

<b>Date: 16 January 2025</b>	<b>Item 6</b>	<b>Type of report: Information</b>
<b>Report title:</b>	<b>Dedicated Schools Grant 2025-26 Allocations</b>	
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## PURPOSE OF REPORT

1. This report sets out the Dedicated Schools Grant (DSG) income allocation for 2025-26 and provides details of the changes in comparison to the 2024-25 allocation.

## Schools Forum Actions

2. The Schools Forum is asked to note:
  - The provisional 2025-26 DSG allocation of £421.9m before recoupment (funding that goes direct to academies & free schools, including growth, per place funding for high needs and the NNDR adjustment).

## Background

3. This paper mainly considers the announcement on the 18 December 2024 by THE Education and Skills Funding Agency (ESFA) on the Funding Settlement for 2025-26.

## Dedicated Schools Grant Allocation 2025-26

4. The provisional DSG allocation for 2025-26, before deductions for academies recoupment (including growing free schools), is £421.9M, an increase of £27.1m from last year's figure of £394.8m. However, of the increase of £27.1m, £15.9m replaces additional grants already received by schools in 2024/25 and a further £5.78m relates to the estimated take up of the new Early Years entitlement which at present is a speculative figure. While the DSG has been set at this level, it will change for adjustments to pupil numbers.
5. 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 2024/25 with 2025/26 comparison**

<b>DSG Block Summary Funding</b>	<b>2024/25</b>	<b>2025/26</b>	<b>Change</b>	<b>%</b>
	<b>£m's</b>	<b>£m's</b>	<b>£m's</b>	
<b>Schools block (£s)*</b>	301.82	299.02	-2.80	-0.9%
<b>Central school services block (£s)</b>	1.91	2.09	0.18	8.7%
<b>High needs block (£s)</b>	74.93	80.15	5.22	6.5%
<b>Early years block (£s)</b>	34.92	40.70	5.78	14.2%
<b>Total DSG allocation (£s)</b>	413.58	421.96	8.38	2.0%

\* Allocation for 24/25 adjusted to reflect £15.9m in grants now included in block for 25/26

6. The funding for the schools block is made up of 5 elements, an amount per pupil for primary pupils, and an amount per pupil for secondary pupils, a premises amount and a growth & falling rolls fund amount. The changes from last year are shown in the table below.

**Table 2: Analysis of changes to the Schools block within the DSG 2024/25 and 2025/26**

<b>Pupil Numbers</b>	<b>2024/25</b>	<b>2025/26</b>	<b>Change</b>	<b>%</b>
<b>Primary</b>	20,123.5	19,466.0	-657.5	-3.4%
<b>Secondary</b>	16,258.5	16,030.5	-228.0	-1.4%
<b>Total</b>	36,382.0	35,496.5	-885.5	-2.5%

<b>Overall Funding</b>	<b>2024/25</b>	<b>2025/26</b>	<b>Change</b>	<b>%</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	
Primary	132.0	136.5	4.6	3.3%
Secondary	148.3	156.5	8.3	5.3%
<b>Pupil Led Funding Total</b>	280.3	293.1	12.8	4.4%
Premises	4.1	4.6	0.5	11.5%
Growth Funds	1.0	1.3	0.3	21.3%
Falling Rolls Funding	0.5	0.0	-0.5	
<b>Schools Block - Total Funding</b>	285.9	299.0	13.1	4.4%
<b>New Grant in 2024-25</b>				
Teacher Pay and Pension & CSBG	16.0	0.0	-16.0	0
<b>Total Schools</b>	301.9	299.0	-2.8	-0.950%

7. 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 Appendix A in item 8 on this agenda.
8. The funding received by Southwark for its schools block puts the Local Authority as the 6th highest funded borough in the country for Primary pupils, and the 3rd highest funded for secondary pupils.

### **Pupil Premium Rates**

10. Unlike in previous years, Pupil Premium rates were not published in December. The DfE have advised that these will be released early this year.