing demand and additional support to schools with the aim reducing escalation to specialist provision through supporting more CYP to remain in mainstream provision when needs can be met in those settings. The budget for Element 3 funding overspent by **£12.574m**, partly offset by an underspend of **(£0.325m)** against the Exceptional Circumstances budget due to increased support from the new system of EHCP/SEN Support bandings introduced in 2022-23 which reduces the level of exceptional support funding required. Additionally, support for Early Years Complex Needs was overspent by **£0.568m** due to a significant increase in demand for funding due to additional needs being seen within the SEN support cohort for 2-, 3- and 4-year-olds.

Other significant areas of variance were:

³ Other provisions include Section 19 costs, Medical Needs provision, various other provisions and therapies to meet specific needs, and personal budgets.

⁴ High Needs Inclusion Infrastructure includes contribution to School and Community Teams, Services to Home Educators, Sensory Support, Learning Support, Access Through Technology, Critical Incidents, Specialist Learning Teachers and SEMH Practitioners, HN infrastructure for LFI.

- Other provisions – overspend of **£5.800m**. This area comprises of a number of parts including:
 - Section 19 - overspend of **£3.062m**. The overspend is due to a combination of additional pupils (139 within the plan but 456 pupils by year end) due to short stay and alternative provision being full, and pupils being supported for longer than expected as a result. The AP work underway through the LFI programme is intended to mitigate the need for most of the Section 19 spend in the medium-to-longer-term.
 - SEN Other Provisions/Therapies - overspend of **£1.401m**. This was due to additional pupils (187 within the plan but 299 pupils by year end, particularly for those who are pre-16), and increased per-pupil cost. The AP work is also expected to mitigate significant proportions of the pre-16 spend in the medium-to-longer-term.
 - Medical Needs - overspend of **£1.103m**. Due to additional pupils (20 within the plan budgeted but 296 pupils by year end), with a shift from pupils primarily with short-term absences from school such as due to an injury, to pupils with longer-term absences due to SEMH needs.
 - Personal Budgets – overspent by **£0.233m** (76% of budget), due to a significantly increased average cost per-pupil compared to the original mitigated budget, increasing the total despite having fewer pupils than budgeted for. The budget was for 83 pupils but there were only 53 pupils by year end).
- Post 16 (Further Education) top-up funding – overspent by **£1.059m**. Late funding claims received from providers, unexpectedly, after the 2023-24 budget was set led to the budget being underestimated compared to the final demand for 2023-24. The budget was for 781 pupils, but the number of pupils had increased to 910 by year end.
- Independent Special School Placements – overspent by **£0.842m**. Providers, like state-funded provision, had seen significant cost drivers with high levels of inflation. Significant work was undertaken with providers to keep fee increases to a minimum, but the overall average cost of provision was slightly higher than planned due to the level of fee inflation and additional 1:1 costs incurred. The number of pupils was broadly in line with planned expectations; the budget was for 946 pupils vs 944 pupils at year end.
- DSG High Needs Block adjustments – reduced DSG income of **£0.228m**. The DfE recalculated the ‘import/export’ adjustment in-year which added to the in-year deficit.
- Specialist Resource Bases – underspend of (**£0.374m**). The DSG Management Plan had budgeted for additional SRB places estimated to be available during 2023-24. Whilst SRB provision has continued to grow during 23-24, there has been some amendments to plans to reflect both the capital works required and the necessary school organisation changes, and so there has been some underspend in-year.
- Short stay provision including Permanent Exclusions income – additional income of (**£0.900m**). Unfortunately, there were more permanent exclusions that anticipated and so whilst this has contributed to increased costs (such as AP or Section 19 provision), this is partially offset by additional income that is a combination of Permanent Exclusion charges to schools made under regulations and under local agreement.

2.4 Early Years Block

The Early Years Block underspent by (£0.410m) which has been transferred to the Dedicated Schools Grant reserve⁵. This outturn includes a final adjustment to the 2022-23 Early Years Block of (£0.063m) in Norfolk's favour, due to over-estimation of the 2022-23 creditor, and a creditor for estimated clawback of DSG of £1.704m for the January 2024 Part Time Equivalent final adjustment that is expected to happen after year end in July 2024.

Whilst the Early Years Block was underspent by (£0.410m), it is important to note that the budget for complex Early Years cases overspent by £0.568m within the High Needs Block due to additional needs-led demand, which is funding that has been paid to early years settings.

⁵ The regulations require the local authority to assess the deficit across the schools' budget. It is not permissible to split up the schools' budget, for example to say that a surplus on the schools, central services or early years block will not be used to offset the deficit on the high needs block.

