**SCHOOLS FORUM – 11TH MARCH 2020**

**DEDICATED SCHOOLS GRANT FINANCIAL SETTLEMENT 2020-21**

1. **Purpose**

The purpose of this paper is to provide school forum members with an update of the 2020-21 financial settlement in respect of the Dedicated Schools Grant (DSG) which was published by central government on the 17th December 2019.

1. **Settlement position**

The settlement issued on the 17th December 2019 and detailed data issued in respect of the Council indicates a total DSG figure of £139.961M for 2020-21. This shows an increase of £8.125M on the 2019-20 figure of £131.836M.

Analysis supplied by the DFE shows this to be made up as follows below.

|  |  |  |  |
| --- | --- | --- | --- |
| **Category** | **2020-21 Allocation £m** | **2019-20 Allocation £m** | **Comment** |
|  |  |  |  |
| School Block | 106.862 | 101.802 | To fund schools and academies. Year on year adjusted to reflect changes in pupil numbers and for growth as calculated by the ESFA |
| Early Years Block | 10.481 | 10.060 | Despite the increase of 8p in the hourly rate for 2 year old and 3 and 4 year old funding which is being fully passported onto all providers there has been a reduction in 2 year old take up. This is being partially offset by the increase in the take up of the 3 and 4 year old extended hours. . |
| High Needs Block | 21.210 | 18.558 | To fund the 2 special academies, centrally retained SEN services, Pupil referral units, and alternative provision. The uplift is as a result of the introduction of the new High Needs National Funding Formula. |
| Central Services Block | 1.408 | 1.416 | To fund pre-existing pension costs, ESG funded services, centrally retained services, eg schools admissions etc. This block saw a reduction of 20% in respect of historic commitments; this has been challenged by the LA as this relates to on-going teacher pension costs. Since the publication of the December DSG notification, we have been advised that our appeal has been successful. |
| **TOTAL** | **139.961** | **131.836** |  |

The DSG allocation has increased by £8.125M. The increase is as a result of the introduction of the new High Needs Block National Funding Formula, increased pupil numbers in schools and the additional funding pledged to schools. This increase has been offset by a reduction in early funding for reasons explained above.

**Please note, the figures quoted above are before any academy recoupment and as in previous years, the allocation for the Early Years block is illustrative and will be adjusted in the July of the following financial year based upon the January 2020 and January 2021 head counts.**

1. **Recommendation**

It is recommended that members note the contents of this report.

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27th February 2020