

West Berkshire Schools' Forum	
Title of Report:	DSG Funding 2013/14
Date of Meeting:	10th December 2012
Contact Officer(s)	Claire White
For Information	

1. Changes to DSG Funding 2013/14

The current system is relatively simple – every LA has a Guaranteed Unit of Funding (GUF) which is multiplied by the total number of pre 16 pupils recorded in the January census – this includes mainstream schools, special schools, providers of alternative provision, and early year's providers. In 2012/13 West Berkshire's GUF is £4,891, which multiplied by 23,591 pupils has provided a DSG allocation of £115.4m.

From 2013/14, DSG funding is being split into 3 funding blocks, each calculated in a different way. The blocks are not ring fenced, though provide a guideline on how the funding should be allocated.

The **Schools' Block** contains funding delegated to mainstream primary and secondary schools (reception to year 11), and the relatively few central services which can continue to be centrally retained. It includes new delegations to schools from 2013/14 but excludes funding for resource units and top up funding for high needs pupils in mainstream schools. The DfE has also made adjustments for hospital schools and the universal provision for 3 year olds. The DfE has taken the 2012/13 budget, made the relevant adjustments, and divided by the relevant number of pupils from the October 2011 census (excluding resource unit pupils but adding reception uplift) to arrive at the new GUF. The estimated 2013/14 GUF for the Schools' Block is £4,359, which will be applied to the October 2012 census figures for primary and secondary schools.

The **Early Years Block** contains funding for 3 and 4 year olds funded via the Early Years Single Funding Formula, plus centrally retained expenditure on children under 5. There will no longer be an adjustment for universal provision (£730k received in 2012/13). The estimated 2013/14 GUF is £3,909, and will be applied to the pupil numbers recorded in the January 2013 census. There will be an adjustment using the January 2014 census to reflect actual take up. Funding for 2 year olds will also be added to the DSG as a total amount, £1.073m (based on the DfE estimate of number of 2 year olds accessing this funding), although this is not ring fenced for 2 year olds or the early years block.

The **High Needs Block** contains funding for Special Schools, Pupil Referral Units, Resource Units, Top Up funding for high needs pupils in mainstream schools, funding for high needs pupils in non maintained special schools, plus centrally

retained budgets for SEN support services. The funding to be allocated is based on the actual LA budget for 2012/13, and the DfE has not yet stated whether there will be any increase where demand/pupil numbers have increased within these services. Adjustments have been made for recoupment, as the LA where the pupil resides will be responsible for top up payments. The estimated DSG for this block is currently £15.2m, though further adjustments are still expected.

2. Estimated DSG and Budget Requirement 2013/14

The following table provides an early estimate of what the DSG for 2013/14 is likely to be. Our actual allocation is due from the DfE by the end of December. The budget for schools is an estimate based on the new formula using the draft October 2012 census. The other blocks show the adjusted equivalent budgets for the current year. The breakdown of the budget, split between the three blocks is shown in Appendix A.

	GUF	Pupil No's	DSG Funding £'000	Budget £'000	Headroom/ (Shortfall)
Schools Block	£4,359	21,735 (draft Oct 12)	£94,743	£94,909	(£166)
Early Years Block	£3,909	1,477 (last yr no.)	£5,774 + £1,073	£6,978	(£131)
High Needs Block	n/a	n/a	£15,225	£15,034	£191
Total			£116,815	£116,921	(£106)

3. Next Steps

Data from the October census is due from the DfE mid December, which will determine the schools block DSG and the funding required for the school formula.

The final DSG allocation for all blocks is due from the DfE by the end of December.

The most difficult task is determining the high needs budget for 2013/14. The top up rates for our own schools need to be finalised, but we also need to find out the top up rates from the other LA's where our children are being placed and we are now responsible for.

Through the work already completed on top up rates, it is clear that there will be an increase in the budget requirement for top up funding.

If there is not enough funding available in the High Needs DSG Block, there may be a requirement to use funding from the Schools Block, which could mean a reduction in the per pupil funding that schools receive.

Funding required for the early years block is also difficult to determine, and will need to be based on current year actual take up, with a contingency set for in year increases in numbers.

The final decision on the schools budget needs to be made at the January meeting, as submission to the EFA is required by 18th January (which will be submitted as a draft subject to Schools' Forum approval on 21st January 2013).

