

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:	4892
Author:	Catherine Smith
Department:	People
Contact:	Catherine Smith (Job Title: Early Years Programmes Manager, Email: catherine.smith@nottinghamcity.gov.uk, Phone: 01158764548)

Subject: Early Years SEN Inclusion Fund

Total Value: £289,911 (Type: Revenue)

Decision Being Taken: To draw down £289,911 from the Dedicated Schools Grant (DSG) Reserve to support funding allocations for early years settings.

Reasons for the Decision(s) In 2021/22, there was an underspend on the SEN Inclusion Fund of £144,940. This decision will enable this prior year underspend to be drawn down from reserves and distributed to schools/early years providers to help support speech, language and communication needs. Schools Forum were consulted on the basis for allocating the projected underspend at their meeting on 25 January 2022. This will be distributed using a £200 per setting lump sum and allocating the remainder on the basis of 3 & 4 year old Part Time Equivalent as at the January 2022 Schools/Early Years census.

For April 2022, new criteria for allocating the SEN Inclusion Fund were agreed. Following an increase in numbers of early years children attracting high needs top-up funding, the numbers of settings qualifying for additional setting level support under the revised criteria is higher than originally projected and this budget will over-spend in 2022/23. It is proposed to draw down £144,970 from the DSG reserve to fund this overspend. Schools Forum were consulted on this at their meeting on 17 January 2023.

**Other Options Considered:** A) Do nothing. This option was rejected because the acceptance of the grant funding will help support SEN provision in the City.  
B) Distribute the funding by a different method. This option was rejected because the formula for distributing the funding has been consulted on with the sector and agreed at Schools Forum.

**Background Papers:** None

**Published Works:** Schools Forum Report 25th January 2022 (Early Years Special Educational Needs Inclusion Fund (SEND IF)) Schools Forum Report 17th January 2023 (Schools Budget 2023/24)

**Affected Wards:** Citywide

**Colleague / Councillor Interests:** None

**Consultations:** Date: 17/01/2023

Other City Council Bodies: Schools Forum

Resolved to note the proposals.

Those not consulted are not directly affected by the decision.

**Crime and Disorder Implications:**

**No implications**

**Equality:**

**EIA not required. Reasons: Not a new service**

**Decision Type:**

**Portfolio Holder**

**Subject to Call In:**

**Yes**

**Call In Expiry date:**

**23/03/2023**

**Advice Sought:**

**Legal, Finance**

**Legal Advice:**

**This report is seeking to use a previous years underspend of DSG funding to cover a subsequent years overspend of DSG funding. This report presents no significant legal concerns. The proposed use of the underspend appears to be in accordance with the same principles and aims of the DSG fund and, therefore, should be in accordance with DfE financial regulations and any other conditions imposed on the use of DSG funding.**

**Anthony Heath, Senior Solicitor, Contracts and Commercial, February 2023.**

**Finance Advice:**

Since 2018/19, all local authorities have been required to have a Special Educational Needs (SEN) Inclusion Fund (IF) budget for 3 and 4 year olds with SEN accessing their early years entitlement, with a set criteria for eligibility. This is funded from the Dedicated Schools Grant (DSG) Early Years block budget.

This decision involves drawing down from the DSG reserve to support allocations to early years settings in 2022/23 as a result of under/over spends against this budget in two different financial years:

- 1. £0.145m SEN IF under-spend from 2021/22, which is ring-fenced in the DSG reserve. This will be drawn down and distributed on a basis consulted on with Schools Forum on 25/01/22 to help all early years settings with supporting speech, language and communication needs.
- 2. £0.145m Disability Access Fund (DAF) under-spends from 2020/21 and 2021/22 which are ring-fenced in the DSG reserve. This will be drawn down to contribute to covering a projected over spend on the SEN IF budget in 2022/23.

From April 2022, new criteria for allocating the SEN Inclusion Fund were agreed. Following an increase in numbers of early years children attracting high needs top-up funding, the numbers of settings qualifying for additional setting level support under the revised criteria is higher than originally projected and this budget will over-spend in 2022/23 by £0.148m. It is proposed to use the £0.145m prior year DAF under spends to help support the cost of meeting this criteria in 2022/23. The small £0.003m remaining over spend will be managed alongside other under/over spends on DSG funded budgets at the financial year end. DAF is a separate funding stream within the DSG early years block. The ESFA expects DAF under spends to be spent for purposes consistent with the principles and aims of DAF which involve supporting settings to be inclusive of children with SEN, making this an appropriate use of this ring-fenced funding.

Advice provided by Kathryn Mair Stevenson (Finance Analyst) on 06/02/2023.

**Signatures**

<b>Cheryl Barnard (Portfolio Holder- Children, Young People, Schools)</b>
<b>SIGNED and Dated: 16/03/2023</b>
<b>Catherine Underwood (Corporate Director for People)</b>
<b>SIGNED and Dated: 10/03/2023</b>