

(BARKING AND DAGENHAM SCHOOLS FORUM)
21 June 2022

Title: Schools' Forum Report	
Open	For Decision / For Information
Wards Affected: All	Key Decision: No
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Accountable Operational Director: Jane Hargreaves – Commissioning Director for Education Youth and Childcare	
Accountable Strategic Director: Elaine Allegretti – Director for People and Resilience, Philip Gregory, Chief Financial Officer	
Summary: The purpose of this report is to update the Barking and Dagenham Schools Forum on:	
<ol style="list-style-type: none"> 1 DSG Outturn for 2021/22 2 Local Management of Schools (LMS Reserves) 3 2022/23 DSG Update 4 High Needs Block (HNB) Outturn for 2021/22 5 High Needs & Internal Resource Provisions (ISP) Budget 2022/23 6 Early Years (EY) funding and payments for 2021/22 7 Growth Funding for 2022/23 8 Falling Rolls for 2022/23 9 School Supplementary Grant for Schools & High Needs 2022/23 10 Schools Facing Financial Difficulty fund (SFFD) 11 Note the proposed review of trade union duties. 12 Other Updates 13 AOB 	

Recommendation(s)

The Schools' Forum is requested to:

1. Note and comment on DSG outturn position for 2021/22
2. Note LMS Reserves balances for Schools
3. Note DSG update for 2022/23
4. Note and comment on the 2021/22 High Needs outturn position.
5. Note and comment on ISPs and High Needs budgets for 2022/23
6. Note early years Outturn position & Early Years Doubling Down on Disadvantaged Children scheme.
7. Note the expected shortfall in growth funding allocations for 2022/23
8. Note the proposed distribution of falling rolls budget of £500k for 2022/23.
9. Note and comment on the proposed distribution of the Supplementary Grant for 2022/23 to High needs settings.
10. Note & comment on total SFFD funds, loans outstanding and balance retained centrally.
11. Note and comment on the proposed review of trade union facility time.
12. Note the proposed changes to NNDR – Business Rate billing & payment process

Reason(s)

The Schools Forum Regulations 2012 requires that the Schools' Forum meets regularly and is consulted by the local authority concerning the Dedicated Schools Budget and various related matters.

1. DSG Outturn for 2021/22

- 1.1. The Dedicated Schools Grant is reporting an overall in-year underspend of £1.777m (please refer to DSG table below). This consists of an underspend on Early Years of £1,680k, an overspend on High needs of £158k and a net underspend on Schools block of £255k.

- 1.2. The EY funding is based on prior year allocations and funding is only finalised using the previous two spring census data after year-end around July 2022. The underspend of £1,680k is made up of an in-year amount of £1,118k and £562k underspend brought forward from previous year following DfE clawback adjustment. As in previous years, we have assumed a full claw back of the in-year underspend, although there will be a retained element, this will not be known until July 2022.
- 1.3. The High Needs Overspend is £158k. This has been achieved despite making a one-off payment of £2.4m to schools to help alleviate the financial pressures schools are facing due to the ongoing demand and complex cases of children with SEN. The one-off payment supported pupils with band F/G/H that exceeds 1% of the total school population. This also includes early years SEN pupils at reception and Private Voluntary & Independent settings.
- 1.4. The Schools block is reporting an underspend of £255k. This is the net effect of revised forecasts on growth fund requirements, based on the October 21 census, and adjusted falling rolls allocations. There was a reduced claim on growth fund due to lower than anticipated September 2021 pupil number growth.
- 1.5. The total DSG reserves before early years clawback is £9,238k, we've assumed full clawback of early years underspend of £1,118k, therefore adjusted reserves is £8,120k, of which £1,777k relates to the in-year movements discussed above. The DSG reserves includes brought forward balances of £7,461k and schools facing financial difficulties fund (SFFD) of £554k as well as £255k relating to growth and falling rolls fund respectively which are earmarked to support future growth proposals and schools facing falling rolls.

