

Decision Maker: EDUCATION PORTFOLIO HOLDER

For Pre-Decision Scrutiny by the Education Policy Development and Scrutiny Committee

Date: 27 January 2015

Decision Type: Non-Urgent Executive Non-Key

Title: DEDICATED SCHOOLS GRANT 2015/16

Contact Officer: Amanda Russell, Head of Schools Finance Support
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Chief Officer: Terry Parkin, Executive Director of Education, Care & Health Services

Ward: Borough-wide

1. Reason for report

- 1.1 This report provides details of the indicative allocation for 2015/16 Dedicated Schools Grant and outlines how the funding will be allocated and expended across the High Needs, Early Years and Schools Blocks.

2. **RECOMMENDATION(S)**

- 2.1 That the Education PDS Committee consider and comment on the latest 2015/16 allocation of the Dedicated Schools Grant.
- 2.2 That the Education Portfolio Holder approve the Dedicated Schools Grant allocation and the changes to the funding formula for 2015/16.

Corporate Policy

1. Policy Status: Not Applicable
 2. BBB Priority: Children and Young People
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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: £252m
 5. Source of funding: Dedicated Schools Grant
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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
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Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All Schools
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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 In December 2014 the DfE released the DSG figures for 2015/16 to include final figures for the Schools Block and the Early Years Block – final details of the High Needs Block will be released in January. Appendix 1 shows how the Pupil Numbers have been calculated for Bromley, which are then used in the calculation of the DSG. Appendix 2 shows full details of how the Dedicated Schools Grant is calculated across all three Blocks including the additional funding for Newly Qualified Teachers. This gives as overall total DSG figure for 2015/16 of £251,733,734. The High Needs Block adjustment and the funding for two year olds has been estimated at this stage as the exact figures will not be known until January/June 2015 respectively.

2015/16 Dedicated Schools Grant						
High Needs Block		Early Years Block		Schools Block		Total
2015/16 funding	£48,365k	Pupil numbers	3,176	Pupil numbers	41,785	
		Funding per pupil	£3,899.47	GUF per pupil	£4,545.22	
		Pupil funding	£12,385k	Pupil funding	£189,922k	
				Free school pupil funding	£758k	
		Early Years Pupil Premium	£241k	NQT	£63k	
Total	£48,365k	Total	£12,626k	Total	£190,743k	£251,734k
Estimated deductions	£6,361k	Estimated 2 year old Funding	£2,408k			
	£42,004k		£15,034k		£190,743k	£247,781k
				Less Academy Recoupment	£146,219k	
Final Total	£42,004k		£15,034k		£44,524k	£101,562k

3.2 There are a number of changes for 2015/16 in DSG detailed 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, i.e. 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). The Schools Forum will note that the recoupment figure is higher than the funding figure, thus putting pressure of 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 element from revised option one as agreed at the last Schools Forum meeting and therefore includes the additional allocation of £19.5 million.

3.3 In addition to this there are a number of further changes to be aware of:

- Non recoupment academy funding (i.e. funding for the two free schools opened in Bromley in 2015) has been confirmed at £758,000.
- Full details of High Needs Block allocation can be seen at Appendix 3.

3.4 Appendix 4 shows full details of how the DSG will be allocated in 2015/16. At previous meetings of the Education Budget Sub Committee and the Schools Forum, two areas of additional expenditure were identified, relating to growth funding and Early Years Formula Funding. With regard to the Growth funding, an additional sum of £500k has been added to the budget, based on the estimated level of expenditure for 2015/16. Further work has been done on the Early Years Funding Formula and this has been discussed at the Schools Forum. Based on the new formula, it is estimated that around £500k will be required to implement these changes to ensure that there is no significant impact on any individual settings. It was proposed at the last Schools Forum Meeting that these two potential overspends should be met from the underspent DSG from previous years. This has been allowed for in the budget projections.

3.5 At previous meetings of the Education budget sub committee and the Schools Forum, unspent DSG has been discussed. Currently there is £8.946m of unspent DSG that has carried forward from previous years with a further £2m underspend projected for the current year. The proposal is to give a one off payment to schools of £3.5m for 2015/16, use £2m to cover growth as discussed in paragraph 3.4 and the remainder being used to purchase and refurbish Beacon House. This would leave a small surplus remaining of £656k. The principle has been discussed and agreed at the Education Budget sub committee and the Schools Forum and has been supported.

3.6 Within the Schools Block, individual schools budgets have been set based on the formula factors as previously agreed by the Schools Forum and by Members, which includes the £19.5 million additional funding. Details of the individual formula funding levels can be seen on the APT proforma at Appendix 5. Maintained schools will be notified of their individual funding by the end of February as required by DfE – Academies will be notified of their funding by the EFA in line with their own timescales.

3.7 The LA has made a small change to the amount de-delegated from Maintained Primary Schools for Supply Staff Costs, including cover for maternity, jury service, suspension and union duties.

The amount per pupil has increased from £17.38 to £18.50 – this is as a direct result of increased expenditure. There is no change to the amount de-delegated for free school meal eligibility which remains at £8.65 per pupil. The relevant Schools Forum members agreed the de-delegation for 2015/16.

3.8 The Schools Forum discussed the paper on the 15th January 2015 and supported the allocations.

Non-Applicable Sections:	Legal Implications Personnel Implications
Background Documents: (Access via Contact Officer)	None