**SCHOOLS FORUM**

**6 July 2022**

**Agenda 5: 2021-22 DSG Budget Allocation Update**

1. **Background** **Information**
   1. The Education and Skills Funding Agency (ESFA) requires all Local Authorities (LA) to provide information to its Schools Forum about its Dedicated Schools Grant (DSG) on a regular basis.
   2. The DSG consists of four notional funding blocks.
2. Schools Block – Funding for both maintained schools and academies. At least 99.5% must be passported to schools.
3. High Needs Block – funding special education needs and alternative provision.
4. Early Years Block – funding for nursery and early years providers. At least 95% must be passported to providers.
5. Central Services School Block – funding to support the statutory functions of the local authority for both maintained schools and academies.
   1. The LA uses its DSG grant to fund educational activities across Medway either through direct payments to schools/academies, other educational providers or if approved centrally retained for education purposes.
   2. The LA’s retained DSG allocation is adjusted several times throughout the year when maintained schools convert to academies.
6. **Current 2022 - 2023 DSG Allocation**

2.1 The table below outlines the changes to Medway’s DSG allocation by the ESFA in March 2022.

**Table 1 - 2022-2023 DSG Allocation after** **academy deductions.**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Initial Allocation**  **£** | **March**  **Allocation**  **£** | **Adjustment**  **£** |
| Schools Block (SB) | 220,245,783 | 43,716,812 | 176,528,971 |
| High Needs Block (HNB) | 51,363,274 | 38,820,955 | 12,542,319 |
| Early Years Block (EYB) | 17,712,224 | 17,712,224 | 0 |
| CSSB | 958,342 | 958,342 | 0 |
| **Total** | **290,279,623** | **101,208,333** | **(189,071,290)** |

2.2 The LA’s DSG SB allocation was reduced by £176,528,971 and the HNB was reduced by £12,542,319 for academy recoupment to be paid by the ESFA to academies.

2.3 All funding is allocated on a per pupil basis and for 2022-23 Medway’s allocations are as follows:

* School Block - Primary £4,495.42 an increase of £122.21 or 2.79% on last year.
* School Block – Secondary £5,923.23 an increase of £165.37 or 2.87% on last year.
* High Needs Block - £4,665.13 an increase of 9p on last year.

2.4 The graph below outlines how Medway’s funding allocations compares to other Unitary Authorities, the Southeast region, and Kent County Council allocations.

1. **Schools Forum Actions and Recommendations**
   1. The Schools Forum is asked to **NOTE** and **COMMENT** on this report.

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