**Schools Forum Agenda**

Wednesday 10th January 2024, **Microsoft Teams Meeting**

8.20am for an **8.30am start**; finish by **9.45am**.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Author | Voting / Relevance | Page |
| 1 | Apologies for Absence (and substitute notices)  | Chair |  | 2 |

**Decision Papers**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 2 | DSG Budget 2024/25 | Yannick Stupples-Whyley | All schools | 3 |

**Forum Business**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 3 | Any other business, feedback from schools through Associations and from Schools Forum representatives on other Bodies | Chair | All schools | 24 |
| 4 | Minutes of 29th November 2023 | Chair | All schools | 25 |
| 5 | Minutes Action Log | Yannick Stupples-Whyley | All schools | 35 |

**Confidential Forum Business**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 6 | Confidential Minutes 29th November 2023 | Chair | All schools | See separate attachment |

**Information Papers for Discussion**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 7 | Third Quarter Budget Update 2023/24 | Yannick Stupples-Whyley | All schools | 37 |
| 8 | Forward Plan | Yannick Stupples-Whyley | All schools | 42 |

**Closing Comments**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 9 | Closing Comments | Chair |  |  |

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 1** |
| Date: 10 January 2024 |  |

Apologies for Absence

Please remember to mute your microphone when you are not speaking.

Anyone attending Schools Forum as an observer must stay silent throughout the meeting.

The professional headteacher representatives for EPHA, ASHE or ESSET are observers unless they are substituting for a headteacher or governor who cannot attend. Whilst observing they can only ask a question via a Forum member.

To ask a question or to comment on a paper please use the raise hand function. If you cannot use this function, please use the meeting chat.

Voting will be undertaken using Polls in the meeting chat. Should polls fail to work the meeting chat will also be used for voting purposes. Please type:

* + Yes, if you agree the recommendation,
	+ No, if you do not agree the recommendation
	+ Abstain, if you do not wish to vote

The agenda and papers will not be shared on screen.

The meeting will be recorded solely for the purpose of writing the minutes.

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 2** |
| Date: 10 January 2024 |  |

**REPORT TITLE: DEDICATED SCHOOLS GRANT BUDGET 2024/25**

Report by Yannick Stupples-Whyley

Contact details: Telephone (03330138464); e-mail: yannick.stupples-whyley@essex.gov.uk

**1. Purpose of report**

* 1. To update Schools Forum on the updated School Funding Settlement for 2024/25.
	2. To update Schools Forum of the assumptions built into the budget.
	3. To seek School’s Forum agreement of the relevant elements of the Dedicated Schools Grant budget for 2024/25.

**2. Recommendations**

2.1 To note the School Funding Settlement for 2024/25, including the allocation for each DSG Block at 4.4

2.2 To note the funding for the PFI Affordability Gap at 8.2

2.3 To note the total delegation for primary and secondary schools at 9.3

2.4 To note the proposed allocation of the High Needs Block at 12.1

2.5 To note the risks and opportunities at 14.1

2.6 To agree the funding for the Growth Fund at 5.10

2.7 To agree the funding for the Falling Rolls Fund at 7.4

2.8 To agree the funding rates for early years providers at 9.6 and

2.9 To agree the central expenditure for the Central School Services Block and Early Years Block at 11.1.

###### 3. Relevant Schools Forum Power and Responsibility

3.1 **Table 1** is an extract from the Schools Forum Operational and Good Practice Guide (September 2018), which sets out the role of the Authority, Schools Forum and the Secretary of State in setting the Schools Budget.

|  |  |  |  |
| --- | --- | --- | --- |
| Function | Local authority | Schools forum | DfE role |
| Formula change (including redistributions) | Proposes and decides | Must be consulted | Checks for compliance with regulations |
| Movement of up to 0.5% from the schools block to other blocks | Proposes | Decides | Adjudicates where schools forum does not agree local authority proposal |
| Minimum funding guarantee (MFG) | Proposes any exclusions from MFG for application to DfE. | Gives a view | Approval to application for exclusions |
| De-delegation for mainstream maintained schools for:* contingencies
* administration of free school meals
* insurance
* licences/subscriptions
* staff costs – supply cover
* support for minority ethnic
* pupils/underachieving groups
* behaviour support services
* library and museum services
* School improvement
 | Proposes | Maintained primary and secondary school member representatives will decide for their phase. Middle schools are treated according to their deemed status | Will adjudicate where schools forum does not agree local authority proposal |
| General Duties for maintained schools.* Contribution to responsibilities that local authorities hold for maintained schools
 | Proposes | Would be decided by the relevant maintained school members (primary, secondary, special and PRU). | Adjudicates where schools forum does not agree local authority proposal |
| Central spend on and the criteria for allocating funding from:* funding for significant pre-16 [pupil growth](#_Growth_Fund), including new schools set up to meet basic need, whether maintained or academy.
* funding for good or outstanding schools with [falling rolls](#_Falling_rolls_fund) where growth in pupil numbers is expected within three years
 | Proposes | Decides | Adjudicates where schools forum does not agree local authority proposal |
| Central spend on:* early years block provision funding to enable all schools to meet the infant class size requirement.
* admissions
* servicing of schools forum
* Contribution to responsibilities that local authorities hold for all schools
 | Proposes | Decides | Adjudicates where schools forum does not agree local authority proposal |
| Central spend on:* capital expenditure funded from revenue – projects must have been planned and decided on prior to April 2013 so no new projects can be charged.
* contribution to combined budgets – this is where the schools forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources.
* existing termination of employment costs (costs for specific individuals must have been approved prior to April 2013 so no new redundancy costs can be charged)
* prudential borrowing costs – the commitment must have been approved prior to April 2013
 | Proposes up to the value committed in the previous financial year and where expenditure has already been committed. | Decides for each line | Adjudicates where schools forum does not agree local authority proposal |
| Central spend on:* high needs block provision
* central licences negotiated by the Secretary of State
 | Decides | None, but good practice to inform forum | None |

###### 4. School Funding Settlement 2024/25

4.1 The School Funding Settlement was announced on 19 December 2023.

4.2 The total increase in funding is **£3.4 billion** at a national level.

4.3 The **£3.4 billion** is allocated between the Schools Block **£978 million**, the High Needs Block **£440 million** and the Early Years Block **£2 billion**.

4.4 **Table 2** shows the funding settlement for each block. It can be seen the increase in the settlement from 2023/24 is an increase of **£95.9 million (**6.5%).

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Schools Block£m | Central School Services Block£m | High Needs Block£m | Early Years Block£m | Total£m |
| 2023/24 | 1,090.6 | 11.4 | 226.8 | 96.5 | 1,425.4 |
| Mainstream Schools Additional Grant | 37.1 | - | - | - | 37.1 |
| Early Years Supplementary Grant | - | - | - | 4.8 | 4.8 |
| Rebased 2023/24 | 1,127.7 | 11.4 | 226.8 | 101.3 | 1,467.3 |
| Provisional 2024/25 | **1,148.9** | **11.7** | **238.5** | **101.3** | **1,500.5** |
| Provisional Increase from 2023/24 | 21.2 | 0.3 | 11.7 | 0 | 33.2 |
| Provisional % Change | 1.9% | 2.3% | 5.2% | 0 | 2.3% |
| December Settlement 2024/25 | **1,159.7** | **11.8** | **239.4** | **152.3** | **1,563.2** |
| Increase from 2023/24 | 31.9 | 0.3 | 12.6 | 51.0 | 95.9 |
| % Increase from 2023/24 | 2.8% | 2.9% | 5.6% | 50.4% | 6.5% |

4.5 The DSG allocation remains provisional as the Early Years Block is funded 5/12ths on the January 2024 Census and 7/12ths on the January 2025 Census. The High Needs Block allocation is also provisional as it is subject to any changes to the Import / Export adjustment which is based on the January 2024 Census.

 **Schools Block**

4.6 **Figure 1** shows how the Schools Block allocation is calculated

4.7 The primary unit of funding (PUF) and secondary unit of funding (SUF) originally set in July were revised in October 2023 with the announcement of the funding error. The rates for 2024/25 are **£4,977.14** and **£6,445.43,** respectively. These are then multiplied by the respective pupil numbers from the October 2023 Census.

4.8 Premises funding is provided at the level of funding delegated to schools in 2023/24, with the exception of PFI funding which is inflated using RPIX (retail price index for all items excluding mortgage interest).

4.9 The growth fund is calculated at the middle layer super output area (MSOA). For each school, the October 2022 census is deducted from the October 2023 census. A total is calculated for each MSOA for primary and secondary and where the total is positive, growth funding is allocated.

