

TITLE OF REPORT: DSG Funding Settlement

Purpose of the Report

To bring to Schools Forum attention the information received from the Department for Education (DfE) for the 2018/19 Dedicated Schools Grant (DSG) funding settlement, and the work being carried out to provide schools and early years providers with their budgets for 2018/19.

Background

The DfE issued the 2018/19 funding settlement on the 19 December 2017. Gateshead will receive an estimated £145.209m DSG for 2018/19 (before recoupment), which is an increase in funding of £6.7m from the £138.5m received for 2017/18.

The DfE announced allocations for the four main funding blocks of the DSG, which includes estimates for some areas. The three blocks are:

- The Early Years Block - for 2 and 3 & 4 year old funding, including Early Years Pupil Premium
- Schools Block – for mainstream schools
- Central Schools Services Block – for retained duties and historic spend
- High Needs Block - which includes special schools, PRU and high needs top-up and place funding

The Early Years Block (EYB)

The way in which the Early Years block is calculated was changed in 2017/18 due to the implementation of the Early Years National Funding Formula (EYNFF). For 2017/18 there was a new hourly rate of £4.53, which is an equivalent of £4,303.50 per FTE funding. The funding rate for 2018/19 has remained the same. The EYNFF also includes funding for the increase to 30 hours for eligible children (from September 2017), the Maintained Nursery Supplement (MNS) and Early Years Disability Access Funding (EY DAF).

2 year old funding also remains the same as 2017/18, at £5.20 per hour.

The estimated allocation is £12.8m, which is an increase of £1m from the £11.8m received for 2017/18.

The actual funding allocations for 2, 3 and 4 year old funding will be updated in July 2018 following calculations using the January 2018 census.

The Central Schools Services Block (CSSB)

CSSB is new for 2018/19 and has been created by taking elements that used to be top sliced from the schools block, and transferred them into this new block. The transferred items include contributions to combined budgets, school admissions, Servicing of Schools Forum, Termination of Employment Costs, School Licences and the retained element of what was the Education Services Grant (ESG). The CSSB for 2018/19 is £1.731m which is a slight increase on the equivalent funding from 2017/18, but does not address the funding gap due to the elimination of the ESG.

The Schools Block (SB)

2018/19 is the first year of the National Funding Formula at a local authority level for mainstream schools. There are 3 elements used to calculate the overall funding of the Schools Block, the Primary Unit of Funding (PUF), the Secondary Unit of Funding (SUF) and the historical based elements for growth, premises and mobility factors. The values of these elements are:

- PUF £4,036.39 per pupil
- SUF £5,023.26 per pupil
- Historical element totalling £4,449,590

The total allocation for 2018/19 (which includes funding for children educated in mainstream support bases transferred from the high needs block) is £108.909m (before recoupment), which is an increase of £3.581m from the £105.293m available to schools in 2017/18. Some of the increase is due to pupil number growth of 198 pupils (154 additional primary pupils and 44 additional secondary pupils), totalling £0.843m.

High Needs Block (HNB)

The 2018/19 HNB allocation (before recoupment) is £21.79m, which is a slight increase in funding taking into account the estimated £0.236m that was transferred to the SB for children in mainstream support bases.

Other Funding Information

The rates per pupil for the pupil premium for 2018/19 are maintained at their current rates. The rate for pupil premium plus for looked after children and children adopted from care will increase to £2,300 per pupil in 2018/19 from £1,900 in 2017/18.

The grant for Universal Infant Free School Meals continues at a meal rate of £2.30 for the 2018/19 academic year. Further details will be available in later in the year.

The year 7 catch-up premium continues in financial year 2018/19. Further details will be available later in the year.

The Primary PE and Sport Premium will continue in academic year 2018/19 at the current national level of £320m a year. Further details will be available later in the year with regard to Gateshead Schools grant allocations. The DfE will continue to advise schools on sustainable and effective ways to use the premium.

Proposal

That Schools Forum notes the funding available in the individual DSG Blocks and that there has been no formal movement between the blocks. This information enables the individual school budgets to be calculated using the DfE's Authority Proforma Tool (APT) (subject to a later report), and notes the estimated amounts available for the Early Years Block, the High Needs Block allocation, and the other funding information provided.

Recommendations

That Schools Forum:-

- Notes the estimated Early Years Block
- Notes the Central Schools Services Block
- Notes the Schools Block
- Notes the High Needs Block allocation
- Notes the other funding information

For the following reasons:-

- To enable individual school budgets to be calculated
- To provide DSG and grant funding information

CONTACT: Carole Smith Ext 2747