



Schools Forum

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Venue: Shrewsbury
Training and Development
Centre

Paper

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Public

Dedicated Schools Grant – 2017-18 Update and Final 2016-17 Early Years Block Adjustment

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Summary

The Department for Education (DfE) announced provisional 2017-18 local authority Dedicated Schools Grant (DSG) allocations in December 2016, as reported to Schools Forum in January 2017. Updated DSG allocations for the 2017-18 financial year, reflecting the latest academies recoupment for conversions, have been reported to Schools Forum in March and June.

In July, in addition to a further update to the 2017-18 DSG allocation, the DfE announced the final Early Years Block funding for the 2016-17 financial year based on January 2016 and January 2017 pupil numbers.

This report provides:

- a summary of Shropshire's updated 2017-18 DSG allocation and how it has changed from the previous DSG allocation reported to Schools Forum in June
- an update on the final 2016-17 Early Years Block funding and how it has changed from the provisional allocation.

Recommendation

This report is for information only.

REPORT

Background

1. In January 2017 Schools Forum members received a report summarising the funding blocks that made up Shropshire's provisional 2017-18 DSG allocation and listing the key financial headlines for each of the blocks.

2. An updated 2017-18 DSG allocation announced by the DfE in March, presented to Schools Forum in June, showed no changes to the provisional 2017-18 DSG allocation. A further update has been announced by the DfE in July and is presented within this report.
3. The 2016-17 DSG included a provisional Early Years Block allocation based on the January 2016 Early Years' Census. As expected, the DfE announced in July 2017 the final Early Years' Block allocation for 2016-17 based on 5/12ths of January 2016 pupil numbers and 7/12ths of January 2017 pupil numbers.

Latest 2017-18 DSG Allocation

4. The latest 2017-18 DSG allocation, announced by the DfE in July, is presented in the table below. Figures are before recoupment for academies.

	2017-18 DSG (as presented to Schools Forum in June) £m	Latest 2017-18 DSG £m	Variation £m
Schools Block	156.259	156.259	0
Early Years Block (Provisional)	13.885	13.528	-0.357
High Needs Block	25.079	25.079	0
Additions	0	0	0
Total 2017-18 DSG	195.223	194.866	-0.357

5. The only change in the latest 2017-18 DSG allocation announcement relates to a net reduction to the Early Years Block of £357,000. This reflects:
 - A reduction of £92,000 relating to 3 and 4 year old free entitlement funding reflecting a reduction in pupil numbers as recorded in the January 2017 census. The previous provisional allocation was based on January 2016 data.
 - A reduction of £267,000 relating to participation funding for disadvantaged 2 year olds reflecting a reduction in pupil numbers as recorded in the January 2017 census. The previous provisional allocation was based on January 2016 data.
 - An increase of £2,000 to the Early Years Pupil Premium reflecting an increase in pupil numbers as recorded in the January 2017 census. The previous provisional allocation was based on January 2016 data.
6. The 2017-18 Early Years Block allocation remains provisional. The final allocation will be announced in the summer 2018 and will reflect January 2017 and January 2018 census data.
7. Both the Schools Block and the High Needs Block initial allocations are subject to recoupment in relation to academies, Post 16 High Needs places and Pre 16 High Needs places in non-maintained special schools. DSG funding relating to these areas will be recouped from the local authority by the Education and Skills Funding Agency (ESFA) and passed on to providers by the ESFA.

8. The latest Schools Block and High Needs Block allocations following recoupment are shown below for information. The Schools Block recoupment reflects all academy convertors to July 2017.

	Latest DSG 2017-18	Recoupment 2017-18	Updated DSG after Recoupment 2017-18
	£m	£m	£m
Schools Block	156.259	65.680	90.579
High Needs Block	25.079	4.838	20.241

Final 2016-17 Early Years Block Allocation

9. The 2016-17 Early Years Block allocation of £9.780m was provisional based on January 2016 census data. As expected, the DfE has now announced the final Early Years block allocation for 2016-17 based on 5/12ths of January 2016 census data and 7/12ths of January 2017 census data.
10. The final Early Years allocation for 2016-17 is £9.595m, a reduction of £185,000 from the provisional allocation reflecting a decrease in early years' pupils taking up the 2 year old and 3 and 4 year old free entitlement between January 2016 and January 2017.