4.10 The falling rolls fund is calculated at the middle super output area (MSOA). For each school, the October 2022 census is deducted from the October 2023 census. A total is calculated for each MSOA for primary and secondary and where the total is a reduction of at least 10%, falling rolls funding is allocated for that MSOA.

4.11 The **£31.9 million** increase from 2023/24 is due to:

* Increase in funding **£21.2 million**
* Increase in pupil numbers from 201,691 to 203,434 **£10.6 million**
* Decrease in the growth fund **£0.3 million**
* New funding for falling rolls fund **£0.4 million.**

 **Central School Services Block**

4.12 **Figure 2** shows how the Central School Services Block (CSSB) is calculated.

4.13 The ongoing responsibilities element of CSSB is funded on a per pupil amount and includes the central services for all schools element of the former Education Services Grant. Funding increases by **£328,000** due to the increase in pupil numbers.

4.14 The historic commitments element is the annual £3.8 million contribution for the SEND & PRU capital project. The DfE are trying to wind down historic commitments and reduced our allocation by **£761,000**. The Authority has applied for the **£3.8 million** to be protected in 2024/25 and this has been approved. 2024/25 will be the last year of contributing to the SEND and PRU capital programme.

**High Needs Block**

4.15 **Figure 3** shows how the High Needs Block is calculated.



4.16 The High Needs Block has increased by **£12.6 million** due to the following:

* Increase from national **£440 million** increase **£11.8 million**
* Increase of 146 places funded **£859,000.**

 **Early Years Block**

4.17 **Figure 4** shows how the Early Years Block is calculated:

* With the exception of the Disability Access Fund, all elements are funded by multiplying the total part-time equivalent (PTE) by 15 hours by 38 weeks by the hourly rate. A child attending 15 hours per week is 1 PTE.

4.18 **Table 3** shows the uplift in the hourly rates funded to Essex for 2024/25

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2023/24£ | Supplementary Grant2023/24£ | Revised 2023/24£ | 2024/25£ | Increase£ |
| 3 & 4 Year Olds | 5.05 | 0.31 | 5.36 | 5.61 | 0.25 |
| 2 Year Olds | 5.91 | 1.92 | 7.83 | 7.91 | 0.08 |
| Under 2s | - | - | - | 10.75 | 10.75 |
| Maintained Nursery Supplement | 3.80 | 0.21 | 4.01 | 4.64 | 0.63 |
| EY Pupil Premium | 0.62 | 0.04 | 0.66 | 0.68 | 0.02 |
| Disability Access Fund | 828.00 | 53.00 | 881.00 | 910.00 | 29.00 |

4.19 The changes within the Early Years Block for 2024/25 are:

* Introduction of the 2 year old free early years entitlement for working parents.
* Introduction of the under 2s free early years entitlement for working parents from September 2023.
* A requirement that the funding rate set by local authorities for 2 year old children from disadvantaged families must at least be equal to the rate for the new 2 year old children of working parents.
* Local authorities are expected to extend inclusion funding for all children with SEN taking up the new entitlements, regardless of the number of hours taken.
* The Early Years Pupil Premium and Disability Access Funding will be extended to eligible children aged 2 years old and under.

4.20 Local authorities are currently allowed to retain up to 5% of 3 and 4 year old funding. From 2024/25 the maximum 5% is extended to 2 year olds and under 2s but will be applied separately to each entitlement as follows:

* 9 months-old-children to 2-year-olds of working parents.
* 2 year-old children of working parents.
* 2 year-old children from disadvantaged families
* 3 and 4 year-olds (universal and additional hours)

4.21 The provisional increase is **£51.0 million** due to:

* The increase in the hourly rate for 3 and 4 year olds, **£8.9m**
* The increase in the hourly rate for disadvantaged 2 year olds, **£11.6m**
* New funding for the 2 year old offer to working parents, **£12.3m**
* New funding for the under 2s offer to working parent, **£17.2m**
* The extension of the early years pupil premium, **£556,000**; and
* The extension of the disability access fund, **£441,000**.

 **Pupil Premium**

4.22 The pupil premium funding rates for 2024/25 have increased by a minimum 1.5%. **Table 4** shows the rates for eligible pupils.

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2023/24£ | 2024/25£ | Increase£ |
| Primary FSM6 | 1,455 | 1,480 | 25 |
| Secondary FSM6 | 1,035 | 1,050 | 15 |
| Looked after Children | 2,530 | 2,570 | 40 |
| Children who have ceased to be looked after. | 2,530 | 2,570 | 40 |
| Service Pupil Premium | 335 | 340 | 5 |

 **Benchmarking**

4.23 The analysis above shows the funding for Essex, but does not show how Essex compares to other local authorities.

4.24 Within Schools Block funding, Essex receives £5,700 per pupil and is ranked 127 out of 151 authorities and is within the fourth quartile.

4.25 Within the Central School Services Block, Essex receives £58 per pupil and is ranked 42 out of 151 authorities which is within the second quartile.

4.26 Within the High Needs Block, Essex receives £777 per the 2-18 population and is ranked 128 out of 151 authorities and is within the fourth quartile.

4.27 Within the Early Years Block, Essex receives £3,730 per part-time equivalent and is ranked 112 out of 151 authorities and is within the third quartile.

4.28 More detailed benchmarking will be brought to a future meeting, but with the exception of the CSSB, Essex is a lower funded authority.

**5. Growth Fund**

5.1 The Authority has a statutory duty to provide sufficient school places.

5.2 The Growth Fund is known as explicit growth and provides funding for basic need growth where schools are expanding. It also provides funding for bulge classes where temporary growth is required, for furniture and equipment for new and expanding schools, for the infant class size contingency and funding for schools where growth is required due to Afghan or asylum seeking children.

5.3 The funding rates for 2024/25 have increased with primary growth being funded **£1,550** per pupil, an increase of **£30** per pupil and secondary growth is funded at **£2,320** per pupil, an increase of **£45** per pupil. For any new schools that appear for the first time on the October 2023 census, local authorities receive an allocation of **£76,195**, an increase of **£1,495** per new school. An area cost adjustment is applied.

5.4 For each local authority, schools are allocated into middle super output areas (MSOAs). For each school, the October 2022 census is deducted from the October 2023 census. A total is calculated for each MSOA for primary and secondary and where the total is positive growth funding is allocated. **Table 5** shows an example of how this works at MSOA level.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| MSOA | School | Oct 23 | Oct 22 | Primary Growth | Secondary Growth |
| Basildon 1 | Buttsbury I | 364 | 367 | -3 | 0 |
|  | Buttsbury J | 509 | 509 | 0 | 0 |
|  | Mayflower High | 1,339 | 1,342 | 0 | -3 |
|  |  |  |  | **-3** | **-3** |
|  |  |  |  |  |  |
| Basildon 13 | Briscoe P | 301 | 304 | -3 | 0 |
|  | Northlands P | 620 | 591 | 29 | 0 |
|  | Basildon Upper | 580 | 523 | 0 | 57 |
|  |  |  |  | **26** | **57** |

5.5 The MSOA Basildon 1 would generate no funding as there is no growth. Basildon 13 would generate **£40,000** for primary growth for the net growth of 26 pupils and **£132,000** for secondary growth for the net growth of 57 pupils.

5.6 The allocation for Essex for 2024/25 is **£7 million**, which is a decrease of **£300,000** from 2023/24.

5.7 The growth funding arrangements provide certainty for schools that are expanding at the request of the Authority and enable the Authority and schools to collaboratively provide enough school places to accommodate local need. Without the growth fund in place there is increased risk of insufficient additional places being commissioned, increased home to school transport costs, increased incidence of pupils having to travel long distances to get to school, increased number of school admission appeals with costs implications for schools, increased use of the fair access protocol and increased class sizes.

5.8 A prime example of this would be where an area requires an additional 10 Reception places, enough additional demand to warrant an additional class to avoid infant class size limits being breached, or Reception age pupils transported a long distance to access a school place (with the associated cost). Without growth funding to run the additional class while it works its way through the school, the school would have to take on an operational deficit for that class, which would be unfair on that school, and most schools would be unwilling or unable to agree to this, and so would not agree to admit additional children.

5.9 **Table 6** shows the growth fund requirement for 2024/25.

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2023/24£m | 2024/25£m | Increase / (Decrease)£m |
| Planned Growth | 4.7 | 5.3 | 0.6 |
| Furniture & Equipment | 0.5 | 1.1 | 0.6 |
| KS1 Class Size | 0.8 | 0.8 | 0 |
| Total | **6.0** | **7.2** | **1.2** |

5.10 The growth fund request for 2024/25 is **£7.2 million**, which is **£224,000** higher than the **£7.0 million** allocation. Agenda Item 7 shows there is a **£800,000** contingency for the Growth Fund so it is proposed to take the shortfall from the contingency.

