
Meeting: Central Bedfordshire Schools Forum
Date: 8 March 2010
Subject: Dedicated Schools Grant (DSG) 2010-11
Report of: Deputy Chief Executive and Director of Children, Families and Learning
Summary: To update the Schools Forum on the Dedicated Schools Grant (DSG).

Contact Officer: Dawn Hill, Borough Hall, Bedford
Public/Exempt: Public
Wards Affected: All
Function of: Council

RECOMMENDATIONS:

- 1. To discuss and comment on the Dedicated Schools Grant 2010-11.**

Background

1. The Schools Budgets, as set out in the Statutory Section 52 budget, comprises the following:
 - a) Individual Schools Budgets (ISB), delegated to individual schools, by phase (also known as School Budget Shares). These allocations are delegated via the local Fair Funding Formula, which the Local Authority (LA) sets, in conjunction with its' Schools' Forum.
 - b) Central Expenditure. This is the amount held back centrally for expenditure on pupils and includes:
 - Expenditure to fund Nursery Education in non-maintained settings (Private, Voluntary and Independent Sector)
 - School Specific Contingency
 - Special Education Needs - provision for statemented pupils, pupil referral units, behaviour support units
 - Termination of Employment costs

2. There are two controls on LAs in respect of Central Expenditure:
 - Increases in Central spend on the School Specific Contingency and Termination of Employment costs must be specifically approved by the Schools Forum.
 - Central expenditure must not increase as a proportion of the overall Schools' Budget. This mechanism is known as the Central Expenditure Limit (CEL) and can only be breached in exceptional circumstances and with the specific approval of the Schools' Forum. In the case of Schools' Forum refusal the LA can ask the Secretary for State to approve the breach.
3. Schools Budgets, the ISB, plus Central Expenditure are funded by ring-fenced grants from the DCSF, the Dedicated Schools Grant (DSG) and the Learning Skills Council (LSC - sixth-forms) plus any LA "top-up".
4. The final Schools Budget depends on the January PLASC count and is determined by the units of funding (no of pupils - FTE) multiplied by the Guaranteed Unit of Funding (GUF). The DCSF's indicative FTEs for 2010-11 are 36,478 and the GUF is £4,094 bringing the indicative DSG for 2010-11 to £149.3m.

This will be adjusted by recoupment for the academy (All Saints Academy). The indicative 2010-11 DSG allocation for Central Bedfordshire is £146.7m.

Final DSG allocation will not be agreed until summer 2010 when the data collection processes have been completed.

	2009-10	2010-11 Indicative
Schools Budget (Inc Central Expenditure)	£160.0m	£165.7m
LSC	£16.0m	£16.2m
LA Contribution	£0.2m	£0.2m
DSG	£143.8m	£149.3m
Per Pupil	£3,938	£4,094
% Change	3.9%	3.8%

5. Individual School's funding is protected by the Minimum Funding Guarantee (MFG). This is a guaranteed increase per pupil for each school based on the DCSF calculation of average cost pressures. The guarantee works on the previous year's funding divided by pupil numbers, which gives a unit cost for the school, to which the MFG is applied. The MFG amount for 2010-11 is 2.1% for all schools.

Update

6. We do not yet have an indication of Central Bedfordshire's total pupil numbers as data is currently being finalised. However, it is anticipated that the AWPU (Average Weighted Pupil Unit) levels set at the beginning of the funding period (2008 – 2011) for 2010-11 can be honoured.

7. There has been an increase in a number of school rateable values which will impact on the total Individual Schools Budget by approximately £0.2m. This does not result in a reduction of MFG as rates are excluded from the MFG calculation.
8. Indicative figures show that the review of the formula factors for Social Deprivation, Ghost funding and Nursery Headcount although result in an increase to MFG, can be funded from within the ISB.
9. The introduction of Bands 5 and 6 to the Special School Formula will result in an increase to the ISB. This will be funded by transferring elements of the Central Retained DSG to the ISB related DSG.

Appendices:

None