

Dedicated Schools Grant 2022/23: Confirmed Allocations

Report being considered by: Schools Forum
On: 24th January 2022
Report Author: Melanie Ellis
Item for: Discussion **By:** All Forum Members

1. Purpose of the Report

- 1.1 To set out the confirmed Dedicated Schools Grant (DSG) allocation for 2022/23.

2. Recommendation

- 2.1 To note the funding allocation for 2022/23.

Will the recommendation require the matter to be referred to the Council or the Executive for final determination?

Yes: ☐

No: ☒

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 have been allocated to local authorities in December 2021. The DSG consists of four blocks: Schools, High needs, Central School Services and Early Years.

4. Overall position

- 4.1 The following table shows the 2022/23 DSG allocation based on the October 2021 census pupil numbers.

DSG Allocation	Schools Block (incl. growth)	High Needs Block	Central Schools Services Block	Early Years Block	Total
	£m	£m	£m	£m	£m
2021/22 before deductions	114.83	23.63	1.01	10.36	149.83
2022/23 before deductions	120.07	25.32	0.99	10.02	156.40
<i>Change from last year</i>	5.24	1.69	-0.02	-0.34	6.57
<i>Percentage change</i>	4.6%	7.2%	-2.0%	-3.3%	4.4%
Additional High Needs funding		0.91			0.91
2022/23 total funding	120.07	26.23	0.99	10.02	157.31
Deductions	-1.57	-1.59	0	0	-3.16
2022/23 after deductions	118.50	24.64	0.99	10.02	154.15

5. Schools Block

5.1 The allocation for 2022/23 is shown below:

		2022/23		
Schools Block	2021/22 Total funding	Unit of funding	Number of pupils	2022/23 Total funding
Primary	58,296,060	4,592.13	12,996.00	59,679,321
Secondary	54,436,540	5,713.25	10,142.50	57,946,639
Growth	603,831			874,544
DfE allocation	113,336,431			118,500,505
NNDR allocation 2022/23	1,495,197			1,566,240
Total allocation	114,831,628			120,066,745
Block transfer	- 548,568			- 300,166
Total formula funding	114,283,060			119,766,579
NNDR direct allocation 2022/23	-			- 1,566,240
Total formula funding after NNDR allocation	114,283,060			118,200,339

5.2 This will be allocated to schools according to the agreed funding formula.

6. High Needs Block (HNB)

6.1 The national increase in high needs funding from 2021/22 to 2022/23 is 9.6%. This includes a funding floor of 8% and a gains cap of 11%.

6.2 The 2022/23 allocation for West Berkshire is £25.32 (2021/22 £23.63m), an increase of £1.59m from last year. West Berkshire is on the funding floor.

6.3 Following the spending review in autumn 2021, an additional £325m was allocated nationally for high needs in 2022/23, to recognise the additional costs that local authorities and schools will face in the coming year, which were not foreseen when the original block allocations were calculated, including the health and social care levy. The additional funding also takes into account that colleges and other providers offering extra hours of study to students with high needs may require extra high needs top-up funding to support those students.

6.4 The allocations have been distributed as a percentage uplift to the original amount calculated. For West Berkshire this is an additional £910k. The additional funding is subject to the same DSG conditions.

7. Central Schools Services Block (CSSB)

7.1 The CSSB within the DSG provides funding for local authorities to carry out central functions on behalf of maintained schools and academies. 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 maximum year-on-year reduction in per pupil funding for ongoing responsibilities in this block is 2.5%, while the year-on-year gains cap is 5.6%.

- 7.3 The CSSB DSG funding for 2022/23 is £992k, a reduction of £17k from last year (1.7%). The CSSB block expenditure requirement is matched to the funding available, with £7k available to go towards reducing the cumulative deficit of £70k.

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 2022/23 is £10m, a £340k (3.3%) reduction from 2021/22.

9. Deficit Forecast

- 9.1 The table below shows the actual deficit at 1.4.2021, the forecast position in 2021/22, and the forecast for 2022/23 based on these levels of funding.

Reserve Balances (surplus)/deficit	1.4.2021 Actual	31.3.2022 Forecast	31.3.23 Forecast
	£k	£k	£k
Schools Block De-delegated	(331)	(271)	(200)
Schools Block - growth fund	(1,501)	(1,174)	(788)
Schools Block - other	(80)	(80)	0
Early Years Block	970	970	970
Central School Services Block	72	68	61
High Needs Block	2,327	3,558	5,039
Grant changes	3	30	0
Total Deficit Balance	1,461	3,101	5,082