**6. Varying Pupil Numbers**

6.1 Varying pupil numbers is known as implicit growth and is an alternative method of funding significant change in pupil numbers.

6.2 **Table 7** show the number of growth places funded by varying pupil numbers.

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2023/24Places | 2024/25Places | Difference |
| Primary | 722 | 605 | (117) |
| Secondary | 668 | 225 | (443) |
| Total | **1,390** | **830** | **(560)** |

6.3 The number of places funded on estimated numbers decreases due to schools reaching the end of their growth period.

6.4 Varying pupil numbers has a negative impact on the value of the basic entitlement as more pupils are funded than recorded on the October 2023 Census. If no schools were funded on estimated numbers the primary basic entitlement would be **£17.96** per pupil higher and the KS3 basic entitlement would be **£13.25** per pupil higher. However, the Authority would need to seek an additional **£3.3 million** for the Growth Fund.

**7. Falling Rolls Fund**

7.1 The Falling Rolls Fund provides funding for schools that have a temporary reduction in pupil numbers. The DfE has removed the requirement for schools to be judged as Good or Outstanding by Ofsted from 1st April 2024.

7.2 The falling rolls allocation for 2024/25 is **£427,000**.

7.3 There are currently 7 primary schools within the Falling Rolls fund. **Table 8** shows the budget requirement for 2024/25.

|  |  |
| --- | --- |
| School | £ |
| Clavering Primary | 114,912 |
| Finchingfield Academy | 89,755 |
| Holt Farm Infant | 269,326 |
| Prettygate Infant | 147,231 |
| St Mary’s Primary, Hatfield Broad Oak | 89,775 |
| The Alderton Junior | 107,730 |
| Wethersfield Primary | 43,092 |
| Total | **861,842** |

7.4 The budget requirement of **£862,000** is higher than the **£427,000** allocation. It can be seen in Agenda Item 7 that the Schools Block has a surplus balance and it is proposed to fund the **£435,000** shortfall from this.

7.5 The Authority has compared the October 2023 census to the October 2022 census and 21 primary schools meet the falling roll criteria. The Authority will contact each school. Of the 21 schools currently 12 schools meet the balances criteria. Should all 12 schools qualify the forecast cost is **£851,000**. The cost of any new schools will be funded by the Schools Block surplus balance.

**8. PFI Affordability Gap**

8.1 Indicative school contributions for facilities management costs for 2024/25 are shown in **Table 9**.

|  |  |  |  |
| --- | --- | --- | --- |
| Scheme | 2023/24£000 | 2024/25£000 | Difference£000 |
| BSF PFI | 3,125 | 3,404 | 279 |
| Clacton PFI | 2,636 | 3,095 | 459 |
| Debden PFI | 723 | 788 | 65 |
| Total | **6,484** | **7,287** | **803** |

8.2 The affordability gap is the amount left to fund once grant income and school contributions have been deducted. Under the School and Early Years Finance (England) Regulations the affordability gap is delegated to the relevant schools through the funding formula. It is excluded from the calculation of the Minimum Funding Guarantee (MFG) to ensure that no school gains or is financially disadvantaged by any change in the affordability gap from one year to the next. **Table 10** shows the affordability gap for each scheme.

|  |  |  |  |
| --- | --- | --- | --- |
| Scheme | 2023/24£000 | 2024/25£000 | Difference£000 |
| BSF PFI | 1,474 | 1,561 | 87 |
| Clacton PFI | 1,348 | 1,395 | 47 |
| Debden PFI | 1,313 | 1,650 | 337 |
| Total | **4,135** | **4,607** | **472** |

**9 Delegated Budgets**

 **Schools Block**

9.1 The Authority is required to submit the Authority Proforma Tool which sets out how schools will be funded in 2024/25 to the Education and Skills Funding Agency (ESFA) by Monday 22nd January 2024. Once it has been submitted it can only be changed at the request of the ESFA. There is a small risk that the figures in Table 13 could change but overall delegation will remain the same.

9.2 In 2023/24 the Essex Formula fully transitioned to the Schools National Funding Formula and Essex will now be classed as ‘mirroring’ NFF. Essex is not fully on NFF as the basic entitlement values for primary, key stage 3 and key stage 4 differ, as do the primary / secondary funding differential and the basic entitlement weighting between key stage 3 and key stage 4.

9.3 **Table 11** shows the funding to be delegated to primary and secondary schools in 2024/25.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Primary£ | Secondary£ | Total£ |
| Schools Block 2024/25 | 605,211,234 | 554,457,475 | 1,159,668,709 |
| Growth Fund | (2,835,958) | (4,617,159) | (7,453,117) |
| Premature Retirement Costs (1) | (398,399) | (812,262) | (1,210,661) |
| Funding Differential (2) | (1,158,287) | 1,158,287 | 0 |
| Total Delegation 2024/25 | **600,818,590** | **550,186,341** | **1,151,004,932** |

1. – Agreed by Schools Forum 27 September 2023.
2. – Adjustment to keep the primary / secondary funding differential at 1:1.30

9.4 Delegation increases from **£1.119 billion** in 2023/24 to **£1.151 billion** in 2024/25, an increase of **£31.9 million** (2.9%).

**Early Years Block**

9.5 Paragraphs 4.16 to 4.20 cover the funding for the Early Years Block and the changes for 2024/25.

9.6 **Table 12** shows the proposed hourly rates that will be funded in 2024/25.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2023/24£ | SupplementaryGrant£ | Revised2023/24£ | 2024/25£ | Difference£ |
| 2-year-olds – disadvantaged families | 5.89 | 1.92 | 7.81 | 8.00 | 0.19 |
| 2-year-olds – working parents | - | - | - | 7.85 | 7.85 |
| 3- & 4-year-olds | 4.73 | 0.31 | 5.04 | 5.23 | 0.19 |
| Under 2s – working parents | - | - | - | 10.73 | 10.73 |
| Maintained Nursery School Supplement | 3.80 | 0.21 | 4.01 | 4.64 | 0.63 |
| Early Years Pupil Premium | 0.62 | 0.04 | 0.66 | 0.68 | 0.02 |
| Disability Access Fund | 828.00 | 53.00 | 881.00 | 910.00 | 29.00 |

9.7 In consultation with the Early Years Sub Group it was agreed there should a higher rate paid for disadvantaged 2 year olds than 2 year olds from working families.

9.8 In line with the new retention of funding arrangements as set out in 4.20 the Authority has split the retained costs (**£3.7 million**) proportionately across each funding block. The Authority is provisionally passporting a minimum 97% of each funding block.

9.9 The Early Years Block provisional allocation is based on the January 2023 census. Actual funding for 3&4 year olds and 2 year olds from deprived backgrounds will be calculated on the January 2024 census (5/12ths) and January 2025 census (7/12ths). It may be necessary to adjust the rates in Table 13 once the January 2024 census is published in July.

9.10 Funding for 2 year olds from working families and under 2s will be based on termly census returns as there will be no data for these children on the January 2024 Census.

**10. Essex Formula for Funding Schools**

10.1 **Table 13** shows how the funding is distributed across each factor using the NFF 2024/25 values inflated by the non-fringe area cost adjustment.