Table 4: Early Years Block

£m	Approved Budget (LA split of Dec'22 DSG)	DfE Adjustment to Jan'23 PTE Data (Mar'24 DSG)	DfE Early Years Block March'24 (LA split)	Year End Outturn	Over/ (Underspend) to March'24 DSG Income	Jan'24 Creditor estimated for DSG Jul'24	Adjusted (estimated) Final over/ (Underspend)	Over/ (Underspend) as a % of the Final EY Block Funding 23/24
	A	B	C=A+B	D	E=D-C	F	G=E+F	H=G/(C-F)
Early Years Block								
2-Year-Old Place Funding	4.943	(0.704)	4.239	4.089	(0.150)	0.229	0.079	2%
3 and 4-year-Old funding (inc. MNS)	38.291	(0.472)	37.819	35.595	(2.224)	1.441	(0.783)	(2%)
EY Block Contingency 0.5%	0.237	0.000	0.237	0.038	(0.199)	0.000	(0.199)	(84%)
SEN Inclusion Fund (2/3/4yr old)	0.900	0.000	0.900	1.454	0.554	0.000	0.554	62%
Disability Access Fund	0.276	0.000	0.276	0.276	0.000	0.000	0.000	0%
Early years Pupil Premium	0.631	(0.083)	0.549	0.516	(0.032)	0.035	0.003	<1%
Early Years Funded Services	2.052	0.00	2.052	2.052	0.000	0.000	0.000	0%
Initial 2023-24 Budgeted DSG	47.330	(1.259)	46.071	44.020	(2.051)	1.704	(0.346)	
DfE In-Year Adjustment	(1.259)							
Published DSG at March'24	46.071							
Estimated July'24 Adj for 2023/24	(1.704)				1.704			
Final 2022/23 EY Block Adj	0.063				(0.063)		(0.063)	n/a
Estimated Final EY Block 23/24	44.430				(0.410)		(0.410)	<(1%)

Table 5: Early Years Block Hours/PTEs

Funding element	Hours for Original Budget (Dec'22)	PTE for Original Budget (Dec'22 DSG)	Hours for in-Year Adjusted Budget (Mar'23)	PTE for in-year Adjusted Budget (Mar'23 DSG)	Hours for Estimated Final DSG Adjustment (July'24 DSG)	PTE for Estimated Final DSG Adjustment (July'24 DSG)	Hours for Outturn ⁶	PTE ⁷ for Outturn
2-Year-Old Place Funding	874,374	1,534	751,061	1,318	711,029	1,247	724,944	1,272
3 and 4-year-Old funding (inc. MNS)	8,376,828	14,696	8,284,340	14,534	7,997,009	14,030	7,750,440	13,597
EY Block Contingency 0.5%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
SEN Inclusion Fund (2/3/4yr old)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Disability Access Fund	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Early years Pupil Premium	1,018,111	1,786	884,773	1,552	828,388	1,453	832,980	1,461
Early Years Funded Services	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

⁶ Base hours. Note that final hours funded to providers are not the same rate as funded to the LA due to supplements, contingency, SENIF, and funding for Centrally retained EY services. This difference forms part of the outturn variances in £m from the prior table, when converted from hours into funding variances.

⁷ PTE calculation for outturn has been based on hours/15hrs/38wks to give equivalence to the budget figure through DSG, giving an average PTE (due to stretched offer hours).

The LA had planned the formula for 2023-24 based on the initial published allocation of £47.330m, later reduced in-year by the DfE to £46.071m based on January 2023 Census data. This report excludes EY Supplementary Grant which was outside of the DSG.

The final EY Block allocation will be based on Part Time Equivalent (PTE) data as follows:

- 5/12th x January'23 census preceding financial year for the summer term,
- 7/12th x January'24 census within financial year for the autumn and spring terms.

A creditor has been entered into the year-end accounts for the DSG adjustment expected to take place in July 2024 based on the two census counts, which is estimated to reduce the final EY Block allocation for 2023-24 from the current published figure of (£46.071m) to (£44.367m). A further (£0.063m) of income was received in 2023-24 due to an overestimation of DSG claw back at the previous year end of the final 2022-23 EY adjustment received in July 2023. Together, this brings the total income at outturn for the financial year to (£44.430m).

