

Report No.
ED15032

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EDUCATION BUDGET SUB-COMMITTEE

Date: Tuesday 6th January 2015

Decision Type: Non-Urgent Non-Executive Non-Key

Title: DEDICATED SCHOOLS GRANT 2015/16

Contact Officer: Amanda Russell, Head of Schools Finance Support
Tel: 020 8313 4806 E-mail: Amanda.Russell@bromley.gov.uk

Chief Officer: Executive Director of Education, Care & Health Services

Ward: Borough-wide

1. Reason for report
 - 1.1 This report outlines the early estimates of how the 2015/16 Dedicated Schools Grant will be estimated and allocated.
-
- 2. RECOMMENDATION(S)**
 - 2.1 That the Education Budget Sub-Committee consider the proposed allocation, particularly around the potential shortfall in funding.

Corporate Policy

1. Policy Status: Not Applicable
 2. BBB Priority: Children and Young People
-

Financial

1. Cost of proposal: No Cost
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Education Portfolio Budgets
 4. Total current budget for this head: £246m
 5. Source of funding: Dedicated Schools Grant
-

Staff

1. Number of staff (current and additional): 2,065 Full Time Equivalent, of which 1,777 are based in schools.
 2. If from existing staff resources, number of staff hours: n/a
-

Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All Schools
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

3.1 As part of the Fairer Funding Review that was released to Local Authorities earlier this year, we know the amount of funding per pupil that will be used to calculate the 2015/16 Dedicated Schools Grant. Appendix 1 shows how the Schools Block Unit Funding (SBUF) has been calculated for Bromley, taking into account the additional £19.5m which the Committee has seen in a previous meeting. Appendix 2 shows some further adjustments to the SBUF allowing for a top slice for Carbon Reduction Commitment costs, giving a final per pupil allocation of £4,545.22. This has been multiplied by the current pupil numbers to give an estimated Schools Block figure of £189,416,865 (see (a) on appendix 3). This has been added to the 2013/14 figures for the High Needs Block (b) and to the estimated figure for the Early Year Block. This gives an estimated total DSG figure for 2015/16 of £246,008,661 (d).

2015/16 Dedicated Schools Grant						
High Needs Block		Early Years Block		Schools Block		Total
	£000		£000		£000	£000
2013/14 funding	£48,781	2013/14 funding	£11,846	Pupil numbers	41,545	
Less High Needs adjustment	-£5,444	2 year old funding	£2,408	GUF per pupil	£4,545.22	
				Pupil funding	£188,831	
				Free school pupil funding	£522	
				NQT	£63	
Total	£42,337	Total	£14,254	Total	£189,416	£246,008

3.2 There are a number of changes for 2015/16 which Members need to be aware of as follows:

- Within the Early Years Block, the Two Year Old Funding has reduced from the previous years as from 2015/16 this will be calculated on a participation basis, ie we will only receive funding for pupils actually taking up places. In previous years we have benefitted from additional funding to help to “grow” this service which the LA has been able to use flexibly.
- In accordance with DfE guidelines, from 2015/16 the LA will be responsible for calculating the funding for any free schools. Additional funding has been estimated to support this (e) along with the relevant amount to be recouped from the DSG (f). Members will note that the recoupment figure is higher than the funding figure, thus putting pressure on the LA’s overall budget.
- There are a number of adjustments that have been made within the High Needs Block to reflect savings that have been identified within individual services.

- Individual School and Academy funding has been calculated using the formula elements from revised option one as agreed at the last Education Budget Sub-Committee meeting in October and therefore includes the additional allocation of £19.5 million.
- 3.3 The DSG has been budgeted to a break even figure by means of adjusting the funding for Support to Schools as it is anticipated that this funding will reduce as more schools convert to Academy status.
- 3.4 However, two areas of additional funding have been identified for consideration, along with possible options as to how this can be addressed.
- Primary Growth Funding – A shortfall of £500k (h) has been identified based on an overspend in the current financial year. The Local Authority previously agreed the methodology by which bulge classes would be funded. Due to the number of additional pupils at reception age there continues to be pressure within the LA to find sufficient places for all pupils, and has resulted in a number of additional classes being opened. In 2014/15 the LA set a budget of £1m from which around 25 bulge classes were funded at an average cost of around £50,000 with another 10 classes receiving additional funding for either the full or part year cost of an additional teacher.
 - Early Years Funding Formula – A separate report went to the Schools Forum in November identifying the need to review the Early Years Funding Formula and requesting that additional funding be provided to support this.
- 3.5 It was proposed that £500k funding for primary expansion classes could be found from within the Schools Block. The Schools Forum were asked at their last meeting to consider the following options for this funding:
- Lump sum to be reduced by £5,000 per school
 - AWPU to be reduced by £12 per pupil
 - Deprivation funding to be reduced by £56 per pupil
 - Attainment funding to be reduced by £61 per pupil
 - EAL funding to be reduced by £235 per pupil
 - Further savings to be found from within the central funding
 - DSG underspend to be used in the short term to support these additional cost pressures.
- 3.6 The Schools Forum supported the option of using DSG underspend, which is outlined in further detail in the separate report to this committee on use of the DSG underspend.
- 3.7 A further report will be taken to the Schools Forum meeting on the 15th January providing updated DSG figures that will be released at the end of December, and to include any recommendations about the use of the unspent DSG. Final agreement will then be sought from the Education PDS Committee at their meeting on 27th January 2015.