

SCHOOLS FORUM

THURSDAY, 16TH JANUARY, 2020

At 2.00 pm

in the

COUNCIL CHAMBER - TOWN HALL, MAIDENHEAD

SUPPLEMENTARY AGENDA

PART I

<u>ITEM</u>	<u>SUBJECT</u>	<u>PAGE NO</u>
6.	<u>DEDICATED SCHOOLS GRANT INDICATIVE SETTLEMENT 2020/21</u> To receive the above report.	3 - 8

This page is intentionally left blank

ROYAL BOROUGH OF WINDSOR & MAIDENHEAD SCHOOLS FORUM

Date:	16th January 2020	AGENDA ITEM: 3
Title:	Dedicated Schools Grant Indicative Settlement 2020/21	
Responsible officer:	Kevin McDaniel, Director of Children's Services	
Contact officer:	James Norris, Head of Finance (RBWM) Achieving for Children	Email: James.norris@achievingforchildren.org.uk

1 PURPOSE AND SUMMARY

- 1.1 To update the Forum on the indicative settlement 2020/21 for the Dedicated Schools Grant (DSG); Schools Block, Central School Services Block, Early Years Block and High Needs Block.
- 1.2 To update the Forum on the submission of the draft Authority Pro-forma Tool (APT) for schools block funding 2020/21 to the Education Skill Funding Agency (ESFA).

2 RECOMMENDATIONS

- 2.1 That the Forum notes:
 - the allocation for the DSG; Schools Block, Central School Services Block and High Needs Block for the 2020/21 financial year
 - the details of the 2020/21 APT submission

3 FINANCIAL SUMMARY

- 3.1 The Government published details of the latest 2020/21 DSG grant settlement on the 19th of December 2019. The information contained in this report is based on the most up to date information available from the ESFA at the time of writing and reflects the impact of the December announcements.

4 SUMMARY OF DSG FUNDING 2020-21

- 4.1 The latest gross DSG settlement for 2020/21 of £125m and net funding due to RBWM estimated at £66m, after recoupment and the direct funding deductions from the High Needs Block.
- 4.2 The March 2020 DSG notification will inform Local Authorities of the final EFSA deduction to be made at source for allocations direct to Colleges and Academy schools. The March notification will change the net funding estimate due to RBWM for 2020-21. Table 1 sets out the breakdown of the Indicative DSG Settlement for 2020/21.

Table 1: DSG Indicative Settlement 2020/21

Dedicated Schools Grant 2020/21	Total	Schools Block	Central Services Block	Early Years Block	High Needs Block
	£000	£000	£000	£000	£000
Schools Formula (Gross)	90,808	90,808			
School Pupil Growth Fund	954	954			
Central Block	1,073		1,073		
Early Years 3 & 4 year old - Free entitlement	7,013			7,013	
Early Years 3 & 4 year old - Working parents	1,856			1,856	
Early Years – Maintained Nursery school transitional protection for EYNFF.	225			225	
Early Years 2 year old	544			544	
Early Years Pupil Premium	37			37	
Early Years Disability Fund	22			22	
High Needs Funding (Gross)	21,992				21,992
Gross DSG (i)	124,524	91,762	1,073	9,697	21,992
Budget Estimate for March 2019 notifications:					
High Needs Direct Funding deduction Estimate	(2,330)				(2,330)
Academy Recoupment (December Estimate)	(55,922)	(55,922)			
Net Grant Estimate per Block (ii)	66,272	35,840	1,073	9,697	19,662

5 Budget Allocations 2020/21

Schools Block Allocations 2020/21

- 5.1 At its meeting in October 2019 the Forum was presented with an indicative figure for the schools block. The final allocation has been updated with the October 2019 school census data. The schools block allocation for the 2020/21 financial year before recoupment for academies and free schools is £91.762m. £90.808m of which is to be delegated to schools via the local formula and £0.954m retained for in year school growth fund allocations.

Table 2: Schools Block Allocations 2020/21 (before recoupment for academies and free schools)

Funding	2020/21 Provisional Grant Notification - Oct 2019	2020/21 Grant Notification - December 2020	2019/20 Final Allocation
	£000	£000	£000
Basic Schools	88,083	89,885	84,503
Premises	923	923	808
Growth Fund	846	954	846
Total	89,892	91,762	86,157

