

Dedicated Schools Grant (DSG)

The Dedicated Schools Grant allocated by formula to WCC by the DfE by four blocks: For 2022-23 the amounts are:

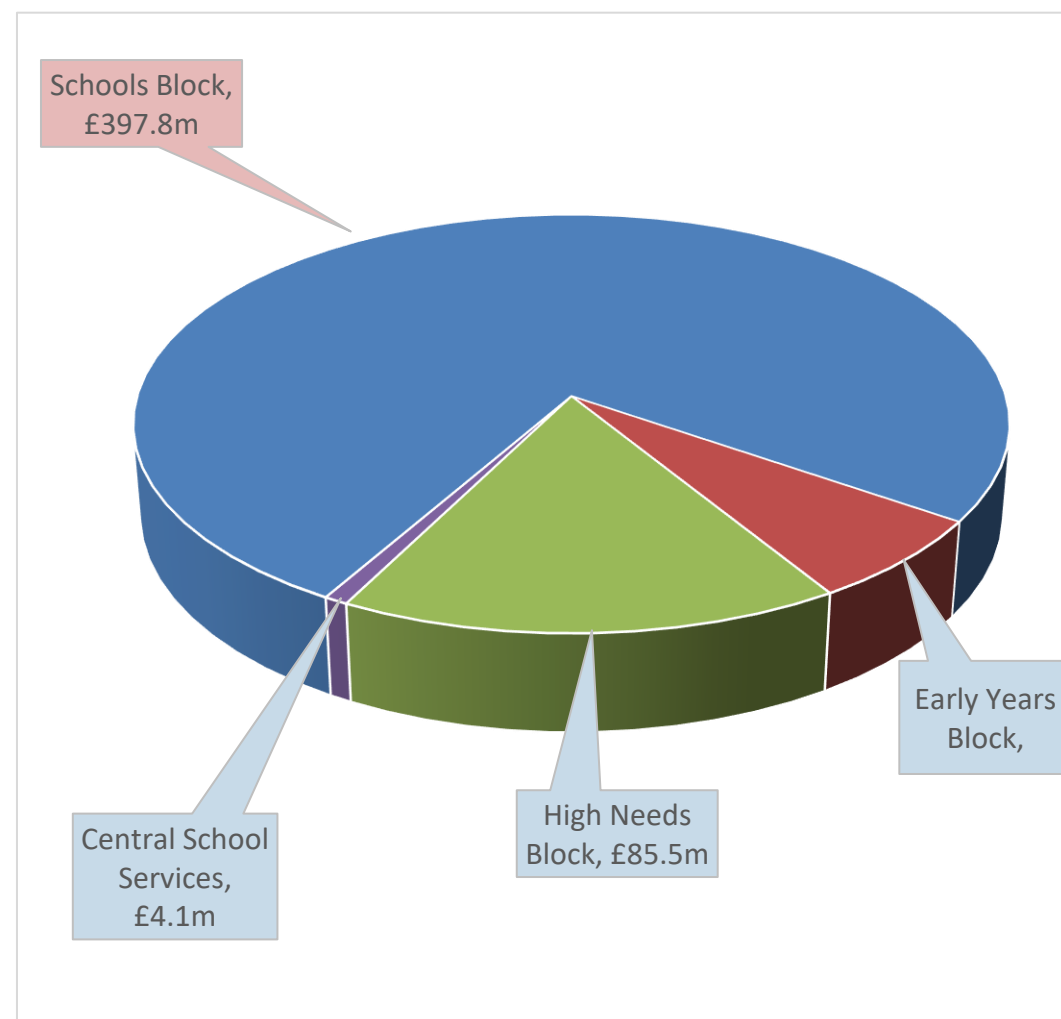
- Schools Block - £397.8m
- High Needs Block - £85.5m
- Early Years Block - £34.4m
- Central School Services Block - £4.1m

The DSG is one grant, but it is made up of four blocks. We are unable to move in year funding between the blocks without approval from Schools Forum or Secretary of State. Each Block has its own rules on what the funding should be spent on and by whom.

The largest parts are the Schools Block and the High Needs Block – These are covered in more detail below.

The Early Years Block is to support nursery education, with the majority - at least 95% - passported directly to providers to fund the 15- and 30-hour entitlements for 3 and 4 year olds.

The Central School Services Block provides funding for the local authority to carry out central functions on behalf of pupils in maintained schools and academies; these include admissions, copyright licences, mental health, school attendance and central pension contributions.