	2021/22 Budget	2021/22 Actual Outturn	Surplus (Deficit) Outturn March 2022	2021/22 Projected January 2022
	£'000	£'000	£'000	£'000
Schools Block – ISB	183,342	183,087	255	575
Central Block	2,360	2,360	0	0
High Needs Block	38,556	38,714	(158)	(2,319)
Early Years Block	21,223	19,543	1,680	0
Total	245,481	243,704	1,777	(1,744)
DSG Surplus B/F			7,461	9,828
Unadjusted DSG Reserves			9,238	8,084
Less EY clawback			(1,118)	(563)
21/22 DSG Reserves			8,120	7,521
Of which:				
SFFD retained			554	699
Growth & Falling Fund C/F			255	1,184
Net DSG Reserve			7,311	5,606

DSG Table: 2021/22 Out-turn

Recommendation (i): School Forum are asked to:

Note and comment on DSG outturn position for 2021/22

2. Local Management of Schools (LMS Reserves)

The opening balance for Schools reserves is £12,460k, in year closing position for 2021/22 is an underspend of £1,895k, therefore the closing LMS reserve balance is £14,380k. for details. 20 Schools reported an in year overspend of £2,567k, this is made up of 2 secondary schools and 18 primary schools, 22 schools reported an in-year underspend of £4,462k. this is made up of 3 secondary schools and 19 primary schools. There were only 3 schools in deficit with a reduced deficit balance of £1.045m in 2021/22 as compared to £1.707m in 2020/21, a reduction of £662k. (Please refer to Appendix A)

Recommendation (ii): School Forum are asked to:

Note LMS Reserves balances for Schools for 2021/22

3. DSG block allocations for 2022/23

3.1 The 2022/23 DSG allocations were published in December 2021. The Primary (£5,314) and Secondary (£7,012) Units of Funding (PUF and SUF) were previously published in July 2021. These unit rates have now been applied to the October 2021 census to determine the final allocations for 2022/23.

3.2 The final funding allocations for 2022/23 are set out in tables below. There are no changes to the overall structure of the formula used to calculate the funding distribution. The premises funding consists of business rates, PFI and split sites. The 2022/23 allocations are based on historic spend from the previous year with the exception of PFI which has been uplifted for RPIX data.

Block	2021/22 Final Allocations	2022/23 Final Allocations	Movement + Fav / (unfav)
	£000s	£000s	£000s
Schools Block	232,350	238,080	5,730
Premises (historic)	9,992	9,462	(530)
Growth Fund	1,939	1,423	(516)
Total Schools Block	244,281	248,965	4,684
<i>Pupil No</i>	<i>39,847</i>	<i>39,882</i>	<i>35</i>

Table: 2022/23 Schools Block Allocations

Block	2021/22 Final Allocations	2022/23 Final Allocations	Movement + Fav / (unfav)	% change
Schools Block	244,281	248,965	4,684	2%
High Needs	42,557	46,917	4,360	10%
CSSB - On-going	1,620	1,632	12	1%
CSSB - Historic	740	592	(148)	(20%)
Early Years (Prov.)	21,619	21,619	0	
Total DSG Funding	310,817	319,725	8,908	0

Table: 2022/23 DSG Allocations for all Blocks

- 3.3 The growth fund allocation for 2022/23 is £1,423k representing a reduction of £516k compared to the previous year (please see table above). Growth funding has been allocated on a formulaic basis for a number of years, under which the local authority has seen consistent reductions year on year as funding is now more thinly spread across more local authorities than funding based on historic spend.
- 3.4 The Central Schools Services Block (CSSB) is split into two elements: continuing statutory functions and local arrangements for historically agreed services. The statutory functions are allocated on the basis of per-pupil funding rates (90% basic per pupil factor and 10% based on FSM and FSM E6) uplifted by Area Cost Adjustment giving a unit rate £40.90 for the local authority. In accordance with previous DfE announcement, the historic element is seeing year on year reductions of 20% that started in 2020/21. The allocation of Central Block was dealt with in the December forum.
- 3.5 The High Needs block is increasing by £4,360k. The new allocation, now based on formula, goes some way to address gap created by funding allocated on a historic basis. LBBB had one of the largest existing funding gaps and is receiving maximum uplift of 10% (measured against rebased baseline). However, a growing population and other demographic changes mean continuing increase in demand for services.

Recommendation (iii): School Forum are asked to note:

(a) the final 2022/23 DSG allocations.

