

MINUTES OF THE SCHOOLS' FORUM
HELD on 24th JUNE 2025
VIRTUAL MS TEAMS MEETING
(10:00AM TO 12:00PM)

Present	Maintained Primary Representative
Scott Halliwell (SH) (Co Chair)	HT, Southwood Primary School
Julie Philips (JP)	HT, Godwin Primary School
Gill Massar (GM)	HT, William Bellamy Primary School
Richard November (RN)	HT, Valence Primary School
Simon Abeledo (SA)	HT, Rush Green Primary School
Lauren Pearce (LP)	HT, Parsloes Primary School
Sara Rider (SR)	HT, Monteagle Primary School
Maintained Secondary Representatives	
Tony Roe (TR)	HT, Barking Abbey School
Lisa Keane (LK)	HT, Eastbury Community School
Maintained All-through (A/T)	
Russell Taylor	HT, Robert Clack School
Governor Representatives (1 Pri & 1 Sec)	
Vacant	
Vacant	
Academy & Free Primary	
Sarah Kinnaird (SK)	HT, Eastbury Primary School
Academy & Free Secondary	
Andy Roberts (AR)	HT, Riverside School
Academy & Free Schools (A/T)	
Roger Leighton (RL)	Chief Executive, Partnership Learning
Maintained Special Schools Representative	
Jo Long (JL)	HT, Trinity School
Maintained PRU Representative	
Cathy Stygal (CS)	HT, Mayesbrook Park School
Early Years Representative	
John Trow-Smith (JTS)	Early Years, Local Authority
Trade Union Representative (shared role)	
Dominic Byrne (DB)	NUT
John McGill (JMcG)	NASUWT
Church of England Representative	
David Huntingford (DH)	HT, William Ford C of E Junior School
Catholic Representative	
Clare Cantle	HT, All Saints Catholic School
14-19 Representative	
Natalie Davison	Principal, BDC

Also present: Jane Hargreaves (JH) – Commissioning Director, Education; Councillor Elizabeth Kangethe (CEK) – Cabinet Member for Educational Attainment and School Improvement; Kofi Adu (KA) – Head of Finance, Local Authority Finance; Florence Fadahunsi (FF) – Senior Finance Business Partner, Local Authority Finance; Daksha Chauhan (DC) – Finance Business Partner, Local Authority Finance; ~~Caroline Connolly (CCo)~~ – Finance Business Partner, Local A; Gurmit Kaur (GKa) – Schools Senior Accountant, Local Authority Finance; ~~Ronan Fox (RF)~~, John McGill (JMcG) – NASUWT, Dominic Byrne (DB) – NUT, John Trow Smith (JTS) – Early Years, Local Authority, Rikke Damsgaard (RD) – Strategic Lead for Early Years and Childcare); Lisa Keane (LK) - Eastbury Community School, Tony Roe (TR) Barking Abbey School, Andy Roberts (AR) – Riverside School; Clare Cross (CC) - Sydhey Russell School, Clare Cantle (CC) All Saints; ~~Jamie Bell (JB)~~ – Warren Junior School, Julie Philips (JP) – Godwin School, Richard November (RN) – Valence School, Simon Abeledo (SA) - Rush Green School, Sarah Kinnaid (SK) Eastbury Primary; ~~Lauren Pearce (LP)~~ – Parsloes Primary School; Tracey Whittington (TW) Beam County Primary; David Huntingford (DH) – William Ford School, ~~Cathy Stygal (CS)~~ – Mayesbrook Park School, Jo Long (JL) – Interim Head of Trinity School, Mairead Pryor (MP) Warren Junior School; ~~Sara Rider (SR)~~ – Monteagle School, Scott Halliwell (SH) – Southwood School, ~~Russell Taylor (RT)~~ - Robert Clack School, James Smith (JS) – Thames View Junior School, Roger Leighton (RL) - Chief Executive, Partnership Learning, ~~Natalie Davison (ND)~~ – Barking & Dagenham College; Jessica McQuaid (JMcQ) - Head of School Performance and Partnerships and Bei Braithwaite-Cotton (BBC) – Local Authority Minute Clerk.

Roger Leighton chaired the meeting

1.0	<u>APOLOGIES FOR ABSENCE</u>																		
	Russell Taylor, Cathy Stygal, Lauren Pearce, Natalie Davison, Ronan Fox																		
2.0	<u>DECLARATION OF INTEREST</u> None																		
3.0	<u>MINUTES AND MATTERS ARISING</u> The minutes of the meeting held on 21 January 2025 were confirmed as accurate. Update on previous actions:																		
	<table border="1"> <thead> <tr> <th>No</th> <th>Date of Meeting</th> <th>Item No</th> <th>Action</th> <th>Owner</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>21/01/2025</td> <td>4.2</td> <td> 1. Amend the principles to: <ol style="list-style-type: none"> specifically include attention to early years and Key Stage One. Ensure funding for children with Education, Health and Care Plans (EHCPs). Facilitate the quick allocation of money to schools to avoid any delays <p><i>Update: Covered in the agenda.</i></p> </td> <td>KA</td> </tr> <tr> <td>2</td> <td>21/01/2025</td> <td>4.7</td> <td> Rikke to provide detailed responses and clarifications on the entitlement distinctions and funding. <p><i>Update: Addressed in the main report.</i></p> </td> <td>KA</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Depletion of Reserves: RL highlighted that the substantial reserves across the DSG, which were nearly £8 million at the beginning of the last year, have been depleted. The projected reserves for the end of 25/26 are only half a million 				No	Date of Meeting	Item No	Action	Owner	1	21/01/2025	4.2	1. Amend the principles to: <ol style="list-style-type: none"> specifically include attention to early years and Key Stage One. Ensure funding for children with Education, Health and Care Plans (EHCPs). Facilitate the quick allocation of money to schools to avoid any delays <p><i>Update: Covered in the agenda.</i></p>	KA	2	21/01/2025	4.7	Rikke to provide detailed responses and clarifications on the entitlement distinctions and funding. <p><i>Update: Addressed in the main report.</i></p>	KA
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pounds, indicating that the days of having significant reserves to solve problems are over.