Schools block DSG

The Schools Block in 2022/23 is used to fund:

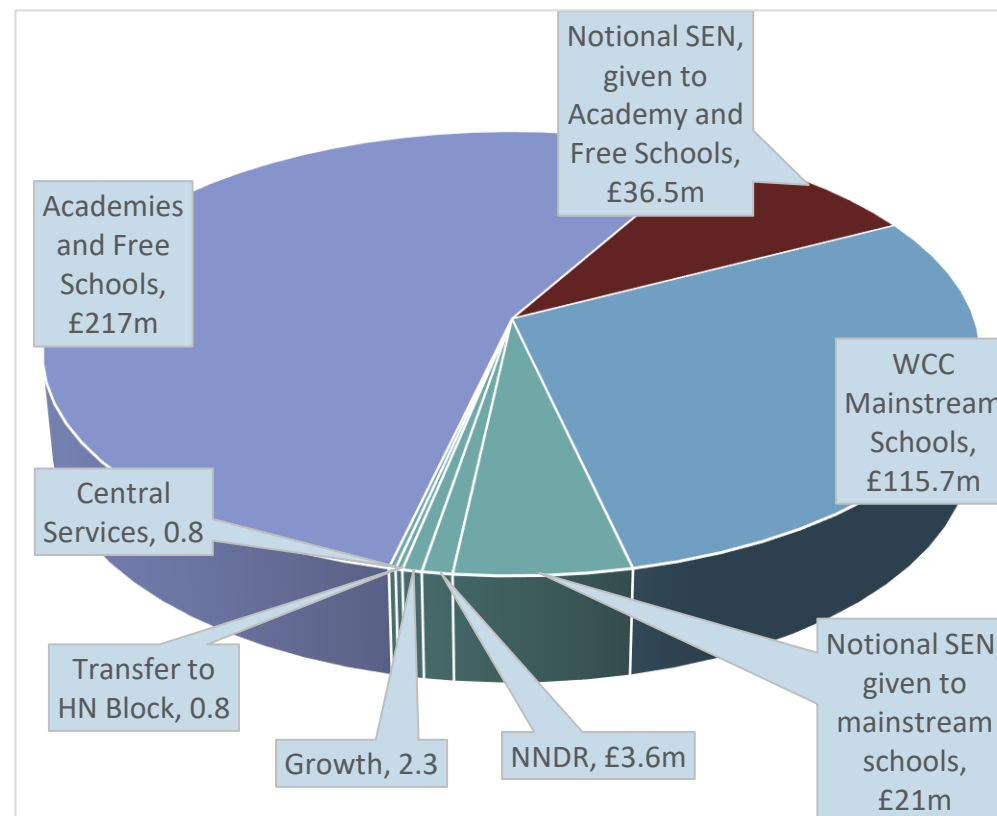
- Academies and Free Schools - £253.5m (inc £36.5m notional SEN)
- Mainstream Schools - £136.7m (inc £21.0m notional SEN)
- Growth – £2.3m
- NNDR - £3.6m
- De-delegated Services - £0.8m
- Transfer to the HN Block - £0.8m (before drawdown of reserves)

The majority of the Schools Block is allocated to individual primary and secondary school budgets to pay for children and young people's education according to the National Funding Formula. Of the £397.8m, the Education Funding Agency (EFA) retains £253.5m to allocate to academies and free schools and £3.6m for National Non-domestic Rates (NNDR). Warwickshire receives the remaining £140.6m and allocates £136.7m of this to maintained schools.

For mainstream schools and academies, this includes the delegated SEN funding, also known as the 'notional SEN budget'; a total of £57.5m in 2022/23.

The Notional SEN is a part of the mainstream school funding that schools are expected to use to support children with additional needs who do not have an EHC plan, or to provide the first £6k of support for those who do. However – this isn't extra money – it is part of the Schools Block allocation that is defined as being 'notional' for SEND based on proxy factors such as Free School Meals and Local Deprivation Indices, and schools can choose to spend it however they wish.

£3.9m from the Schools Block is held back for exceptional growth and contingencies, a small amount (around £800k) is held centrally (with the approval of the School Forum) to cover services such as school performance, travellers' education, DBS checks and trades union cover and the remainder is being used towards the 0.5% transfer from Schools Block to the High Needs Block as agreed by Schools Forum in November 2021.



High needs Block DSG

The High Needs Block in 2022/23 covers five main areas:

- Place funding - £21.3m
- Top up funding - £33.6m
- Independent schooling – £14.5m
- Post-16 funding - £8.7m
- Other services - £10.9m

The High Needs Block for 2022/23 totals £85.5m, and this year, we expect to overspend by £0.3m (after the transfer from the Schools Block).