4. High Needs Block (HNB) Outturn for 2021/22

4.1 The budget for 2021/22 is £38.556m (after recoupment). The table below shows the detailed position for High Needs for 2021/22. The outturn position for the year is £158k overspend. This has been achieved despite making a one-off payment of £2.4m to schools to help alleviate the financial pressures schools are facing due to the ongoing demand and complex cases of children with SEN. The one-off payment supported pupils with band F/G/H that exceeds 1% of the total school population. This also includes early years SEN pupils at reception and Private Voluntary & Independent settings.

	2020/21 Outturn	2021/22 Budget	2021/22 Outturn Position	Variance + surplus / (deficit)
Alternative Provision	3,399,759	3,475,830	3,150,015	325,815
ARP Funding	6,093,890	8,259,360	7,679,447	579,913
DSG – Education Inclusion.	1,494,256	1,542,650	1,332,948	209,702
Out of Borough & Non Maintained Funding	6,264,504	7,863,410	6,820,436	1,042,974
HN Top Ups – Post 16	1,801,210	1,755,760	3,003,921	(1,248,161)
SEN Panel Top Ups	1,522,596	1,350,000	1,762,327	(412,327)
LACHES, Lang. Support	360,490	344,210	317,440	26,770
Initiatives	147,608	676,750	313,076	363,674
Special School Funding	10,951,784	12,279,360	11,396,094	883,266
EY Portage & Youth Service	342,143	568,410	412,798	155,612
Total	32,378,240	38,115,749	36,188,502	1,947,247
Surplus & Gatekeep	1,636,435	440,365	2,525,565	(2,085,200)
Total Budget	34,014,675	38,556,114	38,714,076	(157,953)

Table – High Needs Outturn

4.2 Alternative Provision underspend of £326k relates to funding earmarked for EAL students and Pilot Scheme. Underspend for Inclusion team are partly due to vacancies and Training.

- Underspend on OOB budget are mostly due to cases under process the related cost of which will become due in the new financial year.
- Additional Resourced Provision (ARPs) underspend of £579k has been used to mitigate some of the one-off payment made to schools to alleviate the financial pressures schools were facing due to ongoing demand and complex cases. Although budget provision was made for increased number of places, schools faced complex cases instead.
- Post16 top up payments in support of continued growth for 16-25 cohort reported an overspend of £1.2m.
- Headteacher SEN Panel top ups budget reported an overspend of £412k due to the increase in SEN children requiring additional support and recognition of early years SEN in schools.

4.3 The High Needs working group met on 8th June and reviewed the year end outturn position and ongoing pressures for 2022/23. Other high needs areas discussed were:

- Headteachers panel top up payments to schools as transparency reporting to schools from the last four years due to reported ongoing pressures.
- An independent review of Top Up processes has been commissioned to begin this term and conclude in the Autumn term.
- The ongoing work around internal school provision (ISP) modelling linking to DSG affordability and criteria.
- The group discussed a draft SEN heatmap from the headteachers panel meeting in conjunction with ISP's moving forward of SEN early years children in schools.
- An update of ARP commissioned places for 2022/23 was shared with members and linkage to out of borough pupils attending provisions in Barking and Dagenham. To ensure schools with SEN children attending Barking and Dagenham schools, the high needs Import/Export was discussed and Out of Borough (OOB) children attending schools was discussed and strategy to ensure schools receive the element 3 (top up) for those children from other local authorities.
- DSG benchmarking data was reviewed of other local authority deficit balances from section 251 benchmarking analysis
- Two DfE Recovery plans from local authority's with DSG deficits was discussed, a Safety Valve program and Delivering Best Value (DBV) including reported latest tranches of local authorities included known to be included in these. It was noted that Barking and Dagenham are not included within the

DfE plans because of currently maintaining a small DSG balance, and 100 local authorities are reporting DSG deficits as per benchmarking data analysis.

- The Green Paper and SEN Consultation was reminded to attendees with a closing date of 22 July 2022. [SEND review: right support, right place, right time - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/send-review-right-support-right-place-right-time)

Recommendation (iv): Schools forum are requested to:

Note and comment on the 2021/22 High Needs outturn position.

