**Schools Forum Agenda**

Wednesday 27th September 2023, **Hamptons Sports & Leisure CM2 9FH**

From 8am for an **8.30am start**; breakfast **9.50am** finish by **11.15am**.

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

**Decision Papers**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 2 | High Needs Funding 2024/25 | Ralph Holloway / Yannick Stupples-Whyley | All schools | 2 |
| 3 | School Funding 2024/25 | Yannick Stupples-Whyley | All schools | 12 |
| 4 | De-delegation & Education Functions 2024/25 | Yannick Stupples-Whyley | All schools | 24 |

**Forum Business**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 5 | Any other business, feedback from schools through Associations and from Schools Forum representatives on other Bodies | Chair | All schools | 31 |
| 6 | Minutes of 12th July 2023 | Chair | All schools | 40 |
| 7 | Minutes Action Log | Yannick Stupples-Whyley | All schools | 54 |

**Information Papers for Discussion**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 8 | Schools Budget & Education Functions Draft Outturn Report 2023/24 | Yannick Stupples-Whyley | All schools | 55 |
| 9 | Forward Plan | Yannick Stupples-Whyley | All schools | 59 |

**Closing Comments**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 10 | Closing Comments | Chair |  |  |

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 2** |
| Date: 27 September 2023 |  |

**REPORT TITLE: HIGH NEEDS FUNDING 2024/25**

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 provisional funding settlement for the high needs block for 2024/25 and the implications on the proposals discussed at July’s Forum meeting.

**2. Recommendations**

2.1 To agree the recommendation of the High Needs Review Group to approve the revisions to the funding decisions taken in July to **£4.8m** for 2023/24 detailed at 5.5 and **£4m** for 2024/25 detailed at 5.6.

2.2 To endorse the recommendation of the Authority for the creation of an Independent Schools working group.

###### 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 |
| Central spend on high needs block provision.  | Decides | None, but good practice to inform forum | None |

###### 4. Background

4.1 The Secretary of State announced the provisional funding settlement for 2024/25 on 17th July 2023. Table 2 shows the core School budget since 2021/22.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2021/22£bn | 2022/23£bn | 2023/24£bn | 2024/25£bn |
| Spending Review 2021 | 49.8 | 53.8 | 55.3 | 56.8 |
| Autumn Statement 2022 |  |  | 2.4 | 2.4 |
| Provisional Settlement |  |  |  | 0.3 |
| Total Funding | **49.8** | **53.8** | **57.7** | **59.5** |
| Year-on Year Increase |  | 4.0 | 3.9 | 1.8 |

4.2 It can be seen that the increase for 2024/25 is significantly lower than previous years and does not follow the announcement in the Autumn Statement in 2022 ‘*The core schools budget in England will receive* ***£2.3 billion*** *of additional funding in each of 2023-24 and 2024-25*’.The **£1.8 billion** increase is the **£1.5 billion** announced in the 2021 Spending Review plus an additional **£300 million**.

4.3 The provisional settlement at a national level announced the High Needs Block increases by **£440 million** to **£10.5 billion**. Every local authority will receive at least a 3% increase per head of their 2-18 population. The maximum increase is 5% and any authority due to gain more than 5% will be capped.

4.4 Table 3 shows Essex’s provisional allocation for 2024/25.

|  |  |
| --- | --- |
|  | £m |
| High Needs Block 2023/24 | 226.8 |
| Provisional Schools Block 2024/25 | **238.5** |
| Provisional Increase | 11.7 |
| % Increase | 5.2% |

4.5 The High Needs NFF allocates Essex **£239.3 million** but due to capping there is a **£773,000** reduction.

**5. Financial Implications**

5.1 Members will recall the Authority presented a 5 year financial forecast based on the high level growth assumptions for expenditure and income at July’s Schools Forum meeting. As a result of the lower funding announced by DfE since the Forum meeting, the Authority has undertaken a detailed review of expenditure trends between 2020/21 to 2023/24 to inform the funding required for 2024/25. Income has also been updated based on the provisional settlement. The revised financial forecast is shown in Table 4.



5.2 It can be seen there is an in-year overspend from 2024/25 through to 2028/29 and that the High Needs Block will go into deficit in 2026/27. The forecast cumulative deficit is **£57.3 million** at 31 March 2029.

