



Schools Forum

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Venue: Shrewsbury
Training and Development
Centre

Paper

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Public

Dedicated Schools Grant - 2015-16 Update

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Summary

The provisional Dedicated Schools Grant (DSG) allocation for the 2015-16 financial year was reported to Schools Forum in January 2015. A further report was presented in June 2015 detailing changes to Shropshire's 2015-16 DSG allocation as announced by the Department for Education (DfE) in March 2015.

In July 2015 further updates to Shropshire's 2015-16 DSG allocation were announced. This report provides a summary of the updated DSG allocation and how it has changed from the DSG allocation reported to Schools Forum in June 2015. It also provides a summary of the current position following recoupment relating to academies and deductions to the high needs block for direct funding of places by the Education Funding Agency (EFA).

Recommendation

This report is for information only.

Report

Background

1. In January 2015 Schools Forum received a report summarising the 2015-16 funding blocks making up Shropshire's provisional Dedicated Schools Grant (DSG) allocation and listing the key financial headlines for each of the blocks.
2. An updated 2015-16 DSG allocation was announced by the Department for Education (DfE) in March 2015 and presented to Schools Forum in June 2015.
3. On 16 July 2015 the DfE published further updates to Shropshire's 2015-16 DSG allocation which are the subject of this report.

Updated 2015-16 DSG Allocation

4. A summary of the 2015-16 DSG allocation reported to Schools Forum in June 2015 and the latest updated DSG allocation announced by the DfE in July 2015 is presented in the table below. Figures are before recoupment for academies and high needs places funded directly by the Education Funding Agency (EFA).

	Previous DSG £m	Latest DSG £m	Variation £m
Schools Block	153.333	153.333	0
Early Years Block (Provisional)	7.417	9.812	2.395
High Needs Block	25.478	25.453	-0.025
Additions	0.052	0.052	0
Total DSG	186.280	188.650	2.370

5. Overall Shropshire's DSG has increased by £2.370m. This reflects an increase of £2.395m in the provisional Early Years Block and a reduction of £25k in the High Needs Block.
6. The Early Years Block increase of £2.395m reflects two changes:
- An increase to the provisional number of 3 and 4 year olds. The previous Early Years Block allocation included funding for 2,240 fte 3 and 4 year olds based on January 2014 census data. The latest Early Years Block allocation includes funding for 2,393 fte 3 and 4 year olds based on January 2015 census data. This equates to an additional 153 ftes and, at a unit of funding of £3,249.84, equates to an additional **£497k**. Please note that the final 2015-16 Early Years Block allocation will be based on January 2015 and January 2016 census data and will be announced in the summer 2016.
 - The inclusion of 2 year old funding not previously included in the 2015-16 DSG. The allocation is based on January 2015 2 year old numbers of 412 at an annual rate of £4,607.50. This equates to **£1,898k**.
7. The High Needs Block reduction of £25k is a further adjustment reflecting the change from funding being based on a residency to a location basis for Post 16.
8. Both the Schools Block and the High Needs Block 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 EFA and passed on to providers by the EFA.

9. The latest Schools Block and High Needs Block allocations following recoupment are shown below.

	Latest DSG 2015-16 £m	Recoupment 2015-16 £m	Updated DSG after Recoupment 2015-16 £m
Schools Block	153.333	48.793	104.540
High Needs Block	25.453	4.278	21.175

10. The latest 2015-16 DSG allocation after recoupment equates to £135.58m.