

**Report to:** Lead Member for Education and Inclusion, Special Educational Needs and Disability.

**Date of meeting:** 18 January 2021

**By:** Director of Children's Services

**Title:** Update on the Dedicated Schools Grant Allocation for 2021/22

**Purpose:** To provide an update on the Dedicated Schools Grant allocation for 2021/22 and the recommendation to Lead Member to approve the DSG Budget for 2021/22.

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## **RECOMMENDATION**

**The Lead Member is recommended to approve the Dedicated Schools Grant budget for 2021/22.**

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### **1 Background**

1.1 The Dedicated Schools Grant (DSG) for 2021/22 is allocated by the Department for Education (DfE) in four blocks. Each block is subject to separate regulations and the use of each of the four blocks is outlined below. The figures allocated to East Sussex within each block can be found in Appendix A.

1.2 The DSG is a formal grant provided for in sections 14 and 16 of the Education Act 2002 (as amended) and the accompanying regulations and guidance issued each year set out the conditions on which the DSG is made.

1.3 The **Schools Block**, comprises funding which must be delegated to schools and academies through a locally agreed funding formula. Maintained Schools can agree with the Local Authority to have a percentage of their budget held and spent on their behalf by the Local Authority. There are a limited number of reasons which enable local authorities to hold funding centrally, subject to East Sussex Schools Forum approval (one of these applies to Growth Fund and Falling Rolls Fund – see paragraph 2.2).

1.4 The **Central School Services Block (CSSB)** includes funding allocated to Local Authorities to carry out functions on behalf of pupils in both maintained schools and academies. The CSSB funding is split into:

- Funding for on-going central functions
- Funding for historic commitments

1.5 The **High Needs Block** is funding which supports provision for children and young people with special educational needs and disabilities from their early years to age 25, enabling both local authorities and institutions to meet their statutory duties under the Children and Families Act 2014. High needs funding is also intended to support good quality alternative provision for pre-16 pupils who, because of exclusion, illness or other reasons, cannot receive their education in mainstream or special schools. The high needs funding block provides local authorities with resources for place funding and top-up funding, and funding for high needs services delivered directly by the local authority or under a separate funding agreement with institutions (including funding devolved to institutions), as permitted by regulations.

1.6 The **Early Years (EY) Block** funds payments to early years providers in settings and schools and supports central spending on early years pupils.

## **2 Supporting information**

2.1 The Schools Block allocation for East Sussex for 2021/22 is based on the October 2020 pupil census data and equates to an allocation of £320.1m.

2.2 Growth and Falling Rolls Fund proposals (funds that can be deducted from the Schools Block in accordance with the School and Early Years Finance (England) Regulations (no 2) 2018.) were presented at the November 2020 East Sussex Schools Forum whereby a request was made for the continuation of support for maintained schools and academies in respect of Key Stage 1 top up, additional classes, pre-opening costs and dis-economies of scale costs for new schools. This was approved by East Sussex Schools Forum. The School Forum minutes can be found using this link: [East Sussex Schools Forum November 2020 – Minutes](#).

2.3 The Department for Education (DfE) allocated £6.2m to the local authority within the CSSB. However, the local authority requested approval, which was granted, from School Forum (November 2020) to use £2.7m. Details of the use of this funding can be found in note 25 of the following link: [Agenda for East Sussex Schools Forum on Friday, 20th November, 2020, 8.30 am – East Sussex County Council](#). The remaining £3.5m will be transferred to schools and academies.

2.4 The total High Needs Block funding is calculated by the DfE and for 2021/22 is £65.9m.

2.5 The 2021/22 Early Years block funding (excluding funding for two-year olds) is £22.7m and is based on the January 2020 census data. This allocation includes £244k indicative pupil premium funding and the indicative Disability Access Fund allocation of £121k.

2.6 The two-year-old allocation of £3.6m is an initial allocation based on the January 2020 census.

2.7 The entitlement for 2, 3 and 4-year olds will be revised, by the DfE, in July 2021 based on the January 2021 census.

2.8 Appendix A provides a summary of the Dedicated Schools Grant that has been allocated to the Local Authority for 2021/22.

## **3. Conclusion and reason for recommendation**

3.1 The Lead Member for Education and Inclusion, Special Educational Needs and Disability is recommended to approve the allocation of the Dedicated Schools Grant budget for 2021/22.

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Appendix A

<b>DSG Summary 2021/22</b>	<b>Schools</b>	<b>Central School Services</b>	<b>High Needs</b>	<b>Early Years</b>	<b>Total</b>
Total DSG including Academies	£320,104,900	£6,159,600	£65,931,400	£22,651,400	<b>£414,847,300</b>
Indicative 2 Year Old Funding				£3,567,000	<b>£3,567,000</b>
<b>Total Funding Available</b>	<b>£320,104,900</b>	<b>£6,159,600</b>	<b>£65,931,400</b>	<b>£26,218,400</b>	<b>£418,414,300</b>