

## DRAFT SAVINGS PROPOSAL

London Borough of Tower Hamlets  
Medium Term Financial Strategy 2021-24

<b>Proposal Title:</b>	<b>Substitution of Dedicated Schools Grant (DSG) funding for services currently funded by General Fund</b>
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<b>Reference:</b>	SAV / CHI 009 / 21-22	<b>Savings Type:</b>	Grant substitution
<b>Directorate:</b>	Children & Culture	<b>Savings Service Area:</b>	Education services
<b>Directorate Service:</b>	Education Services	<b>Strategic Priority Outcome:</b>	1. People access a range of education, training, and employment opportunities
<b>Lead Officer and Post:</b>	Christine McInnes, Divisional Director, Education and Partnerships	<b>Lead Member and Portfolio:</b>	Cllr Danny Hassell, Cabinet Member for Children, Schools and Young People

<b>Financial Impact:</b>	Current Budget 2020-21	Savings/Income 2021-22	Savings/Income 2022-23	Savings/Income 2023-24	Total Savings/Income
Budget (£000)	0	(630)	-	-	(630)

<b>Staffing Impact (if applicable):</b>	Current 2020-21	FTE Reductions 2021-22	FTE Reductions 2022-23	FTE Reductions 2023-24	Total FTE Reductions
Employees (FTE) or state N/A	N/A	N/A	N/A	N/A	N/A

### Proposal Summary:

The Council currently receives funding within the Dedicated Schools Grant to specifically cover the cost of statutory services provided to all Schools and Academies. Due to the pressures within the Councils high needs block this funding has previously not been directed as a specific budget to central service support but used to support the overspend in high needs.

With the increases in high needs funding received by the Council in 2020-21 and 2021-22 and CIPFA and DfE guidance allowing high needs overspends to be paid off over a number of years the council has the opportunity to now direct this funding to back to cover the cost of its statutory duties as set out in the guidance.

### Risk and Mitigations:

The major risk is the long-term sustainability of the funding. The CSSB element of the National Funding Formula has decreased the allocations to Tower Hamlets over the last two years and there is a possibility of these decreases continuing in future funding rounds

Mitigation strategies would include maintaining a constant review of all services funded by the DSG looking at future opportunities or savings.

### Resources and Implementation:

There would be no resource implications.

## SAVINGS PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	No	
<b>Changes to a Service</b>		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
<b>Changes to Staffing</b>		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	No	
<b>Summary:</b>		
To be completed at the end of completing the Screening Tool.		
Based on the Screening Tool, will a full EA will be required?	<b>No</b>	
<b>Additional Information and Comments:</b>		