The EY Block has underspent by (£0.410m) in 2023-24, which is less than 1% variance. In addition to the additional funding relating to 2022-23 detailed above, the key EY Block variances are:

- An overspend of £0.554m against the SEN Inclusion Fund (additional needs-led support to providers from increased demand). Additional funding has been allocated in the 2024-25 formula for SENIF.
- An underspend of (£0.199m) from the agreed 0.5% contingency of £237k, unused except for a charge for EY bad debts provision for aged outstanding invoices charged by the LA to EY providers.
- An underspend of (£0.783m) for 3- and 4-year-old funding including (£0.855m) for PVI and £0.072m for maintained Nursery Classes, due to the final DSG income (after the estimated July 24 adjustment by DfE) being higher than allocations to providers during the year for entitlements claimed.
- An overspend of £0.079m for 2-year-old funding due to additional hours claimed compared to budget.

As stated above, the 3- and 4-year-old underspend of (£0.783m) is caused by the DfE revised Part Time Equivalent (PTE) data calculation being higher than actual take up from providers during the year. Analysis of previous end of year balances shows that the revised PTE estimate using the two January counts methodology is typically higher than the actual take up by providers for 3 and 4-year-olds but lower than the actual take up for 2-year-olds. These differences in estimated final funded hours from the January counts versus the hours claimed by providers during the year, plus savings from unused contingency fund, has resulted in an overall underspend in 2023-24. However, this has been offset, to some extent, by additional needs-led demand against the SEN Inclusion Fund.

3. Schools Balances

The Scheme for Financing Schools in Norfolk sets out the local framework within which delegated financial management is undertaken. Appendix 1 provides details of the Balance Redistribution Mechanism for information.

The table below compares Norfolk maintained schools' balances as at 31st March 2024 versus balances at 31st March 2023. In summary, the total of all maintained school balances as of 31st March 2024 is (£14.820m), which is a reduction of £0.977m in total compared to the previous total balances of (£15.797m) at the end of 2022-23. However, once the balances related to academy conversions have been adjusted for, the movement is only a reduction of £0.466m.

For all of the tables below, please note that federations of schools report as a single balance but cover more than one school.

Table 6: School Balances 31st March 2024 vs 31st March 2023 (£000s)

School type	At 31/3/2023			Balance b/f for schools Academised during year	Balance b/f for schools Closed/ Amalgamated/ Federated during year	At 31/3/2024			Change between years	
	Surplus Balance (£'000)	Deficit Balance (£'000)	Total (£'000)			Surplus Balance (£'000)	Deficit Balance (£'000)	Total (£'000)	Surplus Balance (£'000)	Deficit Balance (£'000)
Nursery	298	0	298	0	0	227	0	227	-70	0
Mainstream	13,229	784	12,444	511	0	13,042	1,469	11,574	325	684
Special	3,046	0	3,046	0	0	3,011	0	3,011	-34	0
Pooled funds	9	0	9	0	0	7	0	7	-2	0
Totals	16,581	784	15,797	511	0	16,288	1,469	14,820	218	684

The balances in the grey columns are no longer part of the overall balances but were included as at 31st March 2023. Therefore, the surplus balance figure as at 31st March 2024 has increased for LA maintained schools by £0.218m as follows:

Surplus Balances as of 31 st March 2023	£16.581m
Academies no longer within balances as of 31 st March 2024	(£0.511m)
Closed/Federated/amalgamated no longer in balances	(£0.000m)
Balance as of 31 st March 2023 for comparison	£16.070m
Surplus Balances as of 31 st March 2024	£16.288m
Change of surplus balances between years	£0.218m

To aid understanding of the surplus and deficit balances, it is useful to consider the number of schools / federations that they relate to, as displayed in the table below. This shows that the number of LA maintained schools (including federated budgets) with deficits at 31st March 2024 has increased by 8 (from 11 to 19), and the number of LA maintained schools (including federated budgets) with surplus balances at 31st March 2024 has reduced by 9 from 134 (141 less 7 in-year academy conversions since 31/3/23) to 125.

Table 7: School Balances – number of schools

School type	at 31/03/2023			No. of schs Academised during 2023-24	No. of schs Closed/ Amalgamated/ Federated during 2023- 24	as at 31/3/2024			Change between years	
	Surplus Balance	Deficit Balance	Total			Surplus Balance	Deficit Balance	Total	Surplus Balance	Deficit Balance
	Nursery	3	0			3	0	0	3	0
Mainstream	128	11	139	7	0	112	19	131	-9	8
Special	9	0	9	0	0	9	0	9	0	0
Pooled Funds	1	0	1	0	0	1	0	1	0	0
Totals	141	11	152	7	0	125	19	144	-9	8

As additional context, there is variance as to the level of surplus and deficit balance that is held by Norfolk schools / federations, and the initial table below shows the average level of surplus and deficit. The following table shows the average value of balances by each type of school (the percentage of balances compared with the overall budget).

