

**Report to:** Schools' Forum

**Date of meeting:** 14 January 2022

**Report By:** Alison Jeffery

**Title:** DSG Budget 2022/23

**Purpose:** To provide an update on the DSG budget for 2022/23

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## **RECOMMENDATIONS**

**1) Schools' Forum are asked to note the DSG allocations for the Schools, Central School Services Block, High Needs and approve the Early Years DSG Budget**

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### **1 Background**

1.1 The Dedicated Schools Grant (DSG) for 2022/23 is, like last year, allocated by the DfE into four blocks. Each block is subject to separate regulations as to eligible expenditure and the use of the four blocks is outlined below:

- **The Schools Block** comprises the funding which must be delegated to schools and academies through the Funding Formula. Maintained schools can agree to de-delegate budgets and these are spent on their behalf by the local authority. Subject to Schools Forum approval, there are a limited number of exceptions, the Growth Fund and Falling Rolls Fund, which enable local authorities to hold this funding centrally. The funding for these funds goes to eligible schools and academies.
- **The Central School Services Block (CSSB)** is a block of funding that provides funding for Local Authorities to carry out central functions on behalf of pupils in maintained schools and academies. LAs' CSSB is split into funding for historic commitments and funding for ongoing responsibilities.
- **The High Needs Block** provides funding to support the provision for children and young people with special educational needs and disabilities (SEND) from their early years to age 24. This includes provision in maintained schools, academies, alternative provision, FE colleges and Independent providers, as well as supporting central spending on pupils with special educational needs and disabilities from their early years to age 24.
- The **Early Years Block** funds payments to early years providers in settings and schools, and supports central spending on early years pupils.

1.2 Please note that regulations stipulate that Schools Forum approval is required for the CSSB (Approved 19 Nov '21) and the Early Years Block only. The other blocks are presented for information.

### **2. Appendices**

2.1 The appendices below provide a breakdown of the DSG allocations:

Appendix A - DSG Summary

Appendix B - Schools Block DSG  
Appendix C – Central School Services Block DSG  
Appendix D - High Needs Block DSG  
Appendix E – Early Years Block DSG

### **3. Schools Block Funding**

- 3.1 The Schools Block for 2022/23 is based on the October 2021 pupil census data and equates to £330.7m.
- 3.2 The DfE have allocated £10.6m more to the Schools Block compared to 2021/22. There are two reasons for this:
- 1 £9.9m relates to an increase in funding rates.
  - 2 £0.7m relates to a change in Number on Roll (NOR).
- 3.3 Growth and Falling Rolls Fund proposals were presented to Schools' Forum at the November '21 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. No additional funds were requested for the falling rolls fund as funds are to be brought forward from 2021/22.

### **4. Central School Services Block (CSSB) Funding**

- 4.1 At the November '21 Schools' Forum meeting, the indicative CSSB funding of £5.46m was discussed and approval was obtained by Schools' Forum for the Local Authority's planned use of funding, which was to use £2.31m (On-going responsibilities), and to transfer the remaining funds of £3.15m (Historic Commitments) to Schools/ Academies.
- 4.2 The DfE have confirmed that £5.46m has been allocated to the local authority. (£3.15m to Historic Commitments and £2.31m to on-going responsibilities). The total allocation is £1k more than the indicative allocation (due to NOR) and, as agreed in November, this will also be transferred to schools/ Academies.
- 4.3 In total, £3.15m will therefore be transferred to Schools/ Academies from this block in April '22 which equates to £49.65 per pupil.

### **5. High Needs Block (HNB)**

- 5.1 The DfE have stated that special schools/ academies and alternative providers will continue to receive place funding at £10,000 per agreed place. Like previous years, the Local Authority has realigned agreed places at some schools and academies to more effectively reflect need.
- 5.2 For facilities, as per DfE regulations, the place funding will continue to be £6,000 for every occupied place and £10,000 for an unoccupied place. (Funding for occupied places is £6,000 per place because these pupils are also funded via the school's budget share.)
- 5.3 The total High Needs Block funding is calculated by the DfE and for 2022/23 is £74.4m, which is an increase of £8.5m compared to 2021/22. This additional funding will be used for the following;
- £0.8m – Additional Place Funding
  - £5m – To support inclusive practice / address pressures on demand for specialist placements (See Agenda Item 6)

