



## Schools Forum

### **Report title: Dedicated Schools Grant (DSG) 2023/24 Allocation and Update on Other Specific Grants**

**Date:** 29<sup>th</sup> June 2023

**Key decision:** No.

**Item number:** 12

### **Outline and recommendations**

*Report confirms the DSG position for 2023/24 and notes a provisional outturn at this early stage of the year.*

*The report also provides high-level information on grants that have been confirmed at the time of writing.*

### **Timeline of engagement and decision-making**

This report is for information

## Summary

- 1.1 This report confirms the 2023/24 Dedicated Schools Grant (DSG) split across the various sub blocks.
- 1.2 This report also provides high level information on grants that have been confirmed at the time of writing.

## Background

- 1.3 The 2023/24 DSG grant allocation was advised by the DfE in December 2022 and reported to Schools Forum at the January 2023 meeting. The information provided at that time was the **gross** figure before academy recoupement and high needs import export adjustment. The report provides the updated cash position for Lewisham.
- 1.4 The report further provides updates on grants that have now been confirmed for 2023/24.

## DSG 2023/24

- 1.5 The table below shows, the DSG 2023/24 position.

		Schools Block	CSSB	High Needs Block	Early Years Block (provisional - pending census update)	Total
		£m	£m	£m	£m	£m
Lewisham	Gross	231.03	3.31	77.15	26.28	337.78
	Net	183.51	3.31	76.72	26.28	289.81
	ESFA holdback	47.52	0.00	0.44	0.00	47.96
	Projected Outturn	182.51	4.21	81.72	26.28	294.71
	Forecast overspend	-1.00	0.90	5.00	0.00	4.90

	Transfer of funding to support High Needs Block
	Anticipated overspend based on 2022/23 - less Transfer from Schools Block
	Pressure on the CSSB arising from year-on-year abatement - to be partially funded by General Fund with wider review of services supported
	Provisional Allocation – awaiting final position from DfE

- 1.6 The table notes the following key points
  - Schools Block – notes the transfer of £1m agreed as part of the APT submission to the DfE in January, at circa 0.5% max limit.
  - Central school services block (CSSB) – Schools Forum will continue to note that funding for the CSSB is partially allocated on a historic baseline, which is now subject to abatement of 20% year on year. Officers have managed the reduction within available resources and are currently reviewing the services and funding, as part of a wider strategic review to continue to do so.

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- High Needs Block – Schools Forum will be aware of the ongoing pressure on the High Needs Block. Lewisham has been progressing a mitigation plan and is now progressing work with the DfE as part of the Delivering Better Value initiative. Update on High Needs Block is a separate item elsewhere on this agenda.
- Early Years Block - at the time of writing, the EY block remains provisional and pending the finalisation of the January 2023 pupil count. In the spring budget statement, the Chancellor stated investment in Early Years funding to support childcare of 30 hours for working parents (details elsewhere on this agenda). Limited information has been provided on this initiative. The funding shown in the table above pre-dates this announcement.

## Pupil premium 2023/24

- 1.7 The table below confirms the rates applicable for 2023/24. Schools forum should note that the rates have been increased by 5% from 2022/23 levels.

Disadvantaged pupils	PP grant per pupil rate
Pupils in year groups reception to year 6 recorded as FSM Ever 6, including eligible NRPF pupils	£1,455
Pupils in years 7 to 11 recorded as FSM Ever 6, including eligible NRPF pupils	£1,035
Looked-after children (LAC)	£2,530
Previously looked-after children (PLAC)	£2,530
Service children	SPP per pupil rate
Eligible service children in year groups reception to year 11	£335

- 1.8 The table below notes that in cash terms the funding has only increased by a net £457k. Of the 83 schools (including academies), 54 schools will see an increase, whilst 29 schools will see an overall reduction. Between 2022/23 and 2023/24, 144 less pupil are eligible for this funding. This remains in part, overall net reduction in pupil numbers, but also changes in eligibility.

