



Schools Forum

Date: 17 September 2020

Time: 8:30 a.m.

Venue: MS Teams Meeting

Paper

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Public

Updated Dedicated Schools Grant (DSG) 2020-21

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Summary

The Department for Education (DfE) announced provisional 2020-21 local authority Dedicated Schools Grant (DSG) allocations in December 2019. In March 2020 the DfE announced an update to the DSG allocation for the 2020-21 financial year. A further update was received in July 2020.

This report provides a summary of Shropshire's latest updated 2020-21 DSG allocation comparing it with Shropshire's previous provisional DSG allocation as reported to Schools Forum in June 2020.

Recommendation

This report is for information only.

REPORT

1. In February 2020 Schools Forum members received a report summarising the funding blocks making up Shropshire's 2020-21 provisional DSG allocation and listing the key financial headlines for each of the blocks.
2. Shropshire's 2020-21 provisional DSG allocation was updated in March 2020 to include recoupment for academies and deductions for high needs places funded by the Education and Skills Funding Agency (ESFA) at that point.
3. A further update was received in July 2020 including adjustments to academy recoupment in relation to recent convertors, the early years' provisional allocation and the high needs import/export adjustment.
4. A summary of the provisional 2020-21 DSG (as presented to Schools Forum in June 2020), and the latest updated 2020-21 DSG announced in July 2020, is shown in the table below.

5.

	Provisional DSG (as at Dec 19) £m	Recoupment / Deductions for HN places (as at March 20) £m	Provisional DSG (as at March 20) £m	Recoupment / Early Years Adjustment / HN Import/Export Adjustment (as at July 20) £m	Latest DSG (as at July 20) £m
Schools Block	168.480	-112.431	56.049	-1.361	54.688
Early Years Block (Provisional)	15.857	0	15.857	0.939	16.796
High Needs Block	28.130	-5.136	22.994	0.066	23.060
Central Schools Services Block (CSSB)	2.791	0	2.791	0	2.791
Total DSG	215.258	-117.567	97.691	-0.356	97.335

6. The latest (July 2020) Schools Block adjustment shown in the table above relates to the additional recoupment of the budget share of a school converting to academy status on 1 May 2020, calculated through Shropshire's local funding formula as £1.361m. The funding is recouped from Shropshire's DSG and passed on to the academy by the ESFA. The DSG recoupment will be updated throughout the financial year to reflect any further academy conversions.
7. The latest provisional Early Years Block adjustment relates to updated provisional part time equivalent funded two, three and four year olds to reflect the January 2020 school census and early years census, providing additional funding of £0.914m., along with a small increase to the Early Years Pupil Premium grant of £24,829.
8. The latest High Needs Block adjustment relates to an update to our import/export adjustment to reflect January 2020 school census high needs pupils' data and February 2019/20 RO6 ILR data (age 16 to 18 and 19 to 24 year olds with EHC plans). The import/export adjustment reflects the net place funding costs of other local authority pupils placed in our high needs settings and Shropshire high needs pupils placed in other local authority settings. Shropshire is a net exporter of high needs pupils and our 2020-21 import/export adjustment has decreased by £66,000. The total deduction for our import/export adjustment is now £1.026m included within the High Needs Block funding.
9. Shropshire's latest remaining DSG for 2020-21, after recoupment for academies and deductions for direct funding of high needs places by ESFA, equates to £97.335m.