- **Projected Overspend:** RL mentioned that the high needs budget for 25/26 predicts an overspend of £3 million. This overspend, combined with the depleted reserves, is creating significant financial pressure.
- **Need for Solutions:** Emphasis was raised on the need to explore solutions to address the financial deficit and the importance of implementing strategies to manage the budget effectively and reduce the overspend.

REPORT FROM HEAD OF FINANCE/GROUP FINANCE MANAGER

4 DSG Outturn for 2024/25

4.1 The Dedicated Schools Grant (DSG) funding for 2024/25, after DfE deductions for academy recoupments, high needs commissioned places & schools NNDR was **£281.857m**. Actual expenditure is **£287.040m**, resulting in an overspend of **£5.183m** which is due to pressures within the High Needs Block.

4.2 The overspend on the High Needs Block is due to an increase in spend on SEN Mainstream top up payments, post16 payments, Home Tuition Outreach service, Special Schools & Out of Borough Maintained & Non-Maintained placements.

4.3 The outturn for early years block is a net underspend of **£1.509m**, which is made up of an underspend of £920k for under 2yr olds, £663k underspend for 2 yr old and overspend of £74k for 3 & 4yr old funding. It is assumed the underspend of £920k for under 2yr olds will be clawed back, this will be confirmed in July by the DfE.

4.4 The DSG overspend will be funded from reserves. The opening balance on this reserve was **£7.955m**. In year transactions of **£1.305m**, has been adjusted to the reserves. These transactions relate to split sites protection payments, falling rolls, & loans payments for schools facing financial difficulties. These are agreed items to be funded from DSG reserves. Therefore, the provisional closing balance as at 31 March 2025 will be £0.547m, subject to confirmation of Early Years clawback by DFE.

Refer to the table below for the summary position.

Dedicated schools Grant (DSG Budget)	2024/25 Budget £'000	2024/25 Outturn £'000	Surplus (Deficit) £'000
Schools Block (ISB)	197,347	197,347	0
Central Services Block	2,153	2,250	(97)
High Needs Block	51,567	58,162	(6,595)
Early Years Block	30,790	29,281	1,509
	281,857	287,040	(5,183)
DSG reserves B/Ff 24-25			7,955
DSG Reserve C/F to 25-26			2,772
Net (loans/falling rolls/Split sites)			(1,305)
Assume EY 2yr old Clawback (TBC)			(920)
Revised DSG Reserve C/F 25-26			547

Table – 2024/25 projected DSG outturn

Recommendation (i): School Forum are asked to:

Note the DSG outturn position for 2024/25
All noted. No action required from the schools' forum at this time.

5 Local Management of Schools (LMS Reserves)

5.1 The 2024/25 Schools reserves opening balance is **£10.719m**. The in-year closing position across maintained schools for 2024/25 is an overspend of **£5.512m**, this includes capital spent of £1.108m funded from revenue budgets, therefore the closing reserve balance for schools is **£5.208m**.

The table below summarises the % share of schools' reserves in 2024/25 as compared to 2023/24.

Schools Reserve Analysis		Primary	Secondary	Special
% Share of Reserve (2023/24)	100%	35%	58%	7%
Opening Reserve 23/24	10,719,712	3,845,794	6,079,284	794,634
24/25 Outturn	(4,403,475)	(3,579,140)	(2,457,496)	1,633,160
Capital projects	(1,108,248)	(74,880)	(1,033,369)	0
Closing Reserve 24/25	5,207,988	191,774	2,588,420	2,427,794
% Share of Reserve (2024/25)	100%	4%	50%	46%

5.2 The table below summarises the in-year position for maintained schools by phase. 29 schools had an in-year deficit compared to 11 in 2023/24. The number of schools with an in-year surplus reduced from 30 in 2023/24 to 12 in 2024/25.

Please refer to **Appendix A** for the full details of individual schools' reserve position.

Phase	No of schools with in-year surplus		No of schools with in-year Deficit	
	23/24	24/25	23/24	24/25
Primary	23	10	9	22
Secondary	4	1	0	3
All through	2	0	1	3
Special School	1	1	1	1
Total Schools surplus	30	12	11	29
Percentages (%)	73%	29%	27%	71%

5.3 The current financial situation in schools is due to multiple reasons including the following:

- Unfunded pay awards
- Use of Agency staff for long & short-term cover
- The benefits of having experienced personnel in schools
- Long term impact of falling rolls below schools PAN

- Other cost pressures including less than inflationary increases in schools budget over the past years and high cost of goods & services
- Increase and complexity of children presenting with SEND in schools.
- Recurring use of revenue reserves to fund capital projects
- Delays in responding to changes in adverse schools' financial health.