- 5.2 The majority of the increase in funding for the schools block relates to increases in the unit of funding per pupil from 2019-20 to 2020-21, to meet the governments minimum formula guarantees in Secondary of £5,000 per pupil and Primary of £3,750 per pupil and changes in overall numbers on roll in the October 2019 Census return.
- 5.3 The Local Authority (LA) is required to submit the draft Authority Pro-forma Tool (APT) to the Education Skills Funding Agency (ESFA) by the 21st January 2020 demonstrating the proposed application of the schools block funding for the 2020/21 financial year.
- 5.4 The 2020/21 APT was released by the ESFA on 19th December 2019. The APT is a standard model issued by the ESFA that is completed by Local Authorities outlining the proposed local funding formula for the Schools Block. It ensures there is consistency between the basis of allocation for both maintained (distributed by the LA) and academy schools (distributed by the ESFA). The latest published APT contains the updated pupil population data set taken from the October 2019 school census. The deadline for the final submission of the draft formula to the ESFA is 21st January 2020. This formula will be subject to ratification by the Council on the 25th February 2020.

Central Schools Services Block Budget Allocations 2020/21

- 5.5 At the informal meeting of the Schools Forum in October 2019 the Forum was presented with an indicative block funding allocations. The Central Schools Services Block (CSSB) allocation for 2020-21 which reflected the government's 20% reduction in CSSB Historic funding element and a decrease in the RBWM population.
- 5.6 The CSSB has been updated with October 2019 school census data and for RBWM population changes resulting in the final allocation is £1.073m, a decrease of £60,000 between the financial years 2019-20 to 2020-21.

Table 3: Central Schools Services Block Allocations 2020/21

Funding	2020/21 Provisional Grant Notification – Oct 2019	2020/21 Grant Notification - December 2019	2019/20 Final Allocation
	£000	£000	£000
Central Schools Services	1,058	1,073	1,133
Total	1.058	1.073	1.133

- 5.7 The historic commitment element of the RBWM Central block totalled £0.268m and was approved by the Schools Forum in the 16th January 2018, along with the Education Support Grant (ESG) retained services. The government reduction in the historic commitment element has resulted in a loss of grant of £54,000 in 2020-21, this element of the grant contributes towards services for Psychology, Information & advice service and Early Help Social Work. Further similar reductions in the historic element are expected over the next 3 to 4 years.

Early Years Block Indicative Budget Allocations 2020/21

- 5.8 The indicative allocation for the Early Years Block in 2020/21 is £9.697m. This indicative allocation is based on the January 2019 census pupil numbers. This allocation will be updated according to actual nursery census data after completion of the January 2020 census and a revised notification sent to local authorities in May 2020. Further recalculations of block funding will take place in year to reflect actual in year take up.

Table 4: Early Years Block Notifications 2020/21

Funding	2020/21 Provisional Grant Notification - Oct 2019	2020/21 Indicative Grant Notification - December 2019	2019/20 Final Allocation
	£000	£000	£000
Early Years	9,547	9,697	9,547
Total	9.547	9.697	9.547

- 5.9 Local authorities are expected to budget and passport funding to providers at a minimum of 95% of the 3 and 4 year old funding allocation.

High Needs Block Indicative Budget Allocations 2020/21

Table 5: High Needs Block Notifications 2020/21.

Funding	2020/21 Provisional Grant Notification – Oct 2019	2020/21 Indicative Grant Notification - December 2019	2019/20 Final Grant Allocation
	£000	£000	£000
High Needs Gross Funding.	21,911	21,992	20,394
Direct Funding Reductions (<i>Estimate 2020/21</i>)	(2,006)	(2,330)	(2,054)
Total	19,905	19,662	18,340

- 5.10 The High Needs block funding allocations shown above reflect the indicative allocations with the government rate change for the base entitlement and the rise in the number of pupils in special schools and academies.
- 5.11 The block allocations will remain indicative until to the finalisation of the direct funding reductions and imports/exports adjustments. An estimate has been added for 2020/21 of £2.330m reflecting increases in place numbers at a number of non-maintained establishments (Colleges, Free Special Schools and Academies).
- 5.12 Significant pressure remains in the High Needs Block with the scale of overspend in 2019/20 being forecasted at £0.678m. Based on the current cohort of provision and early indication of future demand the indicative in-year pressure for 2020/21 is estimated to be in the region of £0.300m.
- 5.13 To ensure the High Needs Block budget 2020/21 reflects the latest budget pressures a detailed review will be undertaken with a detailed budget build shared at the next schools Forum.
- 5.14 The Section 251 budget statement and budget allocations will be updated in-year to reflect the final settlement.

6 Next Steps

- 6.1 Achieving for Children will submit the provisional Authority Pro-Forma Tool on behalf of the Council on the 21st January 2020.
- 6.2 The final Schools Budget will be approved at Council on the 25th February 2020. The papers will be available on the Councils website and a further update will be presented to Schools Forum at the next meeting.

This page is intentionally left blank