



## **BOURNEMOUTH, CHRISTCHURCH and POOLE SCHOOLS FORUM**

Subject	<b>DSG Settlement for BCP 2021-22</b>
Meeting Date	23 <sup>rd</sup> October
Report Author (s)	Nicola Webb, Finance
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Status	Public
Classification	For information
Executive Summary	<p>The provisional DSG allocation was received on 20<sup>th</sup> July 2020. It included:</p> <ul style="list-style-type: none"><li>• that teachers pay and pensions grants will be added to the DSG and included in the school's 2020/21 budget baseline funding levels from which % changes will be calculated.</li><li>• A 3.6% increase for BCP mainstream schools funding</li><li>• an 8,1% increase for BCP in the High Needs Block from the 2020-21 level.</li><li>• a 5% reduction in the Central School Services Block.</li><li>• no information yet about Early Years funding or funding for pupil growth.</li></ul>
<b>Recommendations</b>	To note the contents of the report.
Reasons for Recommendations	Other papers consider the impact of the Settlement in more detail.



## 2021-22 DSG Settlement on 20 July 2020

1. The July allocations information compared with the current 2020-21 allocation is included in Table 1 below;

**Table 1 – DSG Draft Settlement 2021-22**

Funding Block	Forecast 2020-21	Forecast 2021-22	Annual Change	%
	£000's	£000's	£000's	
<b>Early Years</b>				
2 year olds Entitlement	2,391	2,391	0	-
3 year olds Entitlement	18,408	18,408	0	-
Pupil Premium	78	78	0	-
Disability Access Fund (DAF)	118	118	0	-
<b>Total Early Years*</b>	<b>20,995</b>	<b>20,995</b>	<b>0</b>	<b>-</b>
<b>Schools Block</b>				
Primary (PUF** = £4,273)	108,304	118,339	10,035	9.3%
Secondary (SUF** = £5,635)	97,330	105,164	7,834	8.0%
Teachers Pay & Pension Grants***	10,025	0	-10,025	-100%
<b>Total NFF &amp; other grants</b>	<b>215,659</b>	<b>223,503</b>	<b>7,844</b>	<b>3.6%</b>
Premises	1,659	1,679	20	1.2%
Growth*	1,858	1,858	0	-
<b>Total Schools</b>	<b>219,176</b>	<b>227,040</b>	<b>7,864</b>	<b>3.6%</b>
<b>Central School Services</b>				
NFF	1,746	1,702	-44	-2.52%
Commitments	291	233	-58	-20%
<b>Total Central School Services</b>	<b>2,037</b>	<b>1,935</b>	<b>-102</b>	<b>-5.0%</b>
<b>High Needs</b>				
NFF	42,969	47,275	4,306	10%
Teachers Pay & Pension Grants**	769	0	-769	-100%
<b>Total High Needs</b>	<b>43,738</b>	<b>47,275</b>	<b>3,537</b>	<b>8.1%</b>
<b>Total DSG Funding (plus Pay &amp; pension grants)</b>	<b>285,946</b>	<b>297,245</b>	<b>11,299</b>	<b>4.0%</b>

\* Provisional allocations for the Early Years Block and Growth were not included with the July information so are included at 2020-21 levels.

\*\* Primary Unit of Funding (PUF) and Secondary Unit of Funding (SUF) have been multiplied by October 19 census numbers to provide a provisional allocation.

\*\*\* Teachers Pay and pension grants have been included for comparison as included in the NFF baseline in calculating the 2021-22 funding.



## **Early Years Block**

2. The published information did not include allocations for the Early Years Block, so funding has been included at 2020-21 levels.

## **Schools Block**

3. There are two significant changes to the DSG for 2021-22
  - Funding for teachers' pay grant and the teachers' pension employer contribution grant, including the supplementary fund, has been added to the schools' NFF allocations from 2021-22. Funding has been added to the Basic Entitlement factors, minimum per pupil funding levels, and school's NFF baselines to protect through the funding floor.
  - 2019 update to the IDACI has been incorporated to deprivation funding allocations.
4. Schools Funding through the NFF is increasing by 3.6% overall in 2021-22, after adjusting for the pay and pensions grants. The NFF distributes this as follows:
  - Key factors in NFF increase by 3%. Inflation has been included at 2%, equivalent to a 1% real terms increase.
  - Minimum per pupil funding levels (MPPFLs) ensure primary schools receive at least £4,000 per pupil, and at least £5,150 per secondary pupil on the basis consistent with 2020/21. Additionally, MPPFLs will be uplifted by £180 and £265 per primary and secondary phase pupil respectively to cover additional teachers' pay and pension costs previously funded through the separate grants
  - There will be a school level funding floor of 2% against the 2020-21 NFF baseline. This is in line with current inflation forecasts (COVID has produced considerable uncertainty in these)
  - Funding for small and remote schools is increasing – this will benefit Parkfield school only through the sparsity factor.
5. Premises funding, including business rates, continues to be added at the 2020-21 budget level.
6. The growth fund allocation will be confirmed in December and has been included at the 2020-21 level above.
7. In 2020-21, 64 LAs are now mirroring the NFF (including BCP) with the majority of others making movement towards the NFF. LAs will continue to be able to have flexibility in setting the formula with an update on the introduction of the "hard



formula” later this year. MPPFLs continue to be mandatory. The MFG can be set at between +0.5% and +2.0%.

8. The schools block remains ringfenced, but LAs can continue to transfer up to 0.5% with schools forum approval. The 0.5% will be calculated excluding the funding relating to the pay and pensions grants.

### **Central School Services Block (CSSB)**

9. The funding rates for the ongoing LA responsibilities within the CSSB will reduce by 2.5% in 2021-22. In addition, the funding for historical commitments will reduce by 20%. This is an overall reduction of £102,000 (5%).

### **High Needs Block**

10. National funding is increasing by £730m, or 10% in 2021-22, following a £780m increase in 2020-21. This will ensure that every LA will receive an increase of at least 8% per head of population with some LA's receiving up to 12% more funding compared with 2020-21. Allocations will be finalised in summer 2021.

### **Recommendations**

11. The Forum are recommended to note the contents of this report.

### **Financial Implications**

12. The DfE have again increased the funding within the High Needs block, recognising the ongoing pressures in this area. The three-year plan assumed a funding increase of £3 million, after allowing for the Teacher Pay and Pension grants, the LA have been allocated an additional £3.5m and whilst this helps towards closing the gap in this budget, a significant pressure remains.

### **Legal Implications**

13. Schools Forum must be advised of the DSG Settlement for 2021-22 and consider the Budget needed to meet the needs of all pupils