5.4 The LA has been organising a series of meetings with schools facing financial difficulties. An extension to submit the 3-year ratified budget was granted for schools up to June 30th, 2025. This is designed to give schools enough time to prepare a costed recovery plan which has been discussed by respective governing bodies before submitting to the LA. Schools with surplus exceeding 5% for Secondary schools & 8% for primary schools will also be expected to submit plan of usage for reserves with their ratified budget.

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

- a) LMS Reserves balances for Schools for 2024/25
- b) Deadline for Submission of 3-year recovery plans has been extended to 30th June 2025 for schools in deficit & Plan of usage for schools whose reserves exceeds 5%(Secondary) & 8%(Primary) of annual budget.

All noted. No action required from the schools' forum at this time.

Comments

RL expressed concern over the fragile state of school finances, noting that 16 out of 41 schools are in cumulative deficit. Additionally, five more schools risk wiping out their reserves next year, and eight schools have reserves of 5% or less. In total, 29 schools are either already in distress or might face financial difficulties within the next 12 months. This represents a worrying trend for school finances.

6 High Needs Block (HNB) Outturn for 2024/25

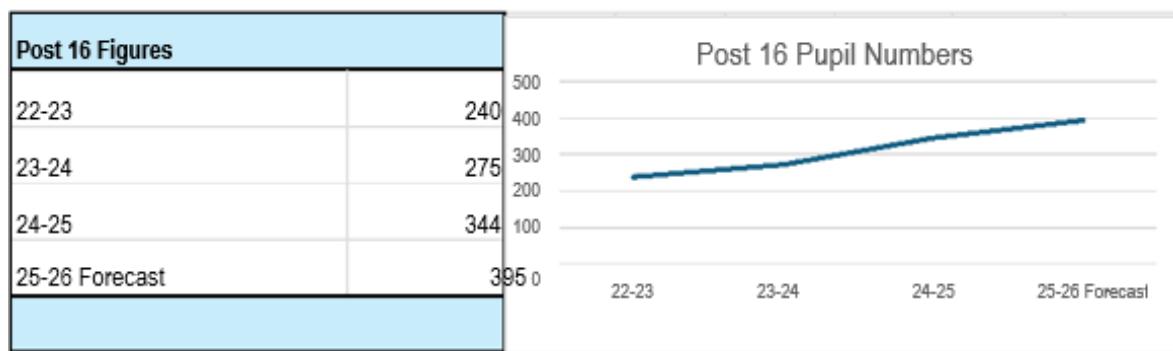
6.1 The budget for 2024/25 was **£51.567m** (after recoupment). The table below shows the detailed position for High Needs for 2023/24 & 2024/25. The outturn position for the year was **£6.595m** overspend.

High Needs Budget and Outturn	2023/24 Outturn	2024/25 Budget	2024/25 Outturn	Variance +Surplus (Deficit)
Alternative Provision (excl PRU)	3,369,139	3,728,080	4,145,018	(416,938)
ARP Funding	9,789,848	11,040,112	10,001,189	1,038,923
Education Inclusion	1,945,955	2,115,587	1,866,872	248,715
Out of Borough & Non Maintained	10,371,272	8,318,115	10,276,126	(1,958,012)
HN Top Ups - Post 16	2,664,888	2,413,600	3,977,999	(1,564,399)
Mainstream Top Ups	5,474,350	2,601,000	5,175,066	(2,574,066)
Provisional Payments	2,790,000	3,060,000	3,060,000	0
Aspire Virtual School. Language Support Initiatives (Rapid Response)	380,035	372,999	377,667	(4,668)
	903,872	772,601	817,251	(44,650)
Special School Funding	14,438,249	15,252,455	16,930,529	(1,678,074)
EY Portage & Youth Service	471,527	658,432	404,597	253,835
Speech, Language & Communication Support	570,315	1,234,416	1,130,509	103,907
Total Budget	53,169,449	51,567,396	58,162,823	(6,595,427)

