



Schools Forum

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Training and Development
Centre

Paper

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Public

SCHOOLS' BUDGET 2014-15 - UPDATE

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Summary

This report gives an update on the latest information available on schools' funding for 2014-15.

Recommendation

This report is an information item only.

REPORT

1. Detailed information on school revenue funding for 2014-15 was announced by the Department for Education (DfE) on 18 December 2013.
2. As in 2013-14, the total 2014-15 Dedicated Schools Grant (DSG) has been allocated under three non-ringfenced blocks: a schools block, an early years block and a high needs block. In addition, funding has been provided within the DSG for early education places for 2 year olds from lower income households and for the costs of monitoring and quality assuring newly qualified teachers (NQT) induction. A deduction is made to the DSG as a result of schools no longer being part of the CRC Energy Efficiency Scheme.
3. A summary of the 2014-15 DSG allocation as announced on 18 December 2013 is shown in the table below alongside the 2013-14 DSG allocation (before academy recoupment).

	2014-15 £m	2013-14 £m	Variation £m
Schools Block	143.606	145.128	-1.522
Early Years Block	7.683	7.683	0
High Needs Block	23.791	23.653	0.138
Additions/Deductions	2.156	1.863	0.293
Total	177.236	178.327	-1.091

The 2014-15 DSG – Schools Block Key Financial Headlines are:

4. The underlying school budget is kept at the same cash flat per pupil for 2014-15 as 2013-14. For Shropshire this equates to £4112.55 per pupil.
5. Shropshire's schools block pupil numbers at October 2013 were 34,919. This compares to 35,289 at October 2012, a reduction of 370 pupils and £1.522m.
6. The October 2013 pupil number includes a reception uplift to take account of deferred entry to Reception based on an increase in the count of Reception pupils between October 2012 and January 2013.
7. The Minimum Funding Guarantee (MFG) will remain at minus 1.5%.

The 2014-15 DSG – Early Years Block Key Financial Headlines are:

8. The underlying early years' budget is kept at the same cash flat per 3 and 4 year old pupils for 2014-15 as 2013-14. For Shropshire this equates to £3249.84 per fte.
9. The announcement of funding is provisional at this stage as it is based on the January 2013 Early Years' Census. This will be updated during 2014-15 and the final allocation will be based on 5/12ths of January 2014 pupil numbers and 7/12ths of January 2015 pupil numbers.

The 2014-15 DSG – High Needs Block key financial headlines are:

10. For 2014-15 the high needs block has been calculated in two sub blocks: schools and post schools. This is a change from 2013-14 when it was calculated as pre and post 16.
11. The schools element (place and top-up funding) of the high needs block totals £23.206m and is based on:
 - the same cash flat allocation for pre 16 (including agreed 13-14 growth) as for 2013-14 totalling £22.716m; and
 - the 2012-13 SEN block grant received for post 16 high needs pupils in schools of £0.477m; and
 - Shropshire's share of the £7m non-maintained special school grant added to the DSG in 2013-14 equating to £0.013m.
12. The post schools element (top up funding only) of the high needs block totals £0.586m and is based on:
 - the 2012/13 R14 Individualised Learner Record (ILR) year-end data returns; and
 - the LLDD Specialist Programmes budget for the academic year 2012/13; and

- the ISP data from the EFA LLDD database and reflects local authority commissioned provision.

13. Final DSG allocations for the high needs block will be confirmed in February following completion of the places review. Depending on the outcome, the DfE may be able to reflect demographic pressures by increasing the rest of the DSG allocations for high needs, other than those for places.

The 2014-15 DSG – Additions/Deductions Key Financial Headlines are:

14. In addition to the three main blocks within the DSG for 2014-15, Shropshire will receive funding for early education places for 2 year olds from lower income households of £2.370m, increased from £1.796m in 2013-14, reflecting the extension of the entitlement to 40% from September 2014 and will receive funding for induction for newly qualified teachers of £0.53m.
15. A deduction is made to the DSG reflecting the Government's announcement in December 2012 that all state funded schools in England will be withdrawn from the CRC Energy Efficiency Scheme participation from April 2014. The removal of schools from the scheme is intended to be cost neutral to the Exchequer hence a deduction will be made from the 2014-15 DSG to compensate the Exchequer for the loss of revenue funding. Shropshire's deduction is £0.267m and is based on data on the purchase of carbon allowances from section 251 2013-14 budget statements.

The Pupil Premium 2014-15 and an update to the Pupil Premium 2013-14

16. In 2014-15 primary schools will receive £1,300 per primary pupil who is currently eligible for free school meals (FSM) or who has been eligible for FSM in the past 6 years (FSM 'Ever 6'). Secondary schools will receive £935 for secondary FSM 'Ever 6' pupils.
17. The DfE is introducing a higher rate of £1,900 for looked-after children and extending the eligibility criteria to include those pupils who have been in care for one day or more, as compared with the six months in care currently required.
18. For the first time, from April 2014 schools will also receive £1,900 for eligible pupils who have been registered on the school census as having been adopted from care or leaving care under a special guardianship or residence order.
19. The service premium will continue to be extended so that in 2014-15 any pupil in reception to year 11 who has been flagged as a service child since 2011 will continue to receive the premium ('Ever 4' measure) at £300 per pupil.
20. Allocations for 2014-15 will be based on January 2014 school census data and March 2014 looked-after children numbers.
21. Having finalised the current 2013-14 pupil premium allocations, the DfE has announced that there remains sufficient funding to provide primary schools with an extra £53 for every primary FSM 'Ever 6' pupil in the current 2013-14 financial year. The remaining funding is being targeted at primary pupils to

enable schools to tackle as early as possible the attainment gap between disadvantaged pupils and their peers.