|  |  |  |
| --- | --- | --- |
|   | Primary | Secondary |
|   | **2023/24** | **2024/25** | **Difference** | **2023/24** | **2024/25** | **Difference** |
| Deprivation - FSM | 11,272,023 | 11,806,718 | 534,695 | 7,231,825 | 8,105,564 | 873,739 |
| Deprivation - FSM6 | 17,885,410 | 20,890,754 | 3,005,344 | 19,056,058 | 22,772,364 | 3,716,306 |
| Deprivation - IDACI | 14,160,120 | 14,428,775 | 268,655 | 14,479,690 | 14,975,285 | 495,595 |
| Prior Attainment | 36,202,347 | 39,698,725 | 3,496,378 | 30,356,777 | 31,232,842 | 876,065 |
| Mobility | 1,093,638 | 1,449,669 | 356,031 | 58,262 | 170,944 | 112,682 |
| EAL | 4,286,920 | 4,956,401 | 669,481 | 1,659,236 | 2,369,611 | 710,375 |
| Lump Sum | 57,216,000 | 60,185,470 | 2,969,470 | 10,368,000 | 10,926,462 | 558,462 |
| Sparsity | 1,883,503 | 2,020,101 | 136,598 | 35,900 | 44,409 | 8,509 |
| Split Site | 223,990 | 190,759 | (33,231) | 705,063 | 296,587 | (408,476) |
| Rates | 5,408,394 | 5,765,115 | 356,721 | 2,619,991 | 2,625,997 | 6,006 |
| PFI | 0 | 0 | 0 | 4,134,714 | 4,607,254 | 472,540 |
| Exceptional Premises – Tendring PPP Buyout | 2,912,640 | 2,912,640 | 0 | 0 | 0 | 0 |
| Exceptional Premises – Amalgamating Schools Lump Sum | 179,200 | 188,852 | 9,652 | 0 | 0 | 0 |
| Exceptional Premises – Joint Use | 0 | 0 | 0 | 60,000 | 0 | (60,000) |
| London Weighting | 2,990,385 | 3,535,553 | 545,168 | 2,682,904 | 3,192,736 | 509,832 |
| Minimum per Pupil | 8,066,104 | 7,325,716 | (740,388) | 1,629,047 | 1,340,316 | (288,731) |
| MFG | 276,827 | 243,038 | (33,789) | 4,319 | 82,600 | 78,281 |
| Basic Entitlement | 404,074,920 | 425,220,387 | 21,145,467 | 418,760,259 | 447,438,882 | 28,678,623 |
| Total | **568,132,420** | **600,818,673** | **32,686,253** | **513,842,044** | **550,181,853** | **36,339,809** |

10.2 It can be seen in **Table 14** that now the Essex Formula has transitioned to NFF the largest funding increase is within the basic entitlement. Table 15 shows the increase schools will receive per pupil in 2024/25.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Basic Entitlement | 2023/24£ | 2024/25£ | Increase£ | Increase% |
| Primary | 3,385.51 | 3,552.14 | 166.63 | 4.7 |
| KS3 | 4,683.47 | 4,965.08 | 281.61 | 5.7 |
| KS4 | 5,573.32 | 5,845.03 | 271.71 | 4.7 |

10.3 To achieve the DfE’s minimum / maximum requirements introduced for 2024/25 the KS3 / KS4 basic entitlement weighting has reduced from 1:1.19 to 1:1.18.

 **Minimum Funding Guarantee**

10.4 The minimum funding guarantee (MFG) remains at 0.5% which is the maximum allowed for 2024/25.

10.5 **Table 15** shows the number of schools requiring protection in 2024/25.

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2023/24 | 2024/25 | Difference |
| Primary | 61 | 36 | (25) |
| Secondary | 3 | 2 | (1) |
| Total | **64** | **38** | **(26)** |

10.6 The number of schools requiring protection from MFG has decreased by 26 schools compared to 2023/24.

 **Minimum Per Pupil Level**

10.7 The minimum per pupil levels (MPPL) of **£4,610** for primary and **£5,995** for secondary have been fully implemented.

10.8 **Table 16** shows the number of schools in 2024/25 that require additional funding through the minimum per pupil level.

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2023/24 | 2024/25 | Difference |
| Primary | 116 | 100 | (16) |
| Secondary | 9 | 5 | (4) |
| Total | **125** | **105** | **(20)** |

10.9 The number of schools requiring protection from MPPL continues to decrease and has reduced by 20 schools compared to 2023/24.

**11 Central Expenditure**

11.1 **Table 17** shows the proposed central expenditure for the Early Years Block and the Central School Services Block for 2024/25.

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2023/24£000 | 2024/25£000 | Difference£000 |
| Central Expenditure Under 5s | 3,213 | 3,696 | 483 |
| Former ESG Retained Duties | 3,080 | 3,080 | 0 |
| Admissions | 1,449 | 1,449 | 0 |
| Schools Forum | 37 | 37 | 0 |
| Statutory & Regulatory Duties | 1,750 | 2,026 | 276 |
| Prudential Borrowing | 3,804 | 3,804 | 0 |
| Licences | 1,310 | 1,362 | 52 |
| Total | **14,643** | **15,454** | **811** |

11.2 The increase in central expenditure for the Early Years Block represents additional posts agreed by Schools Forum in November 2023 (**£68,000**) and funding existing posts that are implementing the childcare reforms from the Early Years Block (**£415,000**).

11.3 The increase in Statutory & Regulatory Duties represents the increase in funding for 2024/25. Forum is aware from the meeting in September 2023, that the **£3.1 million** within the Central Schools Services Block is insufficient to meet the cost of the statutory duties the Authority has for all schools. The additional funding will mitigate this shortfall for 2024/25.

11.4 The increase in licences represents the forecast increase in the central DfE licence that the DfE purchases on behalf of schools. The DfE have not yet notified local authorities of the charge for 2024/25.

**12 High Needs Block**

12.1 **Table 18** shows the proposed allocation of the High Needs Block (HNB) for 2024/25.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2023/24 Budget£000 | 2024/25 Budget£000 | Difference£000 | Difference% |
| Place Funding:- Special Schools- Enhanced Provisions- PRUs | 36,4902,4146,730**45,634** | 37,0812,4146,730**46,225** | 59100**591** | **1%** |
| Top-up Funding:- Mainstream- Special Schools- PRUs- Post 16 FE- Independent Schools- Enhanced Provisions- Essex Pupils OLA Schools | 24,98838,7058,33210,76831,3246,7226,416**127,255** | 26,75643,1389,24011,34041,9626,6087,141**146,184** | 1,7684,43390857210,638(114)725**18,929** | **15%** |
| SEN Support Services | 19,847 | 19,969 | 122 | **0.1%** |
| Other Alternative Provision | 7,474 | 8,810 | 1,336 | **18%** |
| Support for Inclusion | 5,527 | 6,724 | 1,197 | **22%** |
| PFI Costs | 83 | 88 | 5 | **5%** |
| Outreach | 0 | 2,500 | 2,500 | **100%** |
| Therapies & Other Health | 2,703 | 3,349 | 646 | **24%** |
| Corporate Recharges | 4,735 | 4,935 | 200 | **4.2%** |
| HNB Contingent Costs | 13,461 | 604 | (12,857) | **(95.5)%** |
| Total | **226,719** | **239,387** | **12,668** | **5.6%** |

12.2 Total forecast expenditure against the HNB in 2023/24 is **£227.9 million** leaving an in-year deficit of **£1.2 million**.

12.3 Significant variations between 2023/24 and 2024/25, above **£500,000**, are explained below.

12.4 Place funding increases **£591,000** due to an additional 59 special school places.

12.5 The growth in Education, Health & Care Plans (EHCPs) has increased over the last 2 years by 14% and 5.8% of total pupils have EHCPs. Top-up funding increases **£18.9 million** due to:

* Increased demand for EHCPs in mainstream schools.
* Impact of increase of 59 places in special schools
* The application of a 3.4% in funding to Special Schools and PRUs funded from the contingent budget in 2023/24.
* £500,000 Outreach Provision to be provided by the PRUs in 2024/25. This is one-off funding in 2024/25 pending evaluation and future funding settlements.
* Increased demand for Post 16 FE places
* There is a forecast increase of an additional 139 (35%) independent school places from April 2024.
* The number of pupils in other local authority schools is forecast to increase by 7.5% in 2024/25
* All costs listed above are forecast to be ongoing cost burdens to the High Needs Block unless stated.

12.6 Other Alternative Provision increases by **£1.3m** which is attributable to a significant increase in the volume of children accessing alternative education outside of schools and PRUs. This is expected to be an on-going cost burden.

12.7 Support for Inclusion increases **£1.2 million** due to a further one-off **£1 million** allocated to the Inclusion Framework. The total funding available for the Inclusion Framework in 2024/25 is £2m however, this will reduce to £1m in 2025/26.

12.8 The High Needs Contingent budget decreases **£12.3 million.** This is mainly due to Independent Schools with additional costs attributable to the 3.4% increase in funding due to Special Schools and PRUs being funded from the Contingent budget in 2023/24.

12.9 However, the most significant change in the HNB budget is due to costs increasing at a greater rate than the funding received. If funding does not keep pace with cost increases, the HNB is forecast to be in a deficit position by the end of 2025/26.

12.10 The Authority will continue to monitor and report on early intervention strategies which includes the **£2 million** investment in the Inclusion Framework to understand their effectiveness in limiting the increase in the demand of SEND support.

12.11 **Table 19** shows the 3 year Medium Term Resource Strategy (MTRS) for the High Needs Block.