Table – High Needs Outturn

<p>6.2</p>	<p>The High Needs overspend were driven by:</p> <ul style="list-style-type: none"> increased payments for mainstream top-up funding Increased cost of referring pupils to out of borough placements. Outreach & Home tuition Service Costs Post 16 costs. Additional commissioned in-borough Special schools places and 1:1 support claims, contributed to the overspend within the special school's budget line. 																																				
<p>6.3</p>	<p>Overspend on Out of Borough (OOB) budget is due to increase demand and uplift in placement costs from providers as well as one to one support costs. The estimated average increase in OOB placement was 13% between 2022/23 and 2023/24, 25% between 2023/24 and 2024/25 and a forecast increase of 6% between 2024/25 and 2025/26.</p>																																				
	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #a6c9e9;"> <th style="padding: 5px;">Out of Borough</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">April-Mar 23</td> <td style="text-align: right; padding: 5px;">259</td> </tr> <tr> <td style="padding: 5px;">Apr-Mar 24</td> <td style="text-align: right; padding: 5px;">293</td> </tr> <tr> <td style="padding: 5px;">Apr-Mar 25</td> <td style="text-align: right; padding: 5px;">367</td> </tr> <tr style="background-color: #a6c9e9;"> <td style="padding: 5px;">April-Mar 26 (Forecast)</td> <td style="text-align: right; padding: 5px;">391</td> </tr> </tbody> </table> </div> <div style="width: 50%;"> <p style="text-align: center;">Out of Borough</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; padding: 5px;">Out of Borough</th> </tr> </thead> <tbody> <tr> <td style="text-align: center; padding: 5px;">April-Mar 23</td> </tr> <tr> <td style="text-align: center; padding: 5px;">Apr-Mar 24</td> </tr> <tr> <td style="text-align: center; padding: 5px;">Apr-Mar 25</td> </tr> <tr> <td style="text-align: center; padding: 5px;">April-Mar 26 (Forecast)</td> </tr> </tbody> </table> </div> </div>	Out of Borough	April-Mar 23	259	Apr-Mar 24	293	Apr-Mar 25	367	April-Mar 26 (Forecast)	391	Out of Borough	April-Mar 23	Apr-Mar 24	Apr-Mar 25	April-Mar 26 (Forecast)																						
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<p>6.4</p>	<p>Additional Resourced Provision (ARPs) ended the year with an underspend of £1.039m. The table below shows there was an increase of 18% from 21/22 and 7% increase between 22/23 and 23/24, 19% increase between 23/24 and 24/25 and a forecast increase of 2% between 2024/25 and 2025/26.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #a6c9e9;"> <th style="text-align: left; padding: 5px;">ARP Data</th> <th style="text-align: right; padding: 5px;">21-22</th> <th style="text-align: right; padding: 5px;">22-23</th> <th style="text-align: right; padding: 5px;">23-24</th> <th style="text-align: right; padding: 5px;">2024-25</th> <th style="text-align: right; padding: 5px;">Forecast 2025-26</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Primary Schools ARP</td> <td style="text-align: right; padding: 5px;">236</td> <td style="text-align: right; padding: 5px;">297</td> <td style="text-align: right; padding: 5px;">320</td> <td style="text-align: right; padding: 5px;">346</td> <td style="text-align: right; padding: 5px;">351</td> </tr> <tr> <td style="padding: 5px;">Secondary Schools ARP</td> <td style="text-align: right; padding: 5px;">139</td> <td style="text-align: right; padding: 5px;">156</td> <td style="text-align: right; padding: 5px;">176</td> <td style="text-align: right; padding: 5px;">208</td> <td style="text-align: right; padding: 5px;">223</td> </tr> <tr> <td style="padding: 5px;">Special Schools (excl Pathways)</td> <td style="text-align: right; padding: 5px;">349</td> <td style="text-align: right; padding: 5px;">402</td> <td style="text-align: right; padding: 5px;">415</td> <td style="text-align: right; padding: 5px;">530</td> <td style="text-align: right; padding: 5px;">535</td> </tr> <tr> <td style="padding: 5px;">Total</td> <td style="text-align: right; padding: 5px;">724</td> <td style="text-align: right; padding: 5px;">855</td> <td style="text-align: right; padding: 5px;">911</td> <td style="text-align: right; padding: 5px;">1084</td> <td style="text-align: right; padding: 5px;">1109</td> </tr> <tr> <td style="padding: 5px;">% change on previous year</td> <td style="text-align: right; padding: 5px;"></td> <td style="text-align: right; padding: 5px;">18%</td> <td style="text-align: right; padding: 5px;">7%</td> <td style="text-align: right; padding: 5px;">19%</td> <td style="text-align: right; padding: 5px;">2%</td> </tr> </tbody> </table> <p>6.5 Post16 top-up payments in support of continued growth for 16-25 cohort reported an overspend of £1.564m primarily due to increase placements. There's been 25% increase in demand between 2023/24 & 24/25, we are projecting a further 15% increase in 25/26. Post16 continues to be a 'demand driven area'. The transition from pre-16 to post 16 is having a financial impact on the budget.</p>	ARP Data	21-22	22-23	23-24	2024-25	Forecast 2025-26	Primary Schools ARP	236	297	320	346	351	Secondary Schools ARP	139	156	176	208	223	Special Schools (excl Pathways)	349	402	415	530	535	Total	724	855	911	1084	1109	% change on previous year		18%	7%	19%	2%
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The post 16 trajectory is as follows:



Comments:

RN expressed appreciation for the work done to reduce out-of-borough overspend and highlighted the need for a strategic plan to address falling student numbers in local schools, suggesting it could be an opportunity to remodel existing provisions within the borough.

JH stated that the strategic plan focuses on local schools for local children, aiming to use mainstream or near-mainstream educational settings whenever possible. JH emphasized that most out-of-borough places are mainstream and are chosen by parents for their children with special educational needs. JH also mentioned the importance of maintaining low numbers for independent, non-maintained out-of-borough placements, as these are generally high cost and reduce the funding available to support local provision.

RL highlighted that while the overall spending on high-cost private school placements has significantly decreased, the funding for mainstream students educated outside the borough has remained relatively stable. He emphasized the progress made in reducing expenditures on high-cost private provisions.

MN explained that while the majority of children receiving top-up payments are in mainstream settings, there has been a significant decrease in the numbers using independent provisions, although the costs for these have increased.

TR mentioned that the borough receives payments from other boroughs for top-ups and placements, which is a two-way exchange of funding. The underspend in the ARP funding was due to fewer commissioned places than planned, while the overspend on mainstream top-ups is because students who would have been in ARP placements are now in mainstream settings. **Question:** *Is it fair for us to assume then that the overspend on the mainstream top-ups is caused because those pupils that aren't in the ARP placements that weren't available are now in mainstream being topped up?*

MN explained that most children receiving top-up payments are in mainstream schools. Although fewer children are using independent provisions, the costs for these have risen. MN mentioned that the initial budget underestimated the number of children in mainstream primary and secondary schools needing top-ups, particularly due to an increase in children with complex needs entering the borough.

JH added that the ARP budget had been set to allow for expansion including of secondary ARP places, although the planned expansion did not happen this year. The unused funds have been used to balance other parts of the budget.