- £2.7m – Additional Funding, received from the DfE, in recognition of additional costs facing Local Authorities / Schools in 2022/23. (Has to be used in line with the DSG Conditions of Grant). £1.7m of this has been allocated to 'SEN Support', £0.5m to Pre 16 Top Up Funding and £0.5m for fees for pupils at Independent Schools

## 6. Early Years Block

- 6.1 Funding for **3/ 4 year olds** is based on a national formula calculated by the DfE. ESCC currently receives £4.44 per hour for every eligible 3/ 4 year old x 15hrs x 38 weeks. Local Authorities must pass through at least 95% of this funding directly to Early Years providers.
- 6.2 For 2022/23, the DfE are increasing the minimum base funding rate from £4.44 per hour to £4.61 per hour. ESCC are therefore proposing to pass this 17 pence increase onto providers and increase the rate paid to them from the existing rate of £4.16 per hour to £4.33 per hour. ESCC will also pass through a statutory deprivation supplement to all eligible providers ensuring that at least 95% of funding continues to be passported to Early Years providers.
- 6.3 For eligible **two-year-olds**, the DfE currently fund ESCC at £5.36 per hour. 100% of this funding is passported to providers. The DfE are increasing the rate to £5.57 in 2022/23 and the rate paid to providers by ESCC will also increase to £5.57.
- 6.4 The Early Years **Pupil Premium** is additional funding for Early Years pre-school settings to improve the education they provide for disadvantaged 3- and 4-year-olds. This is currently funded by the DfE at £0.53 per hour per eligible child (up to a maximum 570 hours) but will increase to £0.60 per hour per eligible child for 2022/23.
- 6.5 The **Disability Access Funding** is for Early Years providers to support children with disabilities or special educational needs. It aids access to Early Years places by supporting providers in making reasonable adjustments to their settings. The DfE currently fund this at £615 per eligible child per year but are increasing it to £800 per eligible child per year for 2022/23.

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Appendix A

<b>DSG Summary 2022/23</b>	<b>Schools</b>	<b>Central School Services</b>	<b>High Needs</b>	<b>Early Years</b>	<b>Total</b>
Total DSG including Academies	£330,684,300	£5,461,600	£74,454,100	£21,182,700	<b>£431,782,700</b>
2 Year Old Funding	£0	£0	£0	£3,225,600	<b>£3,225,600</b>
<b>Total Funding Available</b>	<b>£330,684,300</b>	<b>£5,461,600</b>	<b>£74,454,100</b>	<b>£24,408,300</b>	<b>£435,008,300</b>

Appendix B

Schools Block 2022/23	£	£	Comments
Schools Block DfE notification		330,684,300	
<b>Adjusted Schools Block Total 2022/23</b>		330,684,300	
<b>Distribution of Funding at LA Level</b>			
<b>Growth Fund</b>			
Key Stage 1 top up	630,300		Approved by Schools Forum 19th Nov '21
Additional Classes	490,900		
New Schools - Dis-economies of scale funding	56,000		
Less c/fwd from 2021/22	-452,900		
		724,300	
<b>Falling Rolls Fund</b>		0	Unspent funds being carried forward from 2021/22. (As per 19 Nov '21 School Forum)
<b>Funds allocated to Schools &amp; Academies</b>		329,960,000	
<b>Total</b>		<b>330,684,300</b>	

Schools Block 2021/22	£	£
Schools Block DfE notification		320,104,900
<b>Adjusted Schools Block Total 2021/22</b>		320,104,900
<b>Distribution of Funding at LA Level</b>		
<b>Growth Fund</b>		
Key Stage 1 top up	958,800	
Additional Classes	639,500	
New Schools - Dis-economies of scale funding	84,000	
		1,682,300
<b>Falling Rolls Fund</b>		0
<b>Funds allocated to Schools &amp; Academies</b>		318,422,600
<b>Total</b>		<b>320,104,900</b>

