
Dedicated Schools Grant 2021/22

Report being considered by: Schools Forum on 7th December 2020

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Item for: Information **By:** All Forum Members

1. Purpose of the Report

1.1 To set out the provisional Dedicated Schools Grant (DSG) allocation for 2021/22.

2. Recommendation

2.1 To note the provisional funding allocation for the 2021/22 budgets.

Will the recommendation require the matter to be referred to the Council or the Executive for final determination?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
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3. Introduction

3.1 The National Funding Formula (NFF) is used by the Department for Education (DfE) to calculate the blocks within the Dedicated Schools Grant (DSG) that will be allocated to local authorities in December 2020.

3.2 The DSG consists of four blocks: Schools, High needs, Central school services and Early years. 2021/22 is the fourth year of the NFF for schools, high needs and central school services. The early year's block of the DSG is determined by the separate national formula for early years.

4. Overall position

4.1 The following table shows the provisional 2021/22 DSG allocation based on the October 2019 census pupil numbers. This will be updated in December 2020 for the October 2020 census.

DSG funding allocation	Schools block (excl. growth fund)	High needs block	Central school services block	Early years block
	£m	£m	£m	£m
2020/21 final allocation	104.56	21.67	0.96	9.65
2021/22 provisional allocation	113.36	23.58	0.93	tbc
Increase on last year	8.80	1.91	(0.02)	

5. Schools Block

5.1 The provisional allocation for 2021/22 is shown below:

- Primary Unit of Funding £4443 x 13,190 pupils = £53.92m
- Secondary Unit of Funding £5537 x 9,621 pupils = £49.15m
- Allowance for business rates = £1.5m
- Total schools block = £113.36m
- Growth Fund allocation = £tbc
- Total schools block (pre block transfer) = £tbc

5.2 A block transfer of 0.25% would reduce the schools block allocation by £0.283m.

6. High Needs Block (HNB)

6.1 The 2021/22 provisional allocation for West Berkshire is £23.58m (2020/21 £21.67m). A 0.25% schools block transfer would increase this by £0.283m to £23.86m.

7. Central Schools Services Block (CSSB)

7.1 Responsibilities held by local authorities for all schools are funded from the CSSB, with the agreement of schools forums. This covers Statutory and Regulatory duties, Education Welfare, asset management and other duties such as licences, admissions and servicing of Schools' Forum.

7.2 The provisional CSSB DSG funding for 2021/22 is £935k, a reduction of £24k from last year. The CSSB block expenditure requirement has increased by just 1% or £11k from last year. However, the 2020/21 budget was balanced with use of a previous under spend and together with the funding reduction and increased costs, the block is showing a provisional shortfall of £84k for 2021/22. The block has been reviewed in the light of the reduced funding, and proposals made for balancing the block.

8. Early Years Block

8.1 The new Early Years formula was introduced in 2017/18 with new funding rates to local authorities, and a revised simplified formula for allocating funding to providers was also brought in. All providers are now on the same rates.

8.2 Funding for 2021/22 has yet to be announced.

9. Timetable for Setting the Budget

9.1 A draft timetable has been put together but due to the delay in the funding announcements, there are only two Heads Funding Group and Schools Forum meetings to review the formula and consultation. The proposed timetable for setting all the elements of the DSG budget is set out below:

Date	Who	Item
20.7.20	DfE	Operational guidance published
July to Sept 2020	DfE	NFF illustrative allocations published and APT issued

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Sept 2020	LA	Modelling of new primary & secondary school formula (once received national formula rates from ESFA)
6.10.20	HFG	Approve consultation proposals
tbc		School Admin (finance staff) briefing
19.10.20	SF	Approve consultation proposals
21.10.20	Schools	School funding formula consultation with schools.
Nov 2020	LA	High needs and Early years initial budget proposals worked on by officers
24.11.20	HFG	Review school formula consultation responses and make recommendation to Schools' Forum. Review high needs budget proposals.
7.12.20	SF	Review central schools, high needs, and early years' budget proposals.
Mid Dec 2020	DfE	DSG funding allocations and APT issued with updated census data
Mid Dec 2020	LA	Updating by officers of formula and the funding rates in light of actual DSG funding
13.1.21	HFG	Review final proposals and make recommendation to Schools' Forum. Review budget proposals for central schools, high needs, and early years in light of funding announcement.
25.1.21	SF	Review HFG recommendations, final calculations and final formula. Review budget proposals for central schools, high needs, and early years. Agree budget strategy and determine any further work.
By 31.1.21	Political ratification	Approval of School Formula
31.1.21	LA	Deadline for submission of final APT to ESFA
31.1.21 to 18.2.21	LA	Finalisation by officers of central schools, high needs, and early year's budget proposals.
28.2.21	LA	Statutory deadline for providing primary and secondary maintained schools with funding allocation
8.3.21	SF	Agree final budgets.