**MTRS 2025/26 – 2027/28**

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025/26£000 | 2026/27£000 | 2027/28£000 |
| Place and Top-up Funding:- Mainstream- Special Schools- PRUs- Post 16 FE- Independent Schools- Enhanced Provisions- Essex Pupils OLA Schools | 28,76083,31315,93511,95344,9589,3197,676**201,914** | 30,91485,64316,41912,61048,0939,6308,251**211,559** | 33,07889,87317,34713,29651,45910,1358,828**224,017** |
| SEN Support Services | 21,805 | 23,353 | 24,447 |
| Other Alternative Provision | 10,043 | 11,449 | 12,250 |
| Support for Inclusion | 6,209 | 6,743 | 7,140 |
| PFI Costs | 90 | 93 | 96 |
| Therapies & Other Health | 3,516 | 3,692 | 3,951 |
| Corporate Recharges | 4,735 | 4,735 | 4,735 |
| Total | **248,312** | **261,624** | **276,635** |
| Forecast HNB Funding | (245,685) | (253,055) | (260,647) |
| (Surplus) / Deficit | **2,627** | **8,568** | **15,988** |

12.12 The HNB is forecasting a deficit position in 2025/26 of £2.6m, increasing to £16m in 2027/28. Included in the forecast is a 3% increase in funding p.a. An annual funding increase of 3% is insufficient to keep pace with cost increases which are forecast reach 6% per annum by 2027/28.

12.13 The HNB forecast is expected to remain volatile and the cost of services are expected to increase due to price and volume changes. In addition to this the impact of early intervention strategies are not yet known. If intended outcomes are achieved these may have a favourable impact on the forecast.

12.14 If intended benefits are not realised and placements into Independent Schools continue to increase alternative mitigations will need to be found to prevent the HNB falling into a deficit position which, if costs increase greater than forecast could be as early as 2024/25. An alternative mitigation may include a transfer from the Schools Block. A 0.5% transfer in 2024/25 is equivalent to £5.8m.

**13. Teacher’s Pay and Pension Grants**

13.1 In July 2023 the DfE announced **£900 million** for 2024/25 in relation to the September 2023 teachers’ pay award.

13.2 Mainstream schools allocations will be calculated as follows:

* A basic per-pupil rate of £62 for primary pupils
* A basic per-pupil rate of £86 for KS3 pupils
* A basic per-pupil rate of £98 for KS4 pupils
* A lump sum of £2,305
* A FSM6 per pupil rate of £53 per eligible primary pupil and £77 per eligible secondary pupil.

13.3 For special school and alternative provision schools will receive £445 per place.

13.4 Funding will continue to be funded as a separate grant.

13.5 The Secretary of State announced on 19 December that schools will receive further funding to support with the increases to the employer contribution rates to the Teachers’ Pension Scheme from April. Further details of funding rates will be announced in due course.

**14. Risks and Opportunities**

14.1 The budget is built on known assumptions and pressures identified so far. There are risks from the continuing effect of Covid, complexity, volatility and energy are all unquantified pressures that will be monitored throughout the year and reported back on a quarterly basis.

**15. Notification of School Budget Shares**

15.1 The Authority must inform maintained schools of their 2024/25 Schools Block allocation by 28th February 2024. High Needs funding allocations must be notified by 31st March 2024. The ESFA will inform academies of their GAG allocations by 31st March 2024.

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 3** |
| Date: 10 January 2023 |  |

Any Other Business and Feedback from Associations and Other Forum Members

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 4** |
| Date: 10 January 2023 |  |

**Schools Forum Meeting Minutes of 29th November 2023**

**held via Microsoft Teams**

**08.30 – 10.00**

*(subject to forum approval)*

In Attendance

|  |  |  |
| --- | --- | --- |
| Ruth Bird – Chair | Jo Barak (JB) | Jody Gee (JGe) |
| Jeff Fair (JF) | Carole Herman (CH) | Scott Bowak (SB) |
| Sean Moriarty (SM) | Jinnie Nichols (JN) | Philomena Cozens (PC) |
| John Hunter (JH) | Marilyn Smith (MS) | Chanel Lassman (CL) |
| Claire Styles (CS) | Harriet Phelps-Knights (HP-K) | Robin Taverner (RT) |
| Nigel Hill (NH) | Pam Langmead (PL) | Lyn Wright (LW) |
| Rod Lane (RL) | Luke Bulpett (LB) | Sue Bardetti (SB) |
| Ruth Sturdy (RS) | Simon Wall (SW) | Charlotte Little (CL) |
|  |  |  |
| **LA Officers** |  |  |
| Yannick Stupples-Whyley (YSW) | Andrew Page (AP) | Clare Kershaw (CK) |
| Gareth Honeyford (GH) | Carolyn Terry (CT) | Cllr Andrew Sheldon (AS) |
| Anita Kemp (AK) | Val Cleare (VC) - Minutes |  |
|  |  |  |
| **Observers** |  |  |
| Nicola Woolf (NW) | Philippa Holliday (PH) | Ashley Milum (AM) |
| Nina Chapman (NC) |  |  |