KA confirmed that the funding and provision for ARPS (Additionally Resourced Provisions) in the secondary sector, was the need to create a budget buffer for future allocations. He also highlighted that budget management for 25/26, needs to ensure adequate resources for local specialist places.

Recommendation (iii): Schools forum is requested to:

(a) Note the 2024/25 High Needs outturn position.

All noted. No action required from the schools' forum at this time

7 High Needs Budget 2025/26

7.1 The High Needs block increased by **£5.312m**, from **£51.667m** to **£56.879m**, representing 10.3% increase from previous year. The new allocation, now based on formula, goes some way to address the gap created by funding allocated on a historic basis. However, a growing population and other demographic changes mean continuing increase in demand for services.

7.2 **Appendix B** shows projected forecast for 2025/26 is an overspend of **£3m**. This has been projected to reflect known costs and pressures including:

- Growth of 28 ARP places for both Primary & Secondary Schools
- Growth of 86 places for special schools

Special Schools	2024-25	2025/26	Additional Places
Oxlow Bridge	0	30	30
Pathways	72	80	8
Riverside Bridge	210	240	30
Trinity	302	320	18
Total	584	670	86

- Provision for Banding moderation
- Provision for Outreach Tuition Plus – for CYP with no school place
- Contingent liability for historic costs

Comments:

SH mentioned that despite an apparent overspend in mainstream top-up payments, the budget has been consistent over the past two years. He stresses the need to work within the financial constraints, acknowledging that provision funding, which benefited all schools, has already been cut.

	<p>Recommendation (iv): Schools forum is requested to:</p> <p>Note and comment on the High Needs forecast for 2025/26.</p> <p><i>All noted. No action required from the schools' forum at this time.</i></p>	
8	2025/26 Update on Mainstream Top-up Payment	
8.1	<p>A meeting was held on 10th June, between school's forum representatives (the chair(s) of schools' forum) and senior LA officers to discuss the following:</p> <ul style="list-style-type: none"> • New terms of reference & membership for the HN working group • Cut-off date and payment mechanism for mainstream top-up funding • Banding descriptors to be used by Schools for non-EHCP pupils. 	
8.2	<p>The following arrangements were agreed:</p> <ul style="list-style-type: none"> • All schools will receive payments at the start of July 2025 for pupils with EHCPs as of 31st May. • Cut-off date for future years will be 31st March. • All payments will be made based on hours stated in the plans. • Requests for information regarding non-EHCP pupils to be sent to schools by Friday 20th June 2025. All completed requests will need to be returned by the end of the summer term. • Schools should use existing data from top up spreadsheets to highlight appropriate children. Schools need to remove all children with EHCPs from the spreadsheet and focus on non-EHCP children. • Individual written applications will not be required. • Top up funding for non-EHCP children may be at a slightly reduced rate. • Top up funding for non-EHCP children will be paid to schools in September 2025. 	

Comments:

MN emphasized the need to monitor top-up payments for children with special needs, highlighting the financial constraints and the importance of balancing these with the increasing number of children with complex needs in schools. For the 2025-2026 year, schools will receive automatic top-up payments for children with educational healthcare plans (EHCP) by July. Requests for information for non-EHCP children will be sent to schools to ensure fair payments, though these may be at a reduced rate depending on the remaining budget. Payments for non-EHCP children will be made in early September.

SH emphasized a shift towards a funding allocation system for schools based on educational healthcare plans (EHCPs) and non-EHCP children with high needs. He discussed the need for consistency in top-up payments and the importance of fair distribution of funds, while ensuring support for children with the highest needs.

Questions Raised in the Discussion

	<p>LK asked “Are we putting in for year six into seven kids as well”? Is the top-up funding supposed to be managed by the secondaries, or are the primaries doing that? MN this will be confirmed.</p>	
9	Early Years (EY) Outturn for 2024/25	
9.1	<p>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 2025. Early years block ended the year with a net underspend of £1.509m, which is made up of an underspend of £920k for the under 2yr olds, £663k underspend for the 2-yr old offer and overspend of £74k for 3&4yr old funding. It is assumed the underspend of £920k for under 2yr olds will be clawed back, this will be confirmed in July by the DfE.</p>	
9.2	<p>The underspend is due to lower pupil numbers during the year compared to the census figures. Although the early years census now measures actual attendance on census day, fluctuations in take up over the academic year mean that not all funding are spent. In addition, settings continue to find it difficult to recruit staff and are therefore not operating at full capacity. However, attendance continues to rise from an all-time low during the pandemic and with actual 2-year-old and universal 3-and-4-year-old numbers now matching pre-pandemic figures. Take up of the extended entitlement has risen significantly from 2022</p>	
9.3	Early Years Budget & Forecast for 2025/26	
	<p>In the 2023 Spring budget, a significant expansion of early years childcare entitlements for working parents was announced. This was to support increased parental engagement in the labour market. In addition, the government announced investment in wraparound care to support working parents with school aged children.</p>	
9.4	<p>The expansion includes entitlements for 2-year-olds from April 2024 and a new offer for under 2-year-olds to begin from September 2024. The final stage of the expansion starts in September 2025 where children aged 9 months and above from eligible working households can access the full 30-hour offer. It is proposed that 4% of the funding is retained centrally to meet LA support costs. This centrally retained element will apply to all provision levels as opposed to 3 & 4-year-olds funding only as was the case in previous years.</p> <p>The estimated funding & forecast for 2025/26 is set out in the table on the next page:</p>	