5. Internal Resource Provisions (ISP) & High Needs Budget 2022/23

- 5.1 Over the last ten years, schools have experienced an increase in numbers of children who have a range of complex needs. This change reflects the growing number of children currently attending our mainstream schools with complex needs. Some schools have responded to this demand by creating their own internal school provisions.
- 5.2 Unlike ARPS this is for a small cohort of children that can be moved in and out as best meets their needs. Schools have full control and flexibility as they are their own provisions. **Please refer to Appendix B for a list of ISPs.**

5.3 Children who may benefit from ISP placements

Children with complex needs all have great difficulty communicating, often requiring those who know them well to interpret their responses and intent. They frequently have other, additional, disabling, conditions (medical, speech language and communication, sensory, self-help and mobility). Some pupils may remain in the ISP for the whole week and any mainstream access needs to be carefully planned.

5.4 Criteria for LA to support internal school provisions

i) Pupils who need full time access

Pupils with complex needs who may have additional needs such a medical or sensory. Pupils who need a specialised setting with staff trained to deliver a sensory approach to the curriculum and often require support for toileting, feeding, dressing. The pupil might only respond to stimuli with adult intervention. Severe learning difficulties (likely to require specialist support throughout their time at school). Little or no understanding of spoken language and little or speech themselves. Likely to have significant sensory difficulties and or toileting needs. Will have significant sensory integration difficulties. May have severely challenging behaviours.

ii) **Pupils who will need specialist support from the ISP but may access mainstream school for part of the week**

Pupils may have a spikey profile and are able to access sometime in the mainstream. They will all have significant learning needs and show distress in a mainstream environment. They will require some specialist support from the ISP but the aim is to increase their time in a mainstream classroom.

Children who are working below the national curriculum levels and not engaged in subject specific study – at a pre-formal level.

They are likely to be being educated in a room in small groups and will need significant additional support to access a mainstream environment.

5.5. Staffing

A condition of LA support for ISPs is that they are staffed by a qualified teacher. This **may be part time/pro-rata** for the smallest ISPs. For Provision with 12 or more pupils, a full time qualified teacher should be available. The principle is that children who will be spending most, if not all, of their time in this provision, must have regular access to high quality teaching.

The LA will fund a training program for all staff who work with pupils in an ISP.

5.6 Environment

The classroom area allocated for an ISP needs to be sensory enabled and of a standard that supports a pupil with a range of needs, and of a size that accommodates a minimum of 6 pupils. Each classroom needs to have easy access to toilets and a sensory area. Pupils need access to an appropriate curriculum with good access to secure play areas.

The LA will support environment works to maintained schools.

5.7 Funding

An ISP will generally be funded for 6, 12 or 18 pupils.

The intention is to prevent the need to apply for top up funding for this group of pupils and to give schools the security to plan on an annual basis. Funding will be in line with current levels of top-up for mainstream complex children, which is circa £5,000).

This is the first stage of a wider review of top up arrangements. The intention here is to move to longer term funding for those schools which consistently have high numbers of children with complex needs, to give them the security to plan and to ensure that these children are taught regularly by a qualified teacher.

The broader Top Up Review will also look at how we move to a more streamlined system, with more stability of funding for provision rather than reliance on individual applications.

If numbers are higher than around 1% of the school population, this put significant pressure on the **school's notional** SEN budget.

5.8. The LA/Schools' Forum will keep considering one-off funding annually to support schools facing financial pressures due to increased numbers and complex cases. We are therefore planning for this year and next to release around £1 million in one-off funding for schools with high levels of need over 1% of schools population. At present, we are looking at £4k per child for pupils who are banded F, G or H that exceeds 1% of total schools population.

5.9. Parental Support

Parents need to agree to their child attending the ISP and they should have evidence that parents have been consulted and understand arrangements for their child and are in agreement. The LA will work with schools to support training and support for families.

5.10 HN budget for 2022/23

5.10.1 **Appendix C** provides the 2022/23 detailed budget analysis for High needs, this has been revised to reflect known costs and pressures. Key changes to note includes:

- Our HN allocation for 2022/23 has been reduced by £154k
- New ARPs starting in Sept 2022 will cost £662k
- Special Schools forecast budget has increased by £364k
- Primary ARP forecast budget has reduced by -£173k
- The above adjustments have therefore reduced our contingency budget by over £1m

5.10.2 There continues to be significant growth and demand for SEN places especially in early years and primary schools. Additional funding has been provided for the establishment of Internal Resource Provisions (ISP). The 2022/23 budget does include provision for £1.235m for the new ISP settings in schools.