Appendices

Appendix A – DSG Budget 2013/14 - Baseline

APPENDIX A

DSG Budget 2013/14 as at 30 November 2012

Description	Cost Centre	Baseline	Recoupment Adjustments	Other Adjustments	De-Delegations	SF Approvals	Proposed Budget 2013-14	DSG Grant	Balance Under / (Over) spend
Schools Block									
Primary Schools (excluding nursery)	90020	47,607,989			-504,777		47,103,212		
Academy Schools (excluding 6th form funding)	DSG top slice	24,771,439					24,771,439		
Secondary Schools (excluding 6th form funding)	90025	21,905,220			-63,216		21,842,004		
School Contingency - Pupil Growth/Infant Class Size	90235	100,000					100,000		
Schools in Financial Difficulty (primary schools)	90230				113,998		113,998		
Trade Union Costs Primary	90045				24,642		24,642		
Trade Union Costs Secondary	90050				15,862		15,862		
Support to Ethnic minority & bilingual Learners	90255				193,518		193,518		
Behaviour Support Services	90349				167,930		167,930		
Schools Finance - Supporting Schools in Fin Diff	90711				52,043		52,043		
Schools Finance - Servicing of Schools Forum	90019	95,320					95,320		
Carbon Reduction Commitment Allowances	90028	105,000					105,000		
School Admissions	90742	324,073					324,073		
Schools Block Total Expenditure		94,909,041	0	0	0	0	94,909,041	94,742,865	-166,176
Early Years Block									
Early Years Funding - Nursery Schools	90010	707,873					707,873		
Early Years Funding - Maintained Schools	90037	1,023,650					1,023,650		
Early Years Funding - PVI Sector	90036	3,981,260					3,981,260		
Early Years Funding - Contingency		0		302,509			302,509		
2 year old funding	new	0		770,582			770,582		
Central Expenditure on Children under 5	90017	192,500					192,500		
Early Years Block Total		5,905,283	0	1,073,091	0	0	6,978,374	6,846,684	-131,690
High Needs Block									
Special Schools - Place Funding (x 332)	90540	6,334,163	-1,464,398	-1,549,765			3,320,000		
Special Schools - Top Up Funding	new			1,549,765			1,549,765		
Resource Units - Place Funding (excl. Academies x 68)	new	1,263,980	-150,000	-681,980			432,000		
Resource Units - Top Up Funding Maintained	new			681,980			681,980		
Resource Units - Top Up Funding Academies	90026	915,042		-630,000			285,042		
Mainstream - Top Up Funding Maintained	new	463,739	-46,863				416,876		
Mainstream - Top Up Funding Academies	new	134,290					134,290		
Pupil Referral Units - Place Funding (x 86)	90320	1,523,725	8,890	-844,615			688,000		
Pupil Referral Units - Top Up Funding	new			844,615			844,615		
Non LEA Special School (gross of 6th form)	90575	3,784,992		-350,000			3,434,992		
Contingency for in year Top Ups	90237	250,000					250,000		
Other Place/Top up funding to replace recoupment	to allocate			838,143			838,143		
LAL Funding	new	134,598					134,598		
HN Outreach Special schools/PRU	new	60,650					60,650		
Social Inclusion	90231	144,098					144,098		
Sen Pre School Children	90238	55,367					55,367		
Special Needs Support Team	90280	435,900					435,900		
Sensory Impairment	90290	239,940					239,940		
Home Tuition	90315	243,028					243,028		
Equipment For SEN Pupils	90565	40,590					40,590		
SEN Commissioned Provision	90577	473,590					473,590		
ASD Teachers	90830	177,252					177,252		
Early Intervention	90957	80,230					80,230		
SEN Inclusion	90965	73,420					73,420		
High Needs Block Total		16,828,594	-1,652,371	-141,857	0	0	15,034,366	15,224,569	190,203
TOTAL EXPENDITURE		117,642,918	-1,652,371	931,234	0	0	116,921,781	116,814,118	-107,663
Funding Changes:									
Funding to replace recoupment				838,143					
Academy Place Funding removed from resource units				-630,000					
Non maintained special school place funding removed				-350,000					
2 Year Old Funding				1,073,091					
Total				931,234					