

(BARKING AND DAGENHAM SCHOOLS FORUM)

5 December 2023

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, Jo Moore, Strategic Director of Finance & Investment	
Summary: The purpose of this report is to update the Barking and Dagenham Schools Forum on: <ol style="list-style-type: none">1 Update on DSG Outturn2 Update on High Needs3 Early Years funding update4 Schools block update – 2023/245 Schools Block Funding Formula for 2024/25 consultation6 Emerging items & Horizon scoping7 AOB.	

Recommendation(s)

The Schools' Forum is requested to:

1. Note update on DSG outturn – 2023/24
2. Note and comment on the 2023/24 High Needs outturn position and the one-off exceptional payment.
3. Note & approve the one-off payment for 3- & 4-year-olds for the spring term only.
4. Note and comment on the 2023/24 Schools Block outturn position and Q2 monitoring analysis.
5. Remind schools of the deadline for the consultation on 2024/25 schools funding.
6. Note emerging new and Horizon scoping.
7. AOB

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 projected outturn - 2023/24

1.1 The table below sets out the projected DSG outturn for 2023/24. All blocks are projecting a breakeven position except High needs which is projecting a £1,800k estimated overspend. The projected DSG reserves for 2023/24 are estimated as **£8,537k**, of which £963k and £309k are earmarked for Schools Facing Financial Difficulties (SFFD) and growth funding respectively.

1.2. The following may be considered for the use of DSG reserves, this is not an exhaustive list:

- Supporting schools, nurseries & PVI's with one-off exceptional payments to mitigate financial pressures due to increasing & complex SEND cases.
- Financing falling roll shortfall from reserves instead of top slicing from school's block.
- Health provision in schools.
- Set up contingency fund to respond to emerging needs.

	2023/24 Funding £'000	2023/24 Projected Outturn £'000	Surplus / (Deficit) £'000
Schools Block (ISB)	188,955	188,955	0
Central Services Block	2,162	2,162	0
High Needs Block	49,837	51,637	(1,800)
Early Years Block	23,174	23,174	0
	264,128	265,928	(1,800)
DSG reserves B/f			10,073
Revised DSG Reserve			8,273
Add 22/23 EY additional funding			264
Revised DSG Carried forward			8,537
Of Which			
Growth fund B/F		309	
SFFD retained centrally		963	
Projected DSG Reserves 2023/24			7,265

Recommendation (i): School Forum are requested to:

i) Note the DSG projected outturn for 2023/24

2 2023/24 Update on High Needs Outturn Position

The projected outturn position for High Needs is an estimated £1.8m overspend. This is mainly due to in year pressures and demand and increase in complex cases. The pressures are mainly due to growth and increased costs for ARP places and complex cases and demand for out of borough and non-maintained places.

	2022/23 Outturn Forecast	2023/24 Budget	2023/24 Outturn Forecast	Variance +surplus / (deficit)
Alternative Provision	3,437,983	3,390,746	3,328,241	62,505
ARP Funding	9,168,118	10,053,443	10,116,373	(62,930)
Education Inclusion.	1,801,499	1,946,654	1,833,198	113,457
Out of Borough & Non-Maintained Funding	7,829,579	8,358,158	10,659,102	(2,300,943)
HN Top Ups – Post 16	2,180,000	2,412,000	1,801,608	610,392
SEN Panel Top Ups	1,500,000	5,550,000	6,335,322	(785,322)
LACHES, Lang. Support	350,234	475,461	435,686	39,776
Initiatives	688,593	907,452	907,452	0
Special School Funding	13,200,725	15,024,191	14,573,408	450,783
EY Portage & Youth Service	578,362	610,354	543,106	67,248
Parent Support & Health	580,000	1,108,251	1,108,251	0
Total Budget	38,714,076	49,836,710	51,641,746	(1,805,035)

Table – High Needs Outturn

- 2.1 The High Needs working party has not met since last the meeting held on the 17th of October. At that date we reported a pressure of £451k within the Additional Resource Provision (ARP), we've since undertaken financial audit of place and top up funding. The financial audit and checking have been completed and each individual school with an ARP will be updated with a detail of payments made in support of numbers of children attending this provision. Subsequently the revised ARP pressure is £63k as reported above.

2.2 One-off Exceptional Payment

An amount of £1.4m has been earmarked for a One-off exceptional payment to support alleviate the financial pressures schools are facing due to the ongoing demand and complex cases of children with SEN. The one-off payment will support pupils with band F/G/H, this is based on the October 2022 audited SEN data. This also includes early years SEN pupils at reception and Private Voluntary & Independent settings. The payments will be released this autumn term 2023/24. Please refer to **Appendix A** for details.

Recommendation (ii): School Forum are requested to:

- i) Note and comment on the 2023/24 High Needs outturn position
- ii) Note the one-off exceptional payment to be made to schools this Autumn 2023/24.

3. 2023/24 Update on Early Years funding

3.1 Following the introduction of the new early year's supplementary grant (EYSG), the funding rates to local authorities have been increased by an average of 32%, for the current 2-year-old entitlement, and an average of 6.3% for the 3-and-4-year-old entitlements, compared with the current 2023-24 rates. The increase for Barking and Dagenham is the minimum increase of only 1% for three- and four-year-olds.

3.2 we proposed to passport £0.06 to the 3- and 4-year-old base rate and £2.07 to the 2-year-old base rate from September. The 7months allocation for LBBDD is **£895,095**. The table below shows the old and new rates accordingly.