5.10.3 In addition, the LA will continue to review and recommend to schools forum during Autumn meeting the payment of one off financial support for schools with ARPs to help mitigate the financial pressures facing schools due to increased numbers of complex cases. This will depend on affordability following confirmation of early years deductions in July of the prevailing year.

Recommendation (v): Schools forum are requested to:

(a) Note and comment on ISPs and High Needs budgets for 2022/23

6. Early Years (EY) Outturn

- 6.1 The EY funding is based on prior year allocations and funding is only finalised using the previous two spring census data after year-end around July 2022. The underspend of £1.680m (refer to DSG table above) is made up of an in-year amount of £1,118k, and £562k underspend brought forward from previous year following DfE clawback adjustment. As in previous years, we have assumed a full claw back of the in-year underspend, although there will be a retained element, this will not be known until July 2022. The £1,118k underspend is made up of £705k relating to 3/4yr olds and £413k relating to 2yr olds.
- 6.2 The underspend is due to lower pupil numbers during the year compared to the census figures. The 2021 census measured 'children on roll' as this was Government guidance due to the pandemic. Actual attendance was lower than this, so funding was not spent. In addition, settings are finding it difficult to recruit staff and therefore not operating at full capacity.

We saw a drop in attendance/pupil numbers when the funding for children on roll ceased. However, attendance has been building steadily from the summer term 2021 and actual numbers at census time this year are very near or in some cases slightly above the census numbers for children on roll for 2021.

6.3 Early Years Doubling Down on Disadvantaged Children Pilot scheme

The Early years Doubling Down' on Disadvantaged Children pilot scheme in LBBB is ongoing. This started during spring term 2022 for 50 children currently attending nursery who fit one or more of the following criteria:

- Known to social care
- Have an EHC plan or one pending and are not attending a NARP
- Have older siblings at risk of exclusion
- Have older siblings who have been discussed at vulnerable children clinics

The children are offered additional 15 hours (capacity permitting) in their current setting until end of the summer term. The cost would be just approximately £1,014 per child for the summer term only. This could be scaled up for 60, 75 or even 100 children.

Total estimated cost is £50,700 per term. (50 x £1014)

If successful, the pilot could be applied in September 2022 for the coming academic year. The most vulnerable children identified either from the two-year-old cohort or other vulnerabilities.

It is planned that this proposal could be a response to Covid and run for one full academic year (22-23) or built into future spending plans following a full evaluation. At current funding rates in LBBB (£5.35 for 2-year-olds, £5.15 - 5.20 for 3- and 4-year-olds), the estimated cost of the programme would range as follows depending on the programme length, age, and number of children supported.

Age	Weeks	50 children	100 children	200 children
2-year-olds	38	£152,475	£304,950	£609,900
3/4-year-olds	38	£147,630	£295,260	£590,520

Recommendation (vi): Schools forum are requested to:

- (a) Note Early Years outturn position and
- (b) Note Early Years Doubling Down on Disadvantaged Children scheme and the proposed extension

7 Growth Funding for 2022/23

7.1 Growth funding is allocated to Schools to manage an increase in pupil numbers in 2022-23 before the lagged funding catches up. The allocation are based on differences between the primary and secondary numbers on roll in each LA between the October 2020 and October 2021 school censuses. The methodology captures growth at the level of Middle Layer Super Output Areas (MSOAs). For this, the school postcode information is used to identify the MSOA for the school, to map the growth in small geographical areas within local authorities between the previous two October censuses. Negative growth is disregarded.

7.2 The provisional September 2023 expansions are set out in the table below. The primary and secondary phases are reporting growths of 90 and 420 respectively. Total cost of funding growth is £1,871k which includes £420k of pupil-led premium uplift. The DfE growth fund allocation is £1,423k leaving a shortfall of £448k to be met from the Schools Block. The LA is funded at £1,681 and £2,513 (inc ACA) per pupil for primary and secondary growth. In contrast, schools are funded at between £2,240 (£3,136 with 40% uplift) and £2,975 (£4,165 with 40% uplift) under the local formula.