		2025-26 Early Years Funding		PTE	Annual Entit'mt (Hrs)	Funded Hours	Rates paid by DFE	Total DSG Funding	Rates Paid to Providers	Anticipated Expenditure	
		Rated Budget	2025/26								
		1,396,632								1,396,632	
Centrally Retained 4%		13,558,793	4,287	570	2,443,715	6.48		15,835,276	5.70	13,926,062	
Universal 3&4 YO Census Adj.											
Plus 15 PTE 3 & 4 YO		4,376,190	1,234	570	703,477	6.48		4,558,531	5.70	4,008,921	
Deprivation		944,158							0.30	944,158	
Flexibility		330,455							0.21	330,455	
SEN Inclusion		300,000								300,000	
Contingency		68,459								68,459	
EY Pupil Premium		253,781	445.23	570	253,781	1		253,781		253,781	
DAF - 3&4YOF		197,918			211	938		197,918		197,918	
Total 3&4 YO EY Block		20,029,754						20,845,506		20,029,754	
Entitlement 2 YO		5,057,194	1,003	570	571,573	9.41		5,378,505	8.92	5,100,321	
Plus 15 PTE 2YOF		3,532,113	686	570	390,997	9.41		3,679,285	8.92	3,488,986	
2YOF PP		275,310	483.00	570	275310	1		275,310		275,310	
2YOF DAF		42,210			45.00	938		42,210		42,210	
SEN inclusion fund		100,000								100,000	
Contingency		6,171								6,171	
Total Entitlement 2 Y		9,012,998						9,375,309		9,012,998	
Under 2 year old Funding		5,110,711	747.18	570	425,893	12.83		5,464,203	12.00	5,110,711	
Under 2YOF PP		24,778	43.47	570	24,778	1.00		24,778		24,778	
Under 2s DAF		7,504			8	938.00		7,504		7,504	
SEN Inclusion Fund		76,507								76,507	
Contingency		58,417								58,417	
Under 2 Funding Total		5,277,917						5,496,485		5,277,917	
TOTAL EY BLOCK		35,717,301						35,717,301		35,717,301	

9.5 It is proposed that 4% of the funding for all provision levels is retained centrally to meet support and costs of early years provision. This is to fund the home portage scheme (home visiting), early years teacher service (qualified teachers working with settings to raise standards), childminding development officers, and commissioning costs. (Please refer to table below for details.)

Centrally Retained Costs	2023/24	2024/25	2025/26
EY Teachers & Childminding Officers	671,011	635,000	680,000
Home Portage Scheme	111,602	112,000	120,000
Targeted Support Costs	58,337	61,000	65,000
Nursery Education Staff	80,000	113,000	120,000
2YO Staffing	0	323,000	340,000
Resource for Under 2YO Expansion	0	76,587	71,632
Total	920,950	1,320,587	1,396,632

Table – Early Years centrally funded services.

Comments

JTS asked for clarification, noting that if clawback funds are less than expected, they should help reserve positions but typically should be returned to providers in the early years block.

KA confirmed that any underspend in early years is not ring-fenced and will be added to the overall DSG reserve. The schools forum will decide how this reserve is used.

JTS asked if the clawback would affect the budget available to Ricky's team for promoting childcare entitlements for working parents.

KA explained that the 4% retention funds are used for managing and monitoring services, with no underspend. The clawback will not affect this budget.

JTS inquired about differentiating between the two-year-old scheme for disadvantaged families and the scheme for working families to ensure they keep track of the take-up for the disadvantaged offer.

RD explained that the take-up rate for disadvantaged two-year-olds is stable at around 80%, even though the number of eligible parents is decreasing. Currently, the cohort is roughly split 50/50 between working parents and disadvantaged families. This balance might change in September when working parents will receive more hours.

JTS asked for clarification on whether the staffing costs mentioned in the table were for administering all schemes or specifically for the two-year-old offer.

RD explained that the funding was deducted from the two-year-old offer to support the rollout of the new offer, and it also supports other related offers.

JTS asked if the £250,000 grant for expanding childcare places has been fully allocated and what its impact on spaces and staffing will be.

RD confirmed that providers were notified about their allocations by the DfE's deadline of April 10th, and the full amount has been allocated to all providers. Money has not yet been paid as still waiting to receive it from the DfE, with an expected arrival in August. confirmed that providers have been allocated their funds using the Department for Education's recommended calculation method, with full amounts given to those looking after babies and two-year-olds. The surplus funds are being used for growth, recruitment, retention, and space development. Additionally, capital allocations have been used to prepare for September 25, ensuring sufficient provision in areas of need. However, there may still be pressures in some areas due to physical space limitations or lack of resources to build new provisions.

