

**Decision Maker:** **SCHOOLS' FORUM**

**Date:** **Thursday 5 November 2020**

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

**Title:** **2021/22 DEDICATED SCHOOLS GRANT**

**Contact Officer:** Julie Crew, Education Funding Manager  
Tel: 020 8603 3573    E-mail: Julie.Crew@liberata.com

**Chief Officer:** Executive Director of Children's Services

**Ward:** (All Wards);

---

1. Reason for report

This report provides an outline of the estimated DSG allocation for 2021/22 and an overview of how this will be spent,

---

2. **RECOMMENDATION(S)**

2.1 **The Schools Forum is asked to review the provisional DSG income and forecast expenditure for 2021/22 in preparation for the full budget setting process.**

### 3. COMMENTARY

3.1 The indicative Dedicated Schools Grant (DSG) funding for 2021/22 has now been provided to all LAs – this is currently based on October 2019 pupil numbers so will be uplifted in December to reflect the October 2020 census data. The DSG for 2021/22 is divided into four blocks – High Needs, Early Years, Schools and Schools Central. The expected income is detailed below

2021/22 Dedicated Schools Grant					
	High Needs Block	Early Years Block	Schools Block	Schools Central Block	Total
Gross Grant Funding	£58,266,582	£23,055,439	£233,242,664	£1,871,573	£316,436,258
Recoupment adjustment	-£10,128,167				-£10,128,167
Net Grant Allocation	£48,138,415	£23,055,439	£233,242,664	£1,871,573	£306,308,091

3.2 The LA has looked at each of these blocks and has forecast the related expenditure for 2021/22 based on information that is currently available at this time. Full details of the projected grant income and expenditure can be seen at Appendix 1 with detailed information regarding each block provided below.

3.3 Appendix 2 shows the allocation from DfE which excludes the Early Years Block.

3.4 Schools Central Block

Grant 2021/22	£1,871,720
Expenditure 2021/22	£2,281,720
Contribution from Council	£410,000
Expected (Over)/ Underspend	£0

3.5 The Schools Central Block shows a provisional overspend of £410k which is proposed will be met by a contribution of £410k from the Council to offset the deficit. Officers will continue to work towards bringing this expenditure in line with the grant.

3.6 Early Years Block

Grant 2021/22	£23,055,439
Expenditure 2021/22	£23,055,439
Expected (Over)/ Underspend	£0

3.7 The Early Years Block income has been estimated as part of the separate review carried out by the LA and the income has been estimated as the DfE has not yet released any funding information relating to 2021/22.

3.8 The funding calculation also allows for £500k to be transferred from the EY block to the HN Block to support EY pupils with SEND.

### 3.9 Schools Block

Grant 2021/22	£233,242,664
Growth funding (estimated)	£1,725,467
Expenditure 2021/22	£234,968,132
Expected (Over)/ Underspend	£0

- 3.10 The Schools Block funding has been calculated using the October 2019 census pupil numbers and the per pupil units of funding which have been calculated for 2021/22. Based on the published figures the Primary unit of funding has increased from £4,282 to £4,595 which is an increase of around 7% and the Secondary unit of funding has increased from £5,408 to £5,863 which is an increase of around 8%.
- 3.11 The funding that the LA is allocated for the schools block is calculated by running the NFF for every school to give a total figure, which is then divided by the number of pupils in each sector to give a per pupil figure. For these calculation purposes the Schools Block has been increased by an estimated figure of £1.72m for growth funding – funding in 2020/21 was £2.06m. This funding has been offset against expenditure at the same level.
- 3.12 The main changes to the NFF for 2021/22 are as follows:-
- Funding previously received through the Teachers Pay Grant and Teachers Pension Employer Contribution, including the supplementary fund, to mainstream schools for pupils from Reception to year 11, by adding to baseline
  - The baseline for floor funding is the 2019/20 notional NFF allocations increased by £180 for Primary and £265 for secondary as a result of rolling the TPG and TPECG into the NFF. This is in addition to an increase of 3% above the baseline
  - Unit values have typically been increased by around 4%, with the exception of Free school meal funding which has only been increased in line with inflation
  - Minimum per pupil funding levels are now compulsory and have been set at £4,180 for primary schools and £5,415 for secondary schools
  - The MFG level is required to be between 0.5% and 2%
- 3.13 The funding formula has been run for all Bromley schools taking into account these changes.
- 3.14 Bromley has used the minimum funding levels as part of the formula calculation as compulsory requirement. There are a number of schools that become eligible for protection as follows:
- 56 Primary schools to receive around £4,340k collectively
  - 4 Secondary schools to receive around £69k collectively
- 3.15 The MFG protection across all schools has increased to around £4.4m.
- 3.16 The MFG level that has been used by Bromley is 0.54% which sits at the lower end of the Government's parameters.

### 3.17 High Needs Block

Grant 2021/22	£58,266,582
Recoupment	-£10,128,167
LA Expenditure 2021/22	£48,138,415
Expected (Over)/ Underspend	£0

3.18 There continues to be significant pressures on the High Needs Block. Estimated expenditure is based on the pattern of new EHCPs (Education, Health and Care Plans) seen over recent years and on the average cost of a placement. The demand for placements of children and young people with SEN continues to increase. Increased numbers of children and young people have been placed at mainstream schools, special schools and resourced provisions. Nevertheless, the sustained increase in demand results in the continued reliance on independent settings.

### 3.19 Next Steps

3.20 The LA felt it was important to share this information with the Schools Forum at the earliest opportunity. Schools Forum members are asked to review this information in advance of the full budget setting process in December 2020. All of the figures are subject to change as further data is received and grant levels amended.