|  |  |
| --- | --- |
| **1** | **Apologies for Absence and substitute notices**Apologies were received from Debs Watson, Dan Leonard, Richard Potter, Emily Welton, Jo Santinelli, S. Roberts and Cllr Tony Ball.RB welcomed Charlotte Little (Church Rep) who joined Schools Forum for the first time today.Carole Herman substituted for Dan Leonard and Pam Langmead for Richard Potter. Cllr Sheldon is attending on behalf of Cllr Ball.Richard Potter had resigned from Schools Forum. On behalf of Schools Forum, RB thanked Richard for his contribution and commitment to the Forum.Nina Chapman from Becket Keys School observed today’s meeting, along with Nicola Woolf, Philippa Holliday and Ashley Milum from ECC. |
| **2** | **Early Years Update – Carolyn Terry**CT updated Schools Forum with the forecast budget requirement for 2023/24 of the two, three & four year old Free Early Education Entitlement (FEEE), the progress of the roll out of the Childcare Reforms Expansion and the spend to-date on the agreed funding projects. The report also sought approval to increase the level of funding retained to recruit two new posts.CT reported the take-up of the two-year-old FEEE during the Summer 2023 term was 2,840, which was 83.21% of the 3,413 eligible two-year-olds in the county. This take-up figure remains significantly higher than the national take up level for the Summer 2023 term of 73.9%. The take up of the universal three- and four-year-old FEEE at the Summer term 2023 headcount was 25,735, which is 93.5% of the eligible three- and four-year-olds. This is slightly below the national take up % of 93.7% 5.1 Table 2 showed the financial implications. 5.3 Early Years Supplementary Grant was additional funding that the DfE gave to Local Authorities for Early Years settings for the Autumn and Spring. Analysis of the Autumn term we are still looking at the forecast and will report back at the next meeting in the New Year. 5.4 The Authority is proposing to increase staffing by 1.8 FTE posts at a cost of **£68,300** to ensure the team has capacity to implement the Childcare reforms. It is proposed to fund these posts by the Early Years Block. Changes in statutory entitlement for SEN funding for younger children.Currently need to fund children 3 / 4 year olds, DfE consultation overSummer term – still awaiting outcome of the consultation, either by end ofNovember or early December. Expectation that we will be funding thoseChildren from a SEN point of view.Supplementary grant – uplift. Significant increase for 2 year olds, increasein maintained nursery supplement. Funding rates from April 2024 are due,and more information on this will be shared in the January meeting. Alsofunding for primary schools, wraparound childcare, and to understand whatwe have to do and the process we need to go through. Bespoke package of support will be put in, due to go live in September. Universal childcare payin advance. Growth of child minder places and set up £600 through visitgrant. 6.2 set out why asking to retain increased amount of funding from the EarlyYears Block. From the project timeline, the DfE are allocating fundingsources for that project work. However, increased workload in funding doesmean we are going to need to increase the team. Request for two posts,Entitlement Funding Officer, term time only, and SEN Inclusion Officer.£68,00 to retain additional from the Early Years Block. Under Section 7there is a summary of all the projects agreed to fund by the Early Yearsunder spend. CT gave a high-level summary which included 4 Early Yearsintervention partners who have been in post since September. The role forthem briefly is where we are getting applications in for SEND funding forchildren. We have already had 30 applications diverted rather than somefunding through inclusion funding. They are also working with Early Yearssettings around assessment and understanding what and how else toprovide support to those children. We have also increased the children’scommunity development leads and business management consultant capacity in the team because of sufficiency issues that the settings are facing. We have also rolled out the first tranche of support for the speech andlanguage club. Colchester was the first area where we rolled out into 7settings from which there has been positive feedback and outcomes for children. We would like to roll this out across the county. Following thatthere will be a one-year review of the speech and language club, theanalysis of which has not been done yet.The sufficiency grant is for settings that are struggling in areas where if theywere to close, we would have no other childcare options for those children,areas of disadvantaged where families would not be able to access afunded only place. This grant so far we have paid out £88,000 and we havesupported 5 settings. CT informed the call for this grant is increasing, so weare looking at what we can do to support those settings. For example, onesetting could have taken on agency staff and wanted to keepthem, but the setting could not afford the agency fees. So, we were able touse this grant to pay the agency fees for them to keep the staff. Listen andCuddle is a support website for parents. The website needs some upgrades and improvements. We are looking to partner or commission somebody tohelp with the development of the website to increase the reach to families.That is due to start by the end of this term and we should have that in post in the spring term. With regards to recruitment and retention support, we have put together arecruitment campaign focusing on 3 elements, make a change, build afuture and looking to encourage practitioners back to the sector those wholeft during and just after Covid. Also encouraging awareness of childcare as a positive career choice and child minders. We are also looking atsupporting childcare providers for their recruitment, so we have re-badgedthe schools job sites to be Schools and Early Years. We get insight into thevacancies that are not being recruited to. It is early days yet, but we aregetting positive feedback. This is an 11-month programme and keepupdates coming through.Finally, Schools Forum Early Years Reference Group, continue to meet. There is an increase in the numbers of children with emerging SEND.Financial pressures still continue to be an issue and with theannouncement of the Minimum Living Wage is going up in April, it is a bigincrease for younger age group as well which is another cost pressure.Recruitment and retention is an issue. We have campaigned and we aretrying to support the sector.**Questions**SM – in para 6.2 that the Government has recognised extra work createdand is providing additional funding. Are you able to say how additionalfunding compares to the extra £66,000 funding?CT informed this is only for this year, for wraparound funding up to 3years. We have £60,000 for this financial year. We are looking to bringadditional resources around communications and marketing, get informationout to providers, also within the team business management consultancy.Funding is short-termed. It is only for the lifecycle of the implementation ofthe childcare reforms. The workload is going to be constant. The ask forthose two posts is that they are going to be business as usual day-to-day,right through to us applying the funding.SM said that is absolutely fine and he had no worries about how you aregoing to use the money. SM was just trying to get a feel between theadditional funding and the actual additional costs to deliver.JF commented that he noticed under 8.1 on the difficulty of the financesespecially with the increase in the minimum wage which is significantcompared with the increase in the funding announced today about the £600and childcare providers alignments for those who become new providers asa new piece of funding. Is this the percentage overall that you areanticipating being withheld from the block? CT stated we are able to retain up to 5% and we always retain under 1%.YSW confirmed based on the current retention we are currently about half aper cent and this will take it to 0.6%.**Recommendations**:Forum noted the forecast outturn for 2023/24 at 5.1. Forum approved the request to increase the level of funding retained for 2024/25 as set out in 6.3.Forum noted the spend to-date on the agreed funding projects set out in 7.1. |
| **3.** | **School Funding 2024/25 – Yannick Stupples-Whyley**YSW reminded everyone that a paper was brought to the September meeting informing of the provisional allocation announced in July and we agreed consultation to go out. When the consultation went live, the DfE came out with a revised indicative provisional allocation, as they understated the number of pupils in schools in October. It meant every Local Authority will have to have a reduction in their allocation due to more pupils in the system. 4.3 Table showed that based on July 2023 to October 2023 £10.5 million reduction to the provisional schools block allocation. The funding announced for the teachers’ pay rise through the teachers’ pay additional grant is not affected. Table 3 showed where the DfE have sought to make their reductions in terms of the National Funding Formula. All factors reduced other than free school meals and the lower IDACI for binary bands E and F and reductions go from 0.7% up to 1.3%. The High Needs Block and Central Services Block remain the same and are not affected by the announcement in terms of the original proposal in 5.1 that we were consulting on the second bullet point to increase the London Fringe Allowance from 1.0156 to 1.0251 which is halfway between 1.0156 and 1.0345. Due to the reduction in funding and with approval of the Chair and Vice Chair you should have received an email informing of this change. We have changed the consultation proposal and London weighting will go up to 1.0173 which is the minimum we have to move it to for 2024/25. Also, we are set a minimum and maximum for each formula factor by the DfE, and we have a reduction in the provisional allocation of the key stage four basic entitlement value is very close to breaching. When calculating the final budget allocations should either Key Stage 3 go too low or Key Stage 4 basic entitlement go too high, we will have to adjust the Key Stage 3 and Key Stage 4 basic entitlement weighting.In terms of the consultation opened on 2nd October 2023, we briefly redacted it on 10th October 2023 whilst we accessed the revised settlement and then we went live again on 13th October 2023 and closed on 5th November 2023. There were 23 responses. The 78.3% of responses received for the first question proposed. Chart 2 showed the second proposal increasing London weighting up to 1.0173. Of the 23 responses received 20 responses were received before the proposal was revised. In 6.7 the final proposals are to fund school losing the Essex Non-Fringe area cost to ensure all schools receive funding based on videographic cost pressures to increase the London fringe elements up to 1.017 speed.YSW confirmed the Finance Review Group have reviewed the consultation response and our final recommendations, and they do recommend that the Schools Forum agree, so it’s the proposals that are shown under 6.7.**Recommendations:**Forum noted the revised provisional funding settlement for 2024/25.Forum noted the results of the school funding consultation at 6.2 .Forum agreed the recommendation of the FRG to approve the final proposed changes to the Essex Formula for Funding Schools for 2024/25 at 6.8. |
| **4.** | **Scheme for Financing Schools – Yannick Stupples-Whyley**YSW presented the report to the Maintained members of the Schools Forum the proposed changes to the scheme for financing schools for 2024/25. The scheme sets out the financial relationship between the Local Authority and maintained schools. The Secretary of State may by a direction revise the whole or any part of the scheme from such a date as may be specified in the direction. The proposed changes are from 4.4 onwards. The starting date for schools to submit a 3-year budget plan has been removed as the date has passed. 4.6 The DfE has renamed this section from Value for Money to School Resource Management.The FRG has approved changes set out in the report.**Recommendations:**(Maintained Members only voted)Forum Maintained members noted and agreed the updates to the Scheme from previous prescribed changes at 4.6, 4.7 and 4.8, which require no consultation.Forum Maintained members agreed the Finance Review Group’s recommended changes to the Scheme for Financing Schools for 2024/25 at 4.4, 4.5, 4.9, 4.10 and 4.11.   |
| **5.** | **Constitution and Membership of Schools Forum – Yannick Stupples-Whyley**YSW presented the report which outlined the changes required to the Constitution based on the ongoing conversion of schools to academy status. YSW also updated the Forum of attendance of members at meetings of both the Forum and the Sub Groups.Table 1 showed the agreed Structure approved in December 2020.Table 2 showed the ratio of pupils between primary and secondary school as at the May Census 2023. The ratio is 1.45:1 and requires no change.Table 3 showed breakdown of pupils for primary and secondary between maintained schools and academies as at the May Census 2023.The recent academy conversions have moved the primary pupil split in Table 3 between maintained schools and academies from 5 members each to 4 maintained members and 6 academy members. The preferred approach to achieve the change in primary membership is:Cease the position of the next maintained member to come to their end of term and at that date elect a new academy member.Table 4 showed all of those members coming to the end of their current term of office:Luke Bulpett (10th July 2024) Debs Watson (27th November 2024)Lyn Wright (27th November 2024)Ruth Sturdy (27th November 2024)Jo Santinelli (27th November 2024)It was noted we will need to make a change with Richard Potter’s resignation. So, there will be no vacancy within a primary academy headteachers. Annex B showed attendance at Schools Forum and all of the Sub Groups.**Recommendations:**Forum approved the Authority’s preferred approach for implementing the required change to primary members at 3.10.Forum noted members who will reach their end of term at 3.12.Forum noted Membership at Annex A and Attendance at Annex B. |
| **6.** | **Future Plans for the School Meals Advisory Service****CONFIDENTIAL DECISION PAPER – SEE SEPARATE REPORT.** |
| **7.** | **Any other business, feedback from schools through Associations and from Schools Forum representatives on other Bodies.****CONFIDENTIAL FORUM BUSINESS – SEE SEPARATE REPORT.** |
| **8.** | **Any other business, feedback from schools through Associations and from Schools Forum representatives on other Bodies.****ASHE** CH reported secondary schools are still very embroiled with issues of attendance and behaviour. There have been lots of discussions amongst local groups and the Local Authority about alternative provision and difficulty in capacity there. Also, there has been a lot of discussion about off site direction and managed moves. CH drew attention to the volume of complaints received by schools. The Local Authority has increased its capacity to deal with complaints through the safeguarding team, but schools are very much weighed down by parents knowing how to use systems which is creating a lot of work. Another discussion which is continuing is around curriculum and the introduction of T levels. Many schools are going to have to specialise in T levels are beyond their capacity. This is both with regards to investment and also requirements for work experience. There is a fear for the sector that a group of young people who used to be accommodated in secondary schools with that mixed economy of qualifications, will not have anywhere to go, because the requirements for T levels at college are quite high. There is concern about the disenfranchisement of that group of young people who are not necessarily going to have any qualifications. We could end up with young people who become NEAT because they have not got access to those and vocationally based courses that we used to be able to offer.**EPHA**HPK mentioned the teachers’ pay increase still continues to have an impact on school finances and anticipated increase for support staff again, which was very welcomed for schools but does not attract any additional funding. This therefore puts a huge pressure on school budgets, and schools are having to look at ways of balancing the books including reducing staff. There is a strain for both adults and children along with the minimum wage increases, which are likely to have a negative impact on school budgets. We agree with CH with regards to the volume of complaints received. We are running free training, which includes complaints, training for staff and governors, and subsidies for coaching and counselling where there is a need. PHK expressed thanks to the Education Task Force for funding our recent annual small schools Headteacher Conference which was well attended and appreciated by those Heads. We are looking forward to the details and roll out of the ESSET Outreach offer.**ESSET**SW reported for us it is numbers of pupils and the demand and tribunals for places in the school staff recruitment which is becoming more challenging. SW stated Amazon are offering great work experience and supermarkets are offering term time jobs only along with decent discounts. We too have issues with complaints and parental expectations. We also have some issues with support from health for more tricky special needs children.**PRUs**JB informed we have just received a second new build and are operating out of two purpose-built provisions. We are still working through a backlog of permanent exclusions to bring into our centres. In the background we are also working with Ralph Holloway and his team on developing an Outreach offer, and hope that will start in the Spring term.PC stated we are very much looking forward to engaging with the Outreach support work. PC will be pushing to do some work with primary in the North East and Mid. We continue to be oversubscribed and look forward to conversations with PL and CH about how we can reduce permanent exclusions. **Early Years – Nurseries -**  no report.**ESGA**RB reported we have our meeting with PL on Monday over coffee and a chat. Attendance is looking good. In February we have our Conference, and along with CK have booked Bobby Seagull as our guest speaker and are looking for someone from the NGA as a guest speaker. Concerns are the same. **Unions**JF reported the funding situation is not good for the future. There are still a lot of issues and difficulties with staff morale. **Unison** MS reported about staff retention and impact on pupils. There is difficulty when staff are being paid more in the private sector than the public sector. We will be watching with interest on the school meals and impact on that. Concerns are the same as everyone else has said.**Church Rep** JS had sent apologies. Charlotte Little was welcomed to her first meeting as the new church representative. Comments have already been circulated about the increase in complaints for our school leaders which has trebled. Also, the wellbeing of our school leaders is a concern when they are trying to manage their situations.**High Needs Review Sub-Group** This group had not met.**Finance Review Group** Meeting was held on 13th September 2023. Forum should note Terms of Reference for both HNRG and FRG.Note the Agenda items 3, 4 and 8A. Minutes at Agenda Item 8aAll were happy with these.**Early Years Sub-Group** – No minutes available in time for this meeting of 21 September 2023**Any Other Business**None. |
| **9.** | **Minutes of 27th September 2023 (Ruth Bird)**The minutes were accepted as a true record of the discussions held. There were no matters arising. |
| **10.** | **Minutes Action Log (Yannick Stupples-Whyley)**There are two items:Early Years, Carolyn Terry1. To bring proposals for allocating the surplus balance to the July / September meeting. YSW stated the Authority is reviewing the final adjustment for 2022/23 and will update Forum at the January meeting. In progress.
2. Cost benefit analysis of underspend proposals. This is still in progress.
 |
| **11.** | **Forward Plan** YSW read this out and confirmed the dates of future meetings.Regarding the January 2024 meeting, JF suggested after the report from Early Years, to have an update on funding levels being proposed by the DfE.YSW confirmed they will be part of the DSG budget paper in January.**Recommendation**The Forum noted the dates of future meetings and that additional items as proposed by Schools Forum are included in the Forward Plan. |
| **12.** | **Any Other Business** - None. |
| **13.** | **Chair’s Closing Comments (Ruth Bird)**RB thanked everyone for attending. Have a nice Christmas and see you in January 2024. |
|  |  |
|  | **Date of next meeting – Remote, via Microsoft Teams.****Wednesday, 10th January 2024 at 8.30 am.** |