KA – identified the retention was used. No underspend on the 4%

	<p>Recommendation (vi): Schools forum is requested to:</p> <p>a) Note the Early Years outturn position for 2024/25 b) Note 2025/26 EY budgets & forecast.</p> <p><i>Noted by School's Forum</i></p>																																																													
10	Growth Funding for 2025/26																																																													
10.1	Growth funding is allocated to Schools to manage an increase in pupil numbers in 2025/26 before the lagged funding catches up. The allocation is based on differences between the primary and secondary numbers on roll in each LA between the October 2023 and October 2024 school censuses. The methodology captures growth at the level of Middle Layer Super Output Areas (MSOAs). Only positive MSOA growth is used to calculate the number of pupils to be funded.																																																													
10.2	The 2025/26 DFE growth fund allocation is £1.302m and the growth required is £0.929m. The under allocation of growth fund of £373k will be put towards supporting schools with falling rolls.																																																													
10.3	<p>The criteria set by LBBD to qualify for growth funding is set out below:</p> <ul style="list-style-type: none"> • Support growth in Pre-16 pupil numbers to meet basic need. • Support additional classes needed to meet the infant class size regulation. • Meet the costs of new schools. • Where a school or academy has agreed with the LA to provide an extra class to meet basic need in the area (either as a bulge class or as an ongoing commitment). <p>Please Note: Growth funding should not be used to support schools in financial difficulty or general growth due to popularity.</p>																																																													
10.4	<p>The table below shows the provisional growth allocation for 2025/26 based on forecasts of pupil numbers that will be admitted to the Boroughs schools in September 2025. The growth fund has been calculated using the DfE set allocation rates for 2025/26; £1,570 per new primary pupil and £2,350 per new secondary pupil. The area cost adjustment for LBBD, 1.13 has been applied to these rates.</p> <table border="1"> <thead> <tr> <th>School</th> <th>Prim Nos</th> <th>Sec Nos</th> <th>Prim. Growth</th> <th>Sec. Growth</th> <th>Total Growth Allocation 2025/26 incl</th> </tr> </thead> <tbody> <tr> <td>Eastbrook</td> <td></td> <td>90</td> <td>£ 1,771.05</td> <td>£ 2,650.94</td> <td>£238,584.69</td> </tr> <tr> <td>Greatfields</td> <td>30</td> <td></td> <td>£53,131.63</td> <td></td> <td>£53,131.63</td> </tr> <tr> <td>Greatfields Secondary</td> <td></td> <td>60</td> <td></td> <td>£159,056.46</td> <td>£159,056.46</td> </tr> <tr> <td>Riverside</td> <td>60</td> <td></td> <td>£106,263.25</td> <td></td> <td>£106,263.25</td> </tr> <tr> <td>Robert Clack</td> <td>60</td> <td>60</td> <td>£106,263.25</td> <td>£159,056.46</td> <td>£265,319.71</td> </tr> <tr> <td>Thames</td> <td>60</td> <td></td> <td>£106,263.25</td> <td></td> <td>£106,263.25</td> </tr> <tr> <td>Total</td> <td>210</td> <td>210</td> <td>£371,921.38</td> <td>£556,697.61</td> <td>£928,618.99</td> </tr> <tr> <td>DFE Growth</td> <td></td> <td></td> <td></td> <td></td> <td>£1,302,413.00</td> </tr> <tr> <td>Surplus/(Shortfall) Growth Allocation to</td> <td></td> <td></td> <td></td> <td></td> <td>£373,794.01</td> </tr> </tbody> </table> <p><i>Table: Provisional Growth Fud allocation based on planned Sept 25 expansions</i></p>	School	Prim Nos	Sec Nos	Prim. Growth	Sec. Growth	Total Growth Allocation 2025/26 incl	Eastbrook		90	£ 1,771.05	£ 2,650.94	£238,584.69	Greatfields	30		£53,131.63		£53,131.63	Greatfields Secondary		60		£159,056.46	£159,056.46	Riverside	60		£106,263.25		£106,263.25	Robert Clack	60	60	£106,263.25	£159,056.46	£265,319.71	Thames	60		£106,263.25		£106,263.25	Total	210	210	£371,921.38	£556,697.61	£928,618.99	DFE Growth					£1,302,413.00	Surplus/(Shortfall) Growth Allocation to					£373,794.01	
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Surplus/(Shortfall) Growth Allocation to					£373,794.01																																																									

Comments:

TR – suggests that the funds allocated for growth funding should either be fully used for growth purposes or retained to address budget deficits in other areas.

RL – is this money refenced for falling rolls or put back into the pot?

KA - clarified that funds allocated for growth cannot be used for high needs. He mentioned that previous reports show reserve allocations for growth and schools in financial difficulty. Underspend on growth can be used for falling roles, but not for anything else. He emphasized the importance of managing reserve rates carefully. **SH** – clear local picture.

MN - pointed out that the number of students in primary schools can fluctuate, leading to issues related to declining enrolment. MN suggested that the local authority needs to plan better for utilizing school spaces, especially where enrolment has consistently declined.

JH - emphasized that not everyone has the same level of knowledge about the situation regarding school enrollment numbers and actions planned. JH acknowledged that while some areas are experiencing growth, others are facing declining enrollment due to families moving out and suggested that a strategy meeting involving heads from both primary and secondary sectors is necessary to address these issues effectively

RL - highlighted the need for better use of school spaces amid fluctuating enrollments and declining student numbers in some areas. RL emphasized the importance of thorough knowledge sharing among stakeholders and proposed strategy meetings to address the challenges effectively.

RL - mentioned that the total number of pupils in the falling Rolls Fund table is 257, which is just slightly over 1% of the total primary role. RL highlighted that this small number makes it difficult to justify closing schools and pointed out that primary schools are very localised, serving nearby areas.

RT acknowledged the different levels of knowledge among stakeholders and suggested that it might be unfair for the school's forum to make decisions without full information. They proposed that the chairs be briefed on sensitive plans and act on behalf of the forum.

SH - emphasized the importance of collaboration between primary and secondary heads and suggested including a secondary head in the discussions alongside Roger Leighton.

RL - and others expressed agreement with the proposed approach and the plan to contact Andy Carr for further coordination.