School	Prim. Growth	Sec. Growth	Prim. AWPU £3,840	Sec. AWPU £5,100	40% Uplift	Budget
Dagenham Park CofE		30	0	89,250		89,250
Goresbrook	30		67,200	0		67,200
Greatfields		60	0	178,500		178,500
Riverside Primary	30		67,200	0		67,200
Riverside Secondary		150	0	446,250	178,500	624,750
Robert Clack	30	180	67,200	535,500	241,080	843,780
Total	90	420	201,600	1,249,500	419,580	1,870,680
GF Grant						1,423,064
Shortfall						447,616
Met from 2022/23 Sch.Block						(447,616)

Table : 2022/23 Planned Sept. 22 Expansions and Growth Fund Requirements

Note: ** are funded at AWPU plus 40% pupil led funding factors (growth exceeding 4 classes or are new and growing)

- 7.3 The existing local policy is that growth in excess of 4 classes should receive an uplift. DfE guidance states that significant growth should be funded through the formula in order that these attract not just the pro-rata AWPU but also other pupil led factors. These equate to on average 40% uplift on AWPU. This is in recognition of diseconomies of scale associated with large scale growth. This can be funded by varying the pupil number on APT so that these are included in the overall ISB allocation for the year. However, this can create difficulties where the full planned classes fail to materialise due to lack of pupil number which will then have to be clawed back the following year. Therefore, the preferred option is to fund it through centrally retained growth.

Recommendation (vii): School Forum are requested to:

- (a) note the expected shortfall in growth funding allocations for 2022/23

8 Falling Rolls Fund for 2022/23

- 8.1 Details of the falling rolls was shared at the January Schools Forum. The table below is a summary of changes in numbers on roll (NOR) (with pupil numbers adjustment for new and growing schools) used for funding purposes. Overall, pupil numbers have increased by just 41 between October 20 and October 21 census; the primary phase (including all-throughs) is reporting a net overall reduction of 307 and the secondaries are reporting a net increase of 348. In the primary phase, 28 are reporting combined reductions of 717, and 20 reporting increases of 410. In the secondary/ all-through phases 4 are reporting combined reductions of 87, and 9 are reporting aggregate increases of 435.

	Number of Schools with Increases in NOR	Increase NOR	Number of Schools with Reductions In NOR	Reduction NOR	Net Change in NOR
Primary	15	201	28	(717)	(516)
All-through Pri.	5	209	0	0	209
Secondary	6	238	2	(20)	218
All-through Sec,	3	197	2	(67)	130
Total	28	845	32	(804)	41

Table change in pupil numbers between October 20 October 21 census.

- 8.2 To be eligible for falling rolls, schools must meet a number of qualifying criteria. It is a DfE mandatory requirement that the school must be good or outstanding. Other requirements previously agreed by the Forum are;
- (a) reductions of 10 or more pupils after adjusting for impact of bulge classes.
 - (b) year on year reduction in delegated budget.
 - (c) school's reserves do not exceed 10% of delegated budget.
- 8.3 The 2022/23 budget to support schools eligible for falling rolls is £500k. This allocation was agreed by Schools forum in October 2021 from the underspend of the 2020/21 growth fund. The significant number of schools are likely to experience increased financial stress as a result of falling rolls . There are 22 schools with aggregate falling pupil numbers of 710 that are seeing reductions in ISB totalling £2.3m, all with the exception of one are primaries. Conversely, there are 25 schools with growth in pupil numbers totalling 843 reporting increases in ISB totalling just over £8m, of which £6.3m relates to secondary / all-through phases.
- 8.4 At the October 2021 meeting, the forum agreed to use £505k from the growth fund underspend to support falling rolls (now adjusted to £500k). This means the 2022/23 schools block allocations are maximised for the schools formula.
Refer to Appendix D for Falling rolls modelling

Recommendation (viii): School Forum are requested to note:

- (a) the proposed distribution of falling rolls budget of £500k for 2022/23.

