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Report title	Dedicated Schools Grant 2023-24 Allocation
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Contents

1. Executive Summary

This report sets out the Dedicated Schools Grant (DSG) income allocation for 2023-24 and provides details of the changes in comparison to the 2022-23 allocation.

2. Schools Forum Actions

The Schools Forum is asked to note:

- i. The provisional 2022-23 DSG allocation of £375.7m (£358.0m in 2022/23) before recoupment (funding that goes direct to academies & free schools, including growth, per place funding for high needs and the NNDR adjustment).
- ii. There will be a new Mainstream Schools Additional Grant for 2023 to 2024 of £9.0m.
- iii. There will be a new additional grant for 2023 to 2024 to the high needs block of £2.9m.

3. Background

This paper mainly considers the announcement on the 16 December 2022 by Education and Skills Funding Agency (ESFA) on the Funding Settlement for 2023-24.

4. Dedicated Schools Grant Allocation 2023-24

- 4.1 The provisional DSG allocation for 2023-24, before deductions for academies recoupment (including growing free schools), is £375.7m, an increase of £17.7m from last year's figure of £358.0m. However of the increase of £17.7m, £10.5m related to grants available in 2022-23 that have now been merged into the Dedicated Schools Grant. Leaving an underlying increase of £7.9m. While the DSG has been set at this level, it will change for adjustments to pupil numbers.
- 4.2 The DSG is set out in four blocks; schools block, central block, early years block and the high needs block.

Table 1: DSG allocations for 2023/24 and 2022/23 comparison

	2023/24	2022/23		Change	%
	£m	£m		£m	
Schools Block	276.7	277.5 *		-0.8	-0.29%
Central Block	1.9	1.9		0.0	0.00%
High Needs Block	71.9	64.2 *1		7.7	11.99%
Early Years Block	25.2	24.9 *2		0.3	1.20%
TOTAL	375.7	368.5		7.2	1.95%
* adjusted to include the 2022/23 schools supplementary grant (£7.4m) now built into the DSG schools block for 2023/24					
*1 adjusted to include the 2022/23 (£2.4m) grant and the 2023/24 new additional grant (£2.9m)					
*2 adjusted to include the 2022/23 teachers pay and pension grant (£0.5m) now built into the DSG early years block for 2023/24					

- 4.3 The funding for the schools blocks is made up of 4 elements, an amount per pupil for primary pupils, and an amount per pupil for secondary pupils, a premises amount and a growth fund. The changes from last year are shown in the table below.

Table 2: Analysis of changes to the Schools block within the DSG 2023/24 and 2022/23

Unit of Funding				
	2023/24	2022/23	Change	%
	£	£	£	
Primary	6,301.90	6,260.63	41.27	0.68%
Secondary	8,791.97	8,762.26	29.71	0.35%
2022/23 rates adjusted for SSG being merged into DSG				
Pupil Numbers				
	2023/24	2022/23	Change	%
Primary	20,691.50	21,366.00	-674.50	-3.16%
Secondary	16,118.00	15,850.00	268.00	1.69%
Total	36,809.50	37,216.00	-406.50	-1.09%
Overall funding				
	2023/24	2022/23	Change	%
	£	£	£	
Primary	130,395,764	133,764,621	-3,368,857	-2.52%
Secondary	141,708,972	138,881,821	2,827,151	2.04%
Total	272,104,736	272,646,442	-541,705	-0.20%
Premises	3,390,024	3,713,284	-323,260	-8.71%
Growth Funds	1,222,466	1,096,308	126,158	11.51%
Overall total Schools Block	276,717,226	277,456,034	-738,807	-0.27%
New Grant 2023/24				
The Additional Grant	9,024,945	-	9,024,945	
Total Schools	285,742,171	277,456,034	8,286,138	2.99%

Table 2 considers the income we receive and not the allocations we give to our schools, the inter-relationship with the income and our allocations are detailed in the appendix to the schools funding report on this agenda.

4.4.1 DSG Mainstream Schools Additional Grant

This is a new grant for 2023-24 and is known as the Mainstream Schools Additional Grant, the total has been confirmed as £9.0m. This grant is Southwark's share for schools of the extra of the additional £2bn of funds announced by the Chancellor in his autumn 2022 Statement. This new grant is the 2023/24 equivalent of the Schools Supplementary Grant from 2022/23, which existed for just one year and as noted above has been amalgamated into Schools Budget Shares for 2023/24. Similarly, the Mainstream Schools Additional Grant will only exist for one year and will be amalgamated into Schools Budget Share for 2024/25.

The grant only covers provision in the 5 to 16 year old age range (i.e. early years and post-16 are not covered).

The estimated funding rates, including the area cost adjustment for Southwark, are shown in the table below.

Table 3

Category	Primary	KS3	KS4
Per-Pupil Rate	141.48	199.74	225.89
FSM Ever6	123.65	180.72	180.72
Lump Sum			5,362.03

4.4.2 DSG Additional high needs funding

There will be also a new supplementary on top of the DSG high needs block allocations.

The high needs block of the DSG will benefit from an additional £400 million nationally in 2023 to 2024, through a top up to the DSG allocations. This was part of the chancellor's autumn 2022 statement announcements. This is an increase of 4.6% to the high needs allocations announced in July 2022. In 2023 to 2024 local authorities are required to pass on a 3.4% funding increase to maintained special and alternative provision (AP) schools, and special and AP academies (including free schools), based on the number of places being funded in 2022 to 2023. This requirement is a condition of grant although an application can be made to the Secretary of State lower the 3.4% but this is not proposed in the set of papers for this meeting.

5. Pupil Premium Rates

Funding rates for the pupil premium in the financial year 2023-24 have been inflated by 5% and are detailed in the table below.

Table 4: Pupil Premium rates 2023/24

Pupil Premium rates				
	2023/24	2022/23	Change	%
	£	£	£	
Primary Pupils	1,455	1,385	70	5.1%
Secondary Pupils	1,035	985	50	5.1%
Looked-after-children	2,530	2,410	120	5.0%
Children who ceased to be looked after	2,530	2,410	120	5.0%
Service Children	335	320	15	4.7%