Recommendation (vii): Schools forum is requested to:

- a) Note the provisional growth fund allocations for 2025/26
- b) Approve the use of the unallocated growth fund to support schools with falling rolls

Noted and approved by Schools Forum.

11.1 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 116 between October 23 and October 24 census. All-Through schools have a net increase of 109 and secondaries have a net increase of 134 pupils. The primary phase is reporting a net reduction of 127.

Phase	Oct 2023 NOR Pri	Oct 2023 NOR Sec	Oct 2024 NOR Pri	Oct 2024 NOR Sec	Primary Movement	Secondary Movement	Net
Primary	22,526	0	22,399	0	-127	0	-127
Secondary	0	9,101	0	9,235	0	134	134
All-Through	1,795	7,104	1,775	7,233	-20	129	109
	24,321	16,205	24,174	16,468	-147	263	116

Table: change in pupil numbers between October 23 & October 24 census.

11.2 The previous criteria that a school had to be judged outstanding or good by OFSTED has now been removed.

- a) Reduction of 2% or more in pupil numbers.
- b) Only pay falling rolls above the 2% drop in pupil numbers.
- c) Review rate annually to ensure affordability within cash envelope
- d) There must be a year-on-year reduction in delegated budget.
- e) The school's reserves do not exceed 8% for primary schools and 5% for secondary schools delegated budget.

11.3 For the first time, the DfE will allocate funding to LA's for falling rolls. Falling rolls will be distributed based on reduction in pupil numbers that the LA's experience from year to year. It is based on the observed differences between the primary and secondary number on roll in each LA between October 2023 and October 2024

- The falling rolls allocation for each LA will be £140,000 per MSOA which sees a 10% or greater reduction in the number of pupils on roll between the two census years. This allocation will be subject to an ACA.
- LBBD has not attracted falling rolls fund for 2025/26 because the overall numbers of pupil on roll is an increase rather than a reduction. School forum has decided on supporting schools that meet the criteria from the DSG reserve.

11.4 The table below shows the schools that meet the eligibility criteria and budget allocation to support the reduction in pupil numbers. The falling rolls fund utilises the unallocated growth fund for 2025/26 which is £373,794.

School Name	Reduction in NOR	Falling Rolls Fund
		Rate per Pupil 1/3 AWPU
		£ 1,454
Roding Primary School	-56	£81,449.28
Dorothy Barley Infants' School	-34	£49,451.35
Southwood Primary School	-28	£40,724.64
George Carey Church of England Primary School	-28	£40,724.64
St Joseph's Catholic Primary School - Dagenham	-25	£36,361.28
Dorothy Barley Junior Academy	-20	£29,089.03
William Bellamy Primary School	-20	£29,089.03
Valence Primary School	-16	£23,271.22
Beam Primary School	-14	£20,362.32
William Ford CofE Junior School	-10	£14,544.51
St Vincent's Catholic Primary School	-6	£8,726.71
	-257	£373,794.00

Recommendation (vii): Schools forum is requested to:

a) Agree to fund falling rolls allocation from the surplus of growth budget (£374k)

Agreed by Schools Forum.

12 Schools Facing Financial Difficulties (SFFD)

12.1 The purpose of SFFD fund is to provide temporary financial support for schools in financial difficulty to enable organisational / staffing changes to be implemented to place the schools on a financially sustainable basis. Funds have been built-up through 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.

12.2 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.
- Submit cash flow statement.
- Submit minutes of discussion by Finance Committee / Governing Body,
- 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.

12.3 In 2016/17 the total value of the de-delegated funds from schools' budget was £3.223m. However, in the early part of the scheme one off payments totalling £1.770m were provided to schools. From 2015/16, financial support is only available in the form of loans. A total of £0.325m was given out in loans during the financial year 2024/25. In the past four years interest payment of £49.68k has been added to the scheme. The funds available at the end of 2024/25 is £0.950m A total of £0.777m is available to support schools in financial difficulty as shown on the table below:

2024/25	
Funds available 31-03-24	1,101,923
Loans given 24-25	(325,000)
Funds available	776,923
Expected Loan Repayment 25-26	173,879
Projected funds available	950,802

Recommendation (ix): Schools forum is requested to note:

Total SFFD funds, loans outstanding and balance retained centrally

Noted by Schools Forum

13 Schools Budget Support Grant (SBSG)

13.1 The DfE has announced the SBSG for 2025/26 financial year to help schools manage the increased costs arising from the 2025 teacher pay award. Nationally the additional amount of £615m has been allocated across schools (5-16 provisions) & high needs settings(£567m), early years settings(£15m) and £32m for post-16 provisions in schools and academies and FE colleges.

The DfE intend to roll the main grant funding for mainstream schools into the National Funding Formula (NFF) from 2026 to 2027.

13.2 Appendix D shows the SBSG allocation per school for 2025/26. The total funding allocated to LBBD maintained and special schools is £2.021m. This is to cover the 7-month period from September 2025 to March 2026. The grant will be paid to the LA in the autumn and the schools' allocations will be passported in the budget share payments following the receipt of the grant.

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

The total SBSG allocation at school level

Noted by Schools Forum

5 Any Other Business

Nothing to report.

6	Date of Next Meeting				
	21 October, 2025				
7	Action Log				
No	Date of Meeting	Item No	Action	Owner	
1	24/06/25	10.4	Arrange a meeting with Andy Carr to discuss the strategic plan for school spaces and provide updates to primary and secondary heads. (Roger, Scott)	RL & SH	
2					