Table 8: Average balance per sector £000's

Type of school	Average Surplus Balance (£'000)	Average Deficit Balance (£'000)
Nursery	76	0
Mainstream	116	77
Special	335	0
Pooled funds	7	0
Total	130	77

Table 9: Comparison of level of balance to budget share

Type of School	Position at 31/03/2024 (%)
Nursery	24.27
Mainstream	6.49
Special	8.64
Pooled funds	0.00
All Schools	6.92

The LA are concerned about the increasing number of schools / federations with deficit balances and are undertaking work with those schools to identify how they can be supported to minimise the risk of further deficits and operate budgets that enable them to reduce the cumulative deficit over a sustainable period of time. We will ensure that school leaders and governors have the support and guidance available to them to manage and oversee the school's finances. Where there are concerns about the oversight and use of finances due to the capacity or capability of leadership and governance, we will intervene in line with the national Schools Causing Concern guidance, including considering removal of delegation of budgets. The LA is also seeking to identify those schools who currently have a surplus but are at greater risk of moving to a deficit in the foreseeable future, with the aim of mitigating that risk.

4. Financial Implications

Overall, the Dedicated Schools Grant was overspent by £43.136m in the 2023-24 financial year, resulting in a combined, cumulative year-on-year overspend on the Dedicated Schools Grant of £81.513m that is carried forward to the 2024-25 financial year, after accounting for contributions from the LA and DfE during 2023-24.

Given the significant level of increase in the HNB deficit during 2024-25 and the diversion from the trajectory submitted as part of the SV programme to the DfE in January 2023, further discussions are taking place with the DfE to review and revise Norfolk's DSG Management Plan and to bring the trajectory back on track to an in-year balance and, subsequently, repayment of the cumulative deficit. Further details of this work is provided elsewhere on this agenda within the 'Local First Inclusion' paper.

Maintained schools' balances have further reduced from £15.797m as of 31 March 2023 to £14.820m as at 31 March 2024, with an increase in the number of schools that have cumulative deficit balances. This presents a financial risk to the LA if a school with a deficit was to be required to academise.

Officer Contact

If you have any questions about matters contained or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with:

If you have any questions about matters contained in this paper, please get in touch with:

Officer Name:

Martin Brock

Tel No:

01603 223800

Email address:

martin.brock@norfolk.gov.uk



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Appendix 1: Balance Redistribution Mechanism

The Scheme for Financing Schools in Norfolk sets out the local framework within which delegated financial management is undertaken.

The legitimate purposes that balances may be held for are:

- Surpluses derived from sources other than the budget share e.g. contributions from parents for school trips where expenditure will not be incurred until the following year or surpluses arising from providing community facilities
- As there will be no general contingency limit, a level of redistribution will be introduced if the school cannot provide sufficient evidence to justify its surplus. The Local Authority will reserve the right where schools have consistently built up significant excessive uncommitted balances to redistribute if deemed appropriate.
- Voluntary Aided schools are allowed to hold revenue monies to fund governors' liabilities towards DfE grant aided capital works. Evidence of the cost and timing of the project will be required to support this.
- Surpluses derived from Pupil Premium funding - this would mean that, for the purposes of calculating the contingency sum of 8% of the final budget share, the Pupil Premium would be excluded, but would be shown as a separate category in its' own right.
 - The amount of Pupil Premium allowed to be carried forward should not exceed the sum received in that financial year.
 - The Analysis of Surplus Revenue Balances form would be pre-populated, after the year-end closure of accounts, with the maximum sum allowed under this category for each school.

Any balances falling outside these categories will be returned to the Authority for redistribution to schools. The actual balances each school has at the end of 2023/24 and subsequent financial years will be analysed and any surplus over and above monies falling into one of the legitimate categories above will be redistributed in the following financial year.

Building Maintenance Fund:

- For mainstream schools that do not contract into BMPP the total amount lodged should be up to a maximum of £650 per pupil on roll at the time of the previous October Census, or £360,000, whichever is the lower.
- For special schools that do not contract into BMPP the total amount lodged can be up to a maximum of £815 per place at the time of the previous October Census.
- Schools with community assets that are required to have a sinking fund for regular repair and maintenance of those assets e.g., swimming pools, Multi-Use Games Areas (MUGAs) etc, may also lodge funds in Schools Building Maintenance Holding Account.

Once lodged, funds cannot be returned to the school. The funds can only be used to fund building maintenance expenditure.