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 5** |
| Date: 10 January 2024 |  |

**REPORT TITLE: Minute Action Log**

Report by Yannick Stupples-Whyley

Contact details: Telephone (03330 138464); e-mail: yannick.stupples-whyley@essex.gov.uk

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Date of Meeting | Report | Action Owner | Action | Response | Status |
| 18 May 2022 | Agenda Item 9 – Early Years Update | Carolyn Terry | To bring proposals for allocating the surplus balance to the July / September meeting. | The Authority is reviewing the final adjustment for 2022/23 and will update Forum at the November meeting. | In progress |
| 17 May 2023 | Agenda Item 2 – Early Years | Carolyn Terry | Cost Benefit Analysis of Underspend proposals | To be brought to a future meeting. | In progress |

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| --- | --- |
| Schools Forum | **Agenda Item 6** |
| Date: 10 January 2024 |  |

**CONFIDENTIAL MINUTES – 29th November 2023**

Please see separate report.

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 7** |
| Date: 10 January 2024 |  |

**REPORT TITLE: SCHOOLS BUDGET & EDUCATION FUNCTIONS FORECAST OUTTURN REPORT Q3 2023/24**

Report by Yannick Stupples-Whyley

Contact details: Telephone (03330 138464); e-mail: yannick.stupples-whyley@essex.gov.uk

**1. Purpose of report**

1.1 To update Schools Forum on the forecast outturn position for the year-ended 31st March 2024 for both the Schools Budget and Education Functions.

**2. Recommendations**

2.1 That Forum notes the forecast outturn position for the year ended 31st March 2024.

###### 3. Relevant Schools Forum Power and Responsibility

3.1 **Table 1** shows the relevant responsibilities that Forum has in relation to the Schools Budget, which are taken from the Education and Skills Funding Agency’s **Schools forum powers and responsibilities** published in September 2018.

|  |  |  |
| --- | --- | --- |
| Local Authority | Schools Forum | DfE |
| De-delegation – proposes | Decides | Adjudicates where Forum disagrees with the Authority’s proposals |
| General Duties for maintained schools – proposes | Decides | Adjudicates where Forum disagrees with the Authority’s proposals |
| Growth Fund and Falling Rolls Fund – proposes | Decides | Adjudicates where Forum disagrees with the Authority’s proposals |
| Central Spend on Early Years and Central School Services – proposes | Decides | Adjudicates where Forum disagrees with the Authority’s proposals |
| Central Spend on High Needs – Decides | None, but good practice to consult. | None |

###### 4. Background

4.1 The forecast outturn for 2023/24 is set out at Annex A.

4.2 The total Dedicated Schools Grant (DSG) expected to be received for 2023/24 after academy recoupment is **£599.3 million**.

4.3 The DSG forecast under spend for 2023/24 is **£3.6 million**, an adverse movement of **£6.9 million** since Quarter 2. **Table 2** shows the overall forecast DSG balance at 31st March 2024.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | SchoolsBlock£m | CentralSchoolsBlock£m | HighNeedsBlock£m | EarlyYearsBlock£m | Total£m |
| Opening balance 2023/24 | **(1.4)** | **(2.1)** | **(13.5)** | **(7.3)** | **(24.3)** |
| 2023/24 Forecast Outturn | (1.2) | 0.2 | 1.2 | (3.8) | (3.6) |
| Forecast Closing Balance 2023/24 | **(2.5)** | **(1.9)** | **(12.4)** | **(11.1)** | **(27.9)** |

4.4 The significant variations contributing to the outturn position are:

**Schools Block - £1.2 million under spend – No movement from Quarter 2.**

4.5 Forum are aware the Authority is holding a contingency within the Growth Fund for a future year where the allocation from the DfE is insufficient to meet the growth fund requirement. The contingency was set at **£800,000** and will be held to minimise top-slicing school budgets for an insufficient growth fund allocation. The remaining **£329,000** is due to an increase in the growth fund for summer term payments to academies and a forecast under spend on furniture and equipment for new and expanding schools **£23,000**.