The spend from the High Needs Block for SEND is broken up into five broad areas:

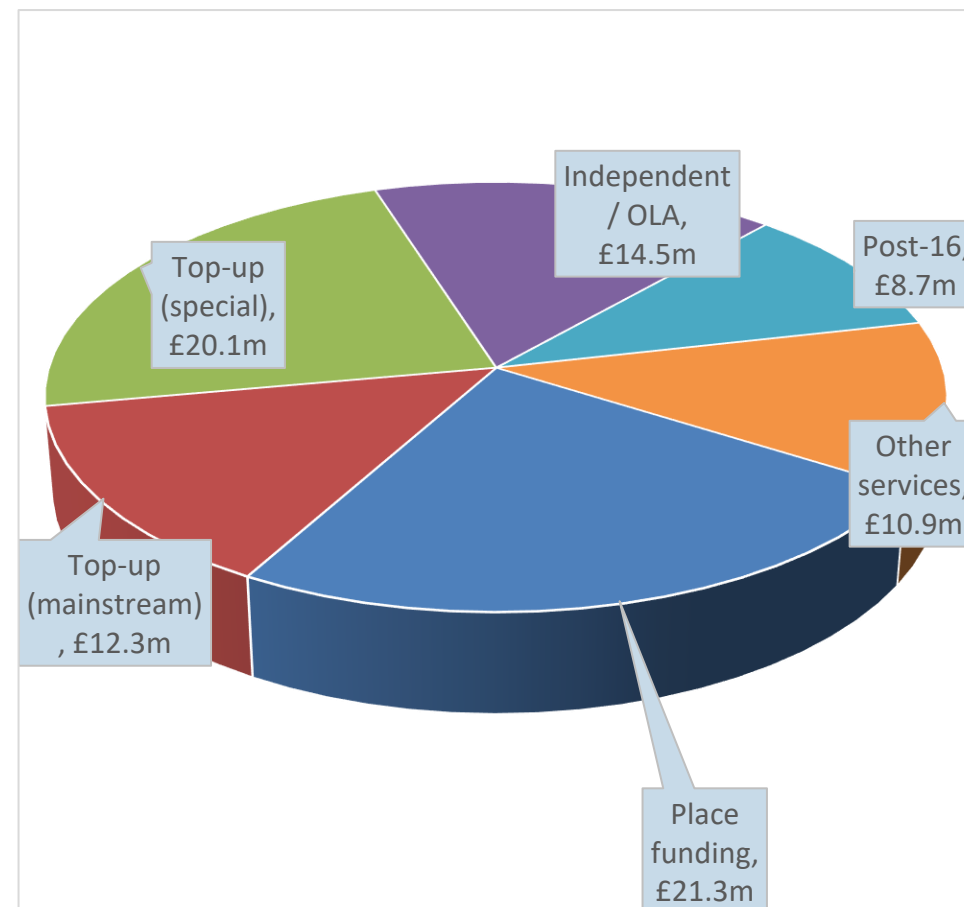
Place funding – special schools and resourced provision are allocated £10k per place. This covers general education costs, and a part of the additional needs for a child with an EHC plan

Top-up funding – maintained schools and academies are paid an additional amount to fund the interventions required for needs identified in EHC plans, above the level covered by the place funding (in a special school) or the notional funding (in a mainstream school). This amount varies for each child, but averages £8k across Mainstream Schools and £11K across Special Schools.

When a child's needs can't be met in a Warwickshire school, they may be placed in a school in another local authority (OLA) or an independent school. In these cases, Warwickshire will be invoiced by the school and will pay them directly to place and support the child. These costs, again, can vary greatly and average £53k per student for the independent sector.

Post 16 placements – this is a mixture of place and top-up funding for young people in college placements and post-16 special school placements.

Other services funded from the HNB include the Integrated Services (such as the Specialist Teaching Service and Flexible Learning), the Area Behaviour Partnerships and Resourced Provision.



A Quick Summary Guide to the Blocks

	Schools Block	Early Years Block	High Needs Block
2022/23 Grant (Before Academy Recoupment)	£397.752 million	£34.396 million	£85.477 million
Basis of Calculation	Moved fully to the 'hard' National Funding Formula.	Pay all providers £4.61 for universal hours and £0.60 for eligible deprivation hours for 3- and 4-year-olds Pay all providers £5.66 per hour for eligible 2-year-olds	Based on a high needs funding matrix which is currently being reviewed as part of the SEND and Inclusion Change Programme.
Delegated Budget pay for	Funding in mainstream schools, excluding mainstream nursery schools, and £6,000 towards special provision if the place has been allocated to a child	Early education for all 3- and 4-year-olds for basic 15 hours entitlement plus additional 15 hours for eligible children Early education for vulnerable 2-year-olds	Education Health and Care Plans in nursery, primary, and secondary schools. Funding for Special Schools
Academy Budgets	Same formula as maintained schools	Same basis for all early year providers	ESFA funds academy places directly. Top ups are always payable by the LA responsible for the pupil
Central Budget Allocations	Growth fund for meeting pre-16 basic need in terms of additional classes needed to meet infant class size regulations and to meet the cost of new schools	Commissioning Sufficiency & Business Support Quality & Development Family & Parenting Support Family Support Workers	Various SEN services
Current Issues	£1.461 million surplus reserves held	Sustainability of Maintained Nursery Schools if their supplement disappears	Increased number of places and children with more complex needs means deficit carry forwards. This is being addressed through the SEND and Inclusion Change programme