

Dedicated Schools Grant 2021/22

Report being considered by: Schools Forum on 25th January 2021

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

1. Purpose of the Report

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

2. Recommendation

2.1 To note the final 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 for 2021/22.

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 final 2021/22 DSG allocation based on the October 2020 census pupil numbers. Pay and pensions will be funded as part of the DSG for 2021/22 and not by separate grant.

DSG funding allocation	Schools block (incl. growth fund)	Central school services block	High needs block	Early years block	Total
	£m	£m	£m	£m	£m
2020/21 final allocation	105.31	0.96	21.67	9.65	137.59
2021/22 final allocation	114.83	1.01	23.63	10.36	149.83
Increase on last year	9.52	0.05	1.96	0.71	12.23
Pay and pensions element	(5.12)	(0.07)	(0.20)	0.00	(5.39)
Comparable increase	4.40	(0.02)	1.75	0.71	6.85
% increase	4%	-2%	8%	7%	5%

5. Schools Block

5.1 The final DSG Schools Block allocation for 2021/22 is shown below:

	2020/21		2021/22	
		£		£
Primary schools unit of funding (£s)	£4,088		£4,443	
Number of pupils in primary schools	13,190		13,122	
Primary funding		53,921,775		58,296,060
Secondary schools unit of funding (£s)	£5,108		£5,537	
Number of pupils in secondary schools	9,621		9,832	
Secondary funding		49,146,132		54,436,539
Premises		1,487,173		1,495,197
Growth funding		756,100		603,831
Total Allocation including pay and pensions		105,311,180		114,831,627
<i>Pay and Pensions element</i>		0		-5,118,061
Total before pay and pensions		105,311,180		109,713,566

5.2 The approved block transfer of 0.25% will reduce the schools block allocation by £0.274m, resulting in available funding of £114,557,344. After setting aside a growth fund allocation, the funding will be allocated out to schools as per the formula principles agreed by Schools Forum in December, which will be politically ratified in January 2021.

6. High Needs Block (HNB)

6.1 The 2021/22 allocation for West Berkshire is £23.63m (2020/21 £21.67m). The approved 0.25% schools block transfer will increase this by £0.274m to £23.91m.

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 CSSB DSG funding for 2021/22 is £1.01m, an increase of £20k from last year. The CSSB block expenditure requirement has increased by just 1% or £11k from last year. The block has been reviewed in the light of the available 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 Provisional funding for 2021/22 is £10.36m (2020/21 £9.65m).

9. Timetable for Setting the Budget

9.1 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
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.
7.12.20	SF	Review central schools 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 SFF. Review final budget proposals for central schools in light of funding announcement.
25.1.21	SF	Review HFG recommendations, final calculations and final funding formula. Agree final budget for Central Schools Block.
21.1.21	LA	Deadline for submission of final APT to ESFA
31.1.21 to 18.2.21	LA	Finalisation by officers of high needs and early year's budget proposals.
By 28.2.21	Political ratification	Approval of School Formula
28.2.21	LA	Statutory deadline for providing primary and secondary maintained schools with funding allocation
8.3.21	SF	Agree final budgets for Early Years and High Needs Block.