

## Future Budget Indication

### Introduction

The report is brought to School Forum to give an early overview of the provisional DSG position for 2021/2022. To keep School Forum Members fully briefed on the information we have received to date we have included a provisional allocation table and information on changes to the proposed formula for allocation.

### The provisional DSG funding allocation:

The report details for members the anticipated increase against each budget line and it is important that the contextual information included in the notes below the chart is considered.

Comparison of DSG funding between 20/21 and provisional 21/22 before academy recoupment				
	20/21	21/22	Increase /	
	DSG	Provisional DSG	(Decrease)	
	as at 19/12/19	as at 20/7/20		
	from ESFA	from ESFA		
Funding type	£	£	£	Note
Schools Block	83,029,274	89,884,070	6,854,796	1
Central Schools Block	1,214,090	1,125,637	(88,453)	2
Early Years - 3 & 4 Yr Olds	4,414,588	4,414,588	0	3
Early Years - 3 & 4 Yr Olds (Increase to 30 hrs)	1,706,302	1,706,302	0	3
Early Years - 2 Yr Olds	1,158,275	1,158,275	0	3
Early Years Pupil Premium	85,921	85,921	0	3
Early Years - Disability Access Fund	43,665	43,665	0	3
High Needs Block	19,183,226	21,221,336	2,038,110	4
<b>Total Initial DSG</b>	<b>110,835,341</b>	<b>119,639,794</b>	<b>8,804,453</b>	
<b>Notes</b>				
1. Of the increase of £6.855m, £3.861m relates to the Teachers Pay & Pensions Grants being put into the Schools Block baseline in 21/22, instead of being paid as separate grants which was the case in 20/21. The real growth is therefore £2.994m (3.61% increase). The pupil growth element has not yet been announced for 21/22 so for comparison the same figure as 20/21 has been assumed £643k.				
2. Reduction in ESFA funding historic commitments relating to PFI costs.				
3. The Early Years allocations for 21/22 have not been released and therefore the same value as 20/21 has been assumed for comparison.				
4. Of the increase of £2.038m, £428k relates to the Teachers Pay & Pensions Grants being put into the baseline in 21/22, instead of being paid as separate grants which was the case in 20/21. The real growth is therefore £1.610m (8.4% increase).				

### Additional information that was shared as part of the school funding information

- The minimum per pupil funding levels have increased for Primary from £3,750 in 20/21 to £4,180 in 21/22
- The minimum per pupil funding levels have increased for Secondary from £5,000 in 20/21 to £5,415 in 21/22
- Of the MPPF above, £180 for Primary and £265 for Secondary relate to Teachers Pay & Pensions Grants now being included in the DSG.
- Those schools on Minimum Funding Guarantee will see a 2% increase in 21/22 per pupil instead of 1.84% in 20/21
- High needs funding will increase by at least 8% in 21/22, as was the case in 20/21.
- School funding through the NFF nationally is increasing by 4% overall in 21/22. The NFF will distribute this funding based on schools and pupils needs and characteristics.
- The key factors in the NFF will increase by 3% in 21/22 before any scaling is required.

- No date has been set for when ESFA will move towards a 'hard' formula
- Local Authorities must inform schools of their 21/22 allocations by 28<sup>th</sup> February 2021.
- We are able to transfer 0.5% of Schools Block to High Needs with School Forum approval this would be £430k.
- We are able to submit a disapplication to Secretary of State for movements above 0.5% deadline is the 20<sup>th</sup> November 2020.

## **Recommendation and Decisions**

It is requested that Schools Forum:

1. Note the latest announcements on future funding allocations.
2. Receive a future report on the mechanism of distributing funding in line with our agreed school forum principles of meeting minimum pupil guarantees and pupils' needs and characteristics.
3. Receive a report on special school funding and allocation of additional funds from higher needs growth.

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