Appendix C

Central School Services Block 2022/23	£	Comments
Central Schools Services Block notification	5,461,600	
<b>Adjusted Central School Services Block Total 2022/23</b>	<b>5,461,600</b>	
Historic Commitments (HC)	0	
Funds to transfer to Schools & Academies (Apr)	3,151,400	Approved by Schools Forum 19th Nov '21
On-going Responsibilities	2,309,200	Approved by Schools Forum 19th Nov '21
Additional on-going responsibilities	1,000	See paragraph 4.2
<b>Total</b>	<b>5,461,600</b>	

Central School Services Block 2021/22	£
Central School Services Block notification	6,159,600
<b>Central School Services Block Total 2021/22</b>	<b>6,159,600</b>
Historic Commitments (HC)	422,000
Funds to transfer to Schools & Academies (Apr)	3,517,200
On-going Responsibilities	2,220,400
	<b>6,159,600</b>

## Appendix D

<b>HIGH NEEDS BLOCK 2022/2023</b>	£	£
Block total (From DfE)	74,454,100	
<b>Distribution of Funding at LA Level</b>		<b>74,454,100</b>
<b>Funding for Commissioned Places</b>		
Special Academy place funding (Pre 16)	9,295,800	
Maintained Special School place funding (Pre 16)	990,000	
Academy Special Facilities place funding (Pre 16)	652,000	
Maintained Special Facilities place funding (Pre 16)	680,000	
Maintained Special Schools place funding (Post 16)	210,000	
Special Academy place funding (Post 16)	650,000	
Post 16 FE Places	1,086,000	
Alternative Provision	1,400,000	14,963,800
<b>Other High Needs Budgets</b>		
Top up funding Pre 16	22,954,700	
Top up funding Post 16	2,753,000	
Fees for pupils at independent schools	13,748,500	
Education out of School	2,677,300	
SEN support (Includes the £5m funding proposed for inclusive practice and an additional £1.7m received from the DfE (See paragraph 5.3 and Agenda Item 6)	17,356,800	59,490,300
<b>Total</b>		<b>74,454,100</b>

<b>HIGH NEEDS BLOCK 2021/2022</b>	£	£
Block total (From DfE)	65,931,400	
<b>Distribution of Funding at LA Level</b>		<b>65,931,400</b>
<b>Funding for Commissioned Places</b>		
Special Academy place funding (Pre 16)	8,744,200	
Maintained Special School place funding (Pre 16)	940,000	
Academy Special Facilities place funding (Pre 16)	661,500	
Maintained Special Facilities place funding (Pre 16)	446,000	
Maintained Special Schools place funding (Post 16)	210,000	
Special Academy place funding (Post 16)	650,000	
Post 16 FE Places	1,086,000	
Alternative Provision	1,400,000	14,137,700
<b>Other High Needs Budgets</b>		
Top up funding Pre 16	22,454,700	
Top up funding Post 16	2,753,000	
Fees for pupils at independent schools	13,248,500	
Education out of School	2,677,300	
SEN support	10,660,200	51,793,700
<b>Total</b>		<b>65,931,400</b>

Appendix E

<b>Early Years Block 2022/23</b>	£	£
Early Years Block DfE initial notification	20,800,100	
2 Year old funding	3,225,600	
Pupil Premium funding	230,600	
Disability Access Fund	152,000	
<b>Early Years block total 2022/23</b>		<b>24,408,300</b>
<b>LA Central Budgets</b>		
Early Years Formula Funding (Payments to PVI's and Schools)	23,473,000	
Early Years Team (Which includes training & moderation)	935,300	
<b>Total</b>		<b>24,408,300</b>

<b>Early Years Block 2021/22</b>	£	£
Early Years Block DfE notification	22,285,900	
2 Year old funding	3,567,000	
Pupil Premium funding	244,300	
Disability Access Fund	121,200	
<b>Early Years block total 2021/22</b>		<b>26,218,400</b>
<b>LA Central Budgets</b>		
Early Years Formula Funding (Payments to PVI's and Schools)	25,283,100	
Early Years Team (Which includes training & moderation)	935,300	
<b>Total</b>		<b>26,218,400</b>