9. **Supplementary Grant for Special Schools & ARPs**

- 9.1 Additional funding of £1,860m has been confirmed by DfE to support schools and special schools to mitigate increased cost due to the introduction of Health & Social Care Levy NI cost and other cost pressures.
- 9.2 School-level allocations of the Schools Supplementary Grant for the 2022 to 2023 financial year has been published by DfE during the spring 2022. The funding will be paid to local authorities, who'll be required to pay it to individual schools at the rates published.
- 9.3 Please refer to **Appendix E** for the proposed distribution of High Needs Supplementary grants allocation to LBB special schools and ARPs.

Recommendation (ix): Schools forum are requested to:

Note and comment on the proposed distribution of the Supplementary Grant for 2022/23 to High needs settings.

10. Schools Facing Financial Difficulties (SFFD)

- 10.1 The purpose of SFFD fund is to provide temporary financial support for schools in financial difficulty to enable organisational / staffing changes to be implemented in order to place the schools on a financially sustainable basis. Funds have been built-up through de-delegation over several years, and contributions to the fund ceased in 2017/18 as it was intended to be self-financing from then onwards. Schools are charged interest rate of 1% above the Bank of England base rate. This is recycled back to the fund.
- 10.2 To access the loan facility schools are required to submit:
- A recovery / business plan setting out proposed savings and risks.
 - A three-year budget and demonstrate deficit clearance over a period not exceeding three years, - establishment list covering the period of recovery.
 - Repay the loan within three years (subject to individual school circumstances).
 - Submit cash flow statement.
 - Submit minutes of discussion by Finance Committee / Governing Body,
 - This is subject to approval by Commissioning Director of Education, following review by Finance Monitoring Group.
- 10.3 By the end of 2016/17, the total value of the de-delegated funds was £3,223k. Please see **Appendix F**. However, in the early part of the scheme one off payments totalling £1,770k were provided to schools. From 2015/16, financial support is only available in the form of loans. Since the start of the schemes, interest payments of £90k have been added to the pool. The total available fund is £1,554k, of which £1,001k is outstanding loans (excludes interests), and the current amount retained centrally is £553k to support future loan requests. The balance available changes as loans are made or re-paid.

Recommendation (x): Schools Forum are requested to note and comment on:
(a) total SFFD funds, loans outstanding and balance retained centrally
(b) SFFD loans outstanding
(c) balance of SFFD retained centrally.

11. Review of Trade Union Facility time

- 11.1 The local authority HR team will commission a review of trade union facility time, de-delegation rates, contributions by academy schools and propose options for distributing TU funds to schools whose staff are involved in TU duties. We are therefore proposing to maintain the current arrangements for 2022/23. The review will report back with their recommendations during the Autumn term. The chairs of Schools Forum will be consulted on the scope and terms of reference.

Recommendation (xi): Schools forum are requested to:

- (a) Note the proposed review of trade union facility time.

12 Other Updates

Changes to payments of National Non- Domestic Rates (NNDR).

LBBB is implementing the new NNDR payment process for all its maintained schools which took effect from 1 April 2022. The Education and Skills Funding Agency (ESFA) will pay NNDR bills directly to local authorities on behalf of local authority maintained schools and academies. LBBB will issue bills to Schools for information only.

Recommendation (xii): Schools forum are requested to:

Note the proposed changes to NNDR – Business Rate billing & payment process.

13. AOB

14 Financial implications

As presented in this document.

15 Legal implications

The schools forums (England) regulations 2012 govern the constitution and conduct of meetings of the forum. The schools finance (England) regulations 2012 determine those matters on which the local authority must or may consult the schools forum and those in respect of which the schools forum can make decisions. These regulations make provision for the financial arrangements of local authorities in relation to the funding of maintained schools and providers of prescribed Early Years provision in England.

16 Other implications

- a. **Risk management** - None
- b. **Contractual issues** - None
- c. **Staffing issues** – None
- d. **Customer impact** – None
- e. **Safeguarding children** - None
- f. **Health Issues** - None
- g. **Crime and Disorder Issues** – None
- h. **Property / Asset Issues** – None

Background papers used in the preparation of the report:

None.

List of appendices:

Appendix A _ LMS Reserves carried forward to 2022/23
Appendix B_ List of Internal Resource Provisions
Appendix C_ HN Budget for 2022/23
Appendix D_ Falling rolls modelling
Appendix E_ Supplementary Grant for Schools & High Needs Places
Appendix F_ Schools Facing Financial Difficulty