

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

Date of meeting: 14 January 2022

By: Director of Children's Services

Title: Update on the Dedicated Schools Grant Allocation for 2022/23

Purpose: To provide an update on the Dedicated Schools Grant allocation for 2022/23 and the recommendation to Lead Member to approve the DSG Budget for 2022/23.

RECOMMENDATION

The Lead Member is recommended to approve the Dedicated Schools Grant allocation for 2022/23.

1 Background

1.1 The Dedicated Schools Grant (DSG) for 2022/23 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 1.

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 that supports provision for pupils and students with special educational needs and disabilities from their early years to age 25 and alternative provision for pre-16 pupils who, because of exclusion, illness or other reasons, cannot receive their education in mainstream 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 a school or college.

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 2022/23 is based on the October 2021 pupil census data and equates to an allocation of £330.7m.

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 2021 were presented at the November 2021 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 (November 2021). The School Forum minutes can be found using this link: [East Sussex Schools Forum minutes](#)

2.3 The Department for Education (DfE) allocated £5.5m to the local authority within the CSSB. However, the local authority requested approval, from School Forum in November 2021) to use £2.3m of this amount. Approval was given, details of this and the proposed uses of this funding can be found by following this link: [Agenda for East Sussex Schools Forum on Friday, 19th November, 2021, 8.30 am | East Sussex County Council](#). The remaining £3.2m will be transferred to schools and academies.

2.4 The total High Needs Block funding is calculated by the DfE and for 2022/23 is £74.4m.

2.5 The 2022/23 Early Years block funding (excluding funding for two-year olds) is £21.2m and is based on the January 2021 census data. This allocation includes £231k indicative pupil premium funding and the indicative Disability Access Fund allocation of £152k.

2.6 The two-year-old allocation of £3.2m is an initial allocation based on the January 2021 census.

2.7 The entitlement for 2, 3- and 4-year-olds will be revised, by the DfE, in July 2022 based on the January 2022 census.

2.8 Appendix 1 provides a summary of the DSG that has been allocated to the Local Authority for 2022/23.

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 DSG budget for 2022/23

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APPENDICES

Appendix 1 - summary of the DSG that has been allocated to the Local Authority for 2022/23.

Appendix 1

DSG Summary 2022/23	Schools	Central School Services	High Needs	Early Years	Total
Total DSG including Academies	£330,684,300	£5,461,600	£74,454,100	£21,182,700	£431,782,700
Indicative 2 Year Old Funding				£3,225,600	£3,225,600
Total Funding Available	£330,684,300	£5,461,600	£74,454,100	£24,408,300	£435,008,300