	2022/23	2023/24	net	
<b>Overall funding Lewisham</b>	13,215,530	13,672,942.50	457,412.50	3%
<b>pupil number changes</b>	10,858.00	10,713.50	- 144.50	-1%
<b>Net gain</b>		54	£ 767,407.50	
<b>Net Loss</b>		29	-£ 309,995.00	
		83	£ 457,412.50	

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**Mainstream Schools Additional Grant**

1.9 Schools Forum will recall that as part of the Autumn Budget Statement, the Chancellor announced additional funding to support schools to the tune of £2.3bn. The headlines suggest funding for 2023/24 and 2024/25; at the time of writing it remains unclear if 2024/25 would see a further £2.3bn, or if the Government intends to keep the grant in place for two years, at this level.

The allocation of funding is based on a combined methodology which includes pupil numbers (by key stage), free school meal numbers (ever 6), and lump sum.

The grant is now confirmed and is broadly in line with the estimated position provided by Schools Finance. Any differences arise based on FSM6 numbers.

	Estimate	Actual	Difference
Mainstream Schools Additional Grant	6,065,486	6,044,190	- 21,296

**National Tutoring Programme (NTP)**

1.10 Schools Forum to note the ESFA have confirmed that in academic year 2023 to 2024, schools will receive the NTP grant funding for all 3 routes of tuition: tuition partners, academic mentors and school-led tutoring via this grant. Funding allocations are calculated based on the number of pupil premium grant eligible pupils each school has. The government has raised the subsidy rate for the National Tutoring Programme to 50% in 2023-24, from the previous commitment to fund 25% of the cost.

DfE will recover any unspent grant funding. At this time there is an indicative total funding change between 2022 to 2023 resulting in a net reduction of £795,736 to schools.

Note, academic year 2023 to 2024 is the final year of the programme and NTP funding will not be awarded beyond this academic year.

**1.11 Devolved Formula Capital (DFC)**

The DFC funding rates are £11.25 per weighted pupil, and £4,000 per institution. VA schools' per-pupil and per-school rates are 8% higher

So primary school receives £11.25, Secondary school receives £16.88 and post 16 is £22.50.

Overall the funding is broadly the same from £561k to £558k

**1.12 Universal Infant free school meals (UIFSM)**

At the time of writing, no further information is received on this grant, we would however anticipate this to carry on. If the funding stays at the same value as at 2022/23 @ £2.41 which is the current income, this could potentially put additional pressure on schools as

in most cases the cost of a meal has increased since last year.

It should also be noted that the Mayor of London has extended the UIFSM provision to key stage 2 at a more favourable rate of £2.65, but that also remains below the cost for most schools. A report elsewhere on this agenda discusses the extended FSM scheme.

### **Financial implications**

- 1.13 The report provides an update on the DSG and notes the continuing pressure on the CSSB and the High Needs Budgets.
- 1.14 The report also provides useful information with regards Pupil premium, MSAG and National Tutoring Programme and DFC for 2023/24.
- 1.15 Report elsewhere on this agenda, discusses the detail for the Mayor of London extension to key stage 2 universal free meals.

### **Legal implications**

- 1.16 There are no specific legal implications arising at this stage. It is to be noted that local authorities are obliged to publish annually a statement setting out details of its planned schools' budget and other expenditure on children's services, showing the amounts to be centrally retained and funding delegated to schools, and after each financial year, to publish a statement showing outturn expenditure.

### **Equalities implications**

- 1.17 At this stage there are no direct implications arising from this report. Equalities impact will need to be considered as Lewisham progresses options towards mitigating an overspend position on the high needs block.

### **Climate change and environmental implications**

- 1.18 Not applicable

### **Crime and disorder implications**

- 1.19 Not applicable

### **Health and wellbeing implications**

- 1.20 Not applicable

### **Report author and contact**

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