3-4 yr Olds	Universal Pte
Current Rate	5.21
Supp Rate	0.06
New Rate	5.27
1% increase	
2yr Olds	
Current Rate	6.09
Supp Rate	2.07
New Rate	8.16
32.5% increase	

- 3.3 To ensure early years funding is released in full and distributed fairly and equally to settings, we've conducted a financial modelling exercise for 2023/24. The forecast is based on 2022/23 data hence the actual take-up may differ.
- 3.4 The table below shows the 3- & 4-year-old projected forecast for 2023/24. There's a possible £1.5m underspend if actual numbers remain the same as projected.

Current Arrangements				
3&4 YOF		Payable Rate	5.27	
	Summer 23	Autumn Term 22	Spring Term	Total
Days in the term		70.0	55	
Weeks in the term (23-24)		14	11	
Total Pupil Numbers		3,342	4,123	
No. on 30 hours		1,069	1,355	
No. on 15 hours		2,273	2,768	
£ for 30 hours		2,366,124.60	2,356,480.50	
£ for 15 hours		2,515,529.10	2,406,914.40	
Already Spent (Apr-August)	6,675,310			
Total for term	6,675,310	4,881,653.70	4,763,394.90	16,320,358.60
Budget				17,862,736.95
23/24 Estimated Projected Surplus				- 1,542,378.35

Table: Early years 3- & 4-year-old projected forecast.

- 3.5 This projected underspend is due to reduced take-up as compared to census numbers. We are therefore proposing to utilise this projected surplus by proposing a one-off payment of **£1.00** per child per hour for the spring term only. This will cost an estimated **£904k**. These projections are based on Oct 2022 data; hence the actual take-up and payment may differ.

Recommendation (iii): School Forum are requested to:

- i. To approve a one-off payment of £1.00 per child per hour for Nurseries & PVI settings for spring term 2023/24 only.

4. Schools Block update – 2023/24

- 4.1 The gross schools block allocation for 2023/24 remains unchanged at **£262.447m**, as initially published in July 2023. The sums of £68.752m and £4.739m have been deducted from the gross allocation for academy recoupment and NNDR respectively.

- 4.2** The net allocation delegated to maintained schools is £188.955m. The school's block is forecast to breakeven at the end of the financial year. The table below shows the projected underspend on the growth fund being utilised to support schools with falling rolls for 2023/24.

	Budget	Forecast	Variance overspend / (underspend)
Pupil Led factors	177,925,937	177,925,937	-
Growth Fund	1,565,576	1,085,490	(480,086)
Falling Rolls Fund	-	480,086	480,086
NNDR	4,739,398	4,739,398	-
PFI	4,724,569	4,724,569	-
Schools Block Total	188,955,480	188,955,480	-

4.3 Quarter 2 Budget Monitoring update:

Schools are projecting an overall net deficit of **£0.728m** as at Q2.

24 out of the 41 maintained schools are projecting a combined in-year deficit of £4.328m. 21 (88%) are primary schools with a combined total deficit of £3.519m, 1 (4%) special school (£0.387m), 1(4%) PRU (£0.110m) and 1(4%) is a secondary school (£0.312m)

17 schools are projecting a combined in year surplus of £3.600m. 11 (65%) are primary schools with a total combined surplus of £0.961m, 4(24%) are secondary schools (£1.844m) and 2 (11%) are all-through schools (£0.795m)

2023/24 Schools in-year Deficit

Phase	Numbers	Total
Primary	21	£3,519,174
Secondary	1	£311,626
Special	1	£387,017
Pupil Referral Unit	1	£109,712
Total Schools deficit	24	£4,327,529

2023/24 Schools in-year surplus

Phase	Numbers	Total
Primary	11	£960,561
Secondary	4	£1,843,781
All through	2	£795,532
Total Schools surplus	17	£3,599,874

Combined Schools outturn position -net deficit	41	£727,655
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Recommendation (iv): School Forum are requested to:

- i) Note the Schools Block projected outturn position
- ii) Note the Quarter 2 outturn forecast monitoring returns for schools.

5. Schools Block Funding Formula 2024/25 and consultation update.

- 5.1 Details of the 2024/25 National funding formula and the proposed Local funding formula for LBBB were reported to the October 2023 Schools Forum. We are consulting schools on 3 funding models that were presented to members at the October schools forum meeting.
- 5.2 The deadline for schools to respond to the consultation is **14 December 2023** and the results will be published at the January meeting.

Recommendation (v): School Forum are requested to:

Remind schools of the consultation deadline (Dec 14th, 2023) for the 2024/25 funding models.

6. Additional funding for local authorities to support maintained schools in financial difficulties.

- 6.1 The Department for Education (DfE) announced that it is providing up to £40 million of additional funding in 2023 to 2024, to support individual schools that find themselves in particular financial difficulties.
- 6.2 This is one-off funding available in 2023 to 2024 only and the department has no plans for similar additional funding in 2024 to 2025.
- 6.3 £20m of the total allocation will be provided to Local Authorities who have aggregated school-level deficits as a proportion of their maintained school's income above 1%. The allocations will be in proportion to the aggregated school level deficit.
- 6.4 Following the publication by the DfE of the list of Local Authorities that would benefit from this funding, LBBB did not qualify and hence will not benefit from this funding.

Recommendation (vi): School Forum are requested to:

Note: No additional funding for LBBB maintained schools.

7 Financial implications

As presented in this document.

8 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.

9 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 – 2023/24 One off exceptional payment