4.6 There are proposals in Agenda Item 2 that will utilise the Growth Fund contingency and the Schools Block Surplus Balance:

* To set the required Growth Fund for 2024/25 **£224,000** of the contingency is required. This will reduce the contingency to **£576,000**.
* To set the required Falling Rolls for 2024/25, **£435,000** is required from the Schools Block surplus balance. Any new schools that qualify for falling rolls funding in 2024/25 will also be funded from the Schools Block surplus balance.

 **Central School Services Block - £178,000 over spend – Adverse movement of £42,000 from Quarter 2.**

4.7 The over spend reflects drawing down an agreed carry forward for Strategic Support from 2022/23 to 2023/24 **£192,000** offset by vacant posts **£14,000**.

 **High Needs Block - £1.2 million over spend – Adverse movement of £6.9 million from Quarter 2.**

4.8 Top-up funding for maintained schools, academies and free schools is forecasting a **£3.7 million** over spend due to an increase in volume of pupils being awarded Education, Health and Care Plans (EHCPs). This is an adverse movement of **£3.6 million** from Quarter 2.

4.9 Independent special schools are forecasting a **£4.9 million** overspend due to an increase in volume and the cost of placements. This is an adverse movement of **£176,000 from Quarter 2.**

4.10 SEN Services is forecasting an underspend of **£10.2 million**. The main cause of the under spend is the HNB contingency **£9.4 million** which has arisen due to funding increasing faster than expected demand. The Authority has decided not to contribute to the pension deficit in 2023/24 resulting in a **£753,000** underspend. The remaining **£66,000** underspend is due to vacant posts. This is an adverse movement of **£2 million** since Quarter 2 which is due to the additional place and top-up funding for schools as presented to Schools Forum on 29 November 2023.

4.11 Other alternative provision services are forecasting a **£2 million** over spend due to an increase in pupils being placed through the IPES contract. This is an adverse movement of **£55,000** from Quarter 2.

4.12 Support for inclusion is forecasting a **£343,000** over spend due to increased expenditure through the Inclusion Framework **£857,000** which is offset by an under spend in the quadrant SEND teams **£514,000**, due to vacancies where new posts have yet been recruited to. This is an adverse movement of **£1.1 million** since Quarter 2.

4.13 Therapies and other health related services are forecasting a **£426,000** overspend due to an increased use of independent therapists whilst new contracts have been developed. This is a favourable movement of **£11,000** from Quarter 2.

 **Early Years Block - £3.8 million underspend**

4.14 The Authority has received a further **£3.8 million** as the final adjustment for 2022/23. The adjustment is higher than expected, so the Authority is undertaking a review to ensure it is correct. An update will be provided in the Early Years Update report at the next meeting.

**Education Functions**

4.15 At the meeting of 30th November 2022 Schools Forum approved the authority’s proposals for services provided to all schools, as shown in **Table 3**.

|  |  |
| --- | --- |
| Education Functions – All Schools | £’000 |
| Education Welfare | 1,170 |
| Strategic Management | 1,577 |
| Asset Management | 333 |
|  | **3,080** |

4.16 Also at the meeting of 30th November 2022, maintained members of Schools Forum agreed to de-delegate from maintained school £48.10 per pupil to fund the education functions shown in **Table 4**.

|  |  |
| --- | --- |
| Education Functions – Maintained Schools | £000 |
| Asset Management | 279 |
| Statutory & Regulatory Duties | 2,101 |
| School Improvement | 437 |
|  | **2,817** |

4.17 The budgets in Table 4 are subject to recoupment each time a school converts to an academy. **Table 5** reflects schools that have converted to academies since Quarter 2.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Asset Management£000 | Statutory & Regulatory£000 | School Improvement£000 |
| Original Budget | 278 | 2,101 | 437 |
| Recoupment | (1) | (6) | (2) |
| Revised Budget | **277** | **2,095** | **435** |

4.18 Table 5 shows the forecast outturn position for Education Functions 2023/24 which forecasts a **£123,000** over spend.

|  |  |  |  |
| --- | --- | --- | --- |
| Education Functions | Budget£000 | ForecastOutturn£000 | Variance£000 |
| Education Welfare | 1,170 | 1,170 | 0 |
| Strategic Management | 1,577 | 1,736 | 159 |
| Asset Management – all schools | 333 | 333 | 0 |
| Asset Management – maintained schools | 277 | 277 | 0 |
| Statutory & Regulatory Duties | 2,095 | 2,058 | (37) |
| School Improvement | 435 | 436 | 1 |
| Total | **5,887** | **6,010** | **123** |

4.19 The significant cause of the over spend in Strategic Management is due to increased expenditure resulting from the SEND action plan following the last Ofsted inspection.

**5. Other Resource Implications**

5.1 **Table 6** shows the risks that may impact the Outturn position by 31 March 2024.

|  |  |
| --- | --- |
| Risks |  |
| Post 16 FE | Indication of enrolment numbers for the Autumn Term are higher than forecasted. It will be a couple of months before the financial impact can be refined. |
| Individual Packages of Education Support (IPES) | The volume of pupils accessing packages has significantly increased and could exceed forecasts. |
| Education Health and Care Plans (EHCPs) | Volumes are continuing to increase on a monthly basis. |
| Reinforced autoclaved aerated concrete (RAAC) | Whilst the Government has stated capital costs can be reclaimed there may be some revenue costs that will not be funded. |

**6. Consultation with stakeholders**

**7. Background / Supporting papers.**

7.1 Annex A – Schools Budget Forecast Outturn Q3 2023/24

**Agenda Item 7 – Annex A**



|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 8** |
| Date: 10 January 2024 |  |

**REPORT TITLE: Forward Plan**

Report by Yannick Stupples-Whyley

Contact details: Telephone (03330 138464); e-mail: yannick.stupples-whyley@essex.gov.uk

**1. Purpose of report**

1.1 To bring the Schools Forum Forward Plan and confirm the dates of future meetings.

**2. Recommendations**

2.1That the Forum notes the dates of future meetings.

2.2 That additional items as proposed by Schools Forum are included in the Forward Plan

###### 3. Background

3.1Following a review of School Forum Agendas a Forward Plan has been created. The items included are as follows:

|  |
| --- |
| **Regular and Administrative items** |
| Apologies  |
| Any other business and feedback from schools through Associations |
| Feedback from Schools Forum representatives on other bodies |
| Minutes from previous meetings |
| Minute Action Log |
| Forward Plan and dates of next meetings  |
| Sub Group updates (HNRG, Early Years, FRG) |

|  |  |
| --- | --- |
| **Date of Schools Forum** | **Agenda Items** |
| Extraordinary Schools Forum - tbc | High Needs Funding Review |
| (Microsoft Teams) | SEND Sufficiency Plan |
|  | Sustainability and Investment |
|  | SEND & PRU Capital Programme Update |
|  |  |
| Wednesday 22nd May 2024 8.30am | Falling Rolls Fund (D/I) |
| (In-Person – Hamptons Sports and Leisure, Chelmsford) | Schools Budget & Education Functions Draft Outturn Report 2023/24 (I) |
|  | Constitution and Membership of Schools Forum (D /I) |
|  | Early Years and Childcare Update (I) |
|  | Update on School Meals Service |
|  | School Balances Review |
|  | Impact of Early Invention Strategies |
|  | DSG Funding Benchmarking |
|  |  |
| Wednesday 10th July 2024 8.30am | Falling Rolls Fund (D/I) |
| (Microsoft Teams) | Schools Budget and Education Functions Q1 Update 2024/25 (I) |
|  | School and Academy Balances (I) |
|  |  |
| Wednesday 25th September 2024 8.30am | Half Year Budget & Education Functions Update 2024/25 (I) |
| (In-Person – Hamptons Sports and Leisure, Chelmsford) | Scheme for Financing Schools (D) |
|  | High Needs Funding 2025/26 (D/I) |
|  | School Funding 2025/26 including school funding consultation (D) |
|  | High Needs Funding Review (I) |
|  | De-Delegation 2025/26 (D) |
|  | Falling Rolls Fund |(D) |
|  | Schools Block Transfer (D/I) |
|  |  |
| Wednesday 27th November 2024 8.30am | Early Years and Childcare Update (I) |
| (Microsoft Teams) | School Funding Consultation Final Proposal (D) |
|  | Scheme for Financing Schools (D/I) |
|  | Constitution and Membership of Schools Forum (D / I) |
|  | School Balances Review (D/I) |
|  |  |
| Wednesday 15th January 2025 8.30am | DSG Budget 2025/26 (D) |
| (Microsoft Teams) | Third Quarter Budget Update 2024/25 (I) |
|  | School Balances Review (D/I) |