5.3 Table 5 shows the budgets where the trend in expenditure has significantly increased since 2020/21.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | 2020/21£’000 | 2021/22£’000 | 2022/23£’000 | 2023/24£’000 | 2024/25£’000 | % |
| Independent Schools | 23,668 | 25,979 | 28,928 | 36,056 | 41,961 | 77.3 |
| SEN Therapies | 1,379 | 1,653 | 2,730 | 3,189 | 3,349 | 142.9 |
| Mainstream Top-Up | 19,588 | 21,237 | 22,512 | 24,892 | 26,756 | 36.6 |
| Special Schools Top-Up | 36,979 | 43,508 | 50,393 | 55,068 | 57,523 | 55.6 |

**Independent Schools**Table 6 shows the forecast growth in independent school placements from 2023/24. 38 week day placements are forecast to increase 40.9% from 2023/24 to 2028/29, 38 week residential are forecast to increase 24.6% and 52 week residential are forecast to increase 22.6%.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Placement Type | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| 38 week: Day | 362 | 435 | 453 | 471 | 490 | 510 |
| 38 week: Residential | 61 | 64 | 67 | 70 | 73 | 76 |
| 52 week: Residential | 31 | 34 | 35 | 36 | 37 | 38 |

Table 7 shows the forecast increase in the average cost of independent school placements from 2023/24. The average cost of a 38 week day placement is forecast to increase 19.8% from 2023/24 to 2028/29, where the average cost of a 38 week residential placement is forecast to increase 19.8% and the average cost of a 52 week residential place is forecast to increase 15.3%.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Average Cost per Place | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| 38 week: Day | 59,828 | 63,690 | 65,600 | 67,568 | 69,595 | 71,683 |
| 38 week: Residential | 99,338 | 105,751 | 108,923 | 112,191 | 115,557 | 119,024 |
| 52 week: Residential | 214,992 | 220,330 | 226,940 | 233,748 | 240,760 | 247,983 |

 Based on the forecast increase in placements and the average cost of placements the cost for Independent Schools increases from a forecast of **£42 million** in 2024/25 to **£55 million** in 2028/29.

Tables 8 and 9 show the trends in placements and average cost per placement.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Change in Placements |  |  |  |  |
| **Placement Type** | **2020/21** | **2021/22** | **2022/23** | **2023/24** |
| 38 week: Day | 5% | 16% | 20% | 32% |
| 38 week: Residential | (1%) | 4% | 0% | 4% |
| 52 week: Residential | 6% | (13%) | (24%) | 18% |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Change in Price |  |  |  |  |
| **Placement Type** | **2020/21** | **2021/22** | **2022/23** | **2023/24** |
| 38 week: Day | 1% | 11% | 6% | 5% |
| 38 week: Residential | 11% | 5% | (1%) | (45) |
| 52 week: Residential | 11% | 5% | 4% | 2% |

 If the trend in 38 week day placements continues into 2024/25 expenditure could further increase by **£4.9 million**.

 It is clear that action needs to be taken to reduce expenditure on Independent Schools and the Authority proposes a working group of the High Needs Review Group to focus upon the use of Independent Schools.

**SEN Therapies**

Expenditure on SEND therapies is forecast to increase by £2.0 million The main reason for the increase has been the use of independent therapists over the last 12 to 18 months whilst new contracts have been developed. From January 2024 three contracts will be fully effective that will fix a large proportion of the costs.

**Mainstream Top-Up**

Top-up funding for mainstream is forecast to increase £7.2 million Figure 1 shows the increase in EHCPs since January 2020 which have increased from 9,268 plans to 11,827 at May 2023 (27.6%). Looking at the increase over the last year EHCPs have increased 7.1% which is slightly above the national average of 7%.



**Special School Top-Up**

Top-up funding for special schools increases **£20.5 million**, whilst places have increased from 3,164 in 2020/21 to 3,697 in 2024/25 (16.8%) as shown in Chart 2.

5.4 Chart 3 shows a breakdown of the provisional High Needs Block for 2024/25.



5.5 The Authority must now reconsider the recommendations made in July in light of the provisional settlement for 2024/25, which is significantly lower than expected. The changes to the July agreement are shown in the second and fourth bullet points.

* Continue to increase place funding for schools in 2023/24 as agreed in July **(£735,000**).
* To apply the same methodology (shown in points 1 to 4 below) to allocate place funding to the allocation of top-up funding for 2023/24 (**£1.2 million)**
1. Schools with less than 210 pupil whose balance is 8% or lower or up to £60,000, whichever is the greater, receive a 5% increase to top-up funding.
2. Schools with more than 210 pupils who have a balance of 8% or lower (5% or lower for secondary schools) receive a 5% increase to top-up funding.
3. Schools with balances above 8% (5% secondary) but below 20% receive a 2.5% increase to top-up funding.
4. Schools with balances above 20% receive no increase to top-up funding.
* Invest in early intervention starting with an additional **£1 million** for Outreach in 2023/24.
* To re-allocate the funding from the original top-up funding proposal to early intervention (**£1.9 million**). Proposals to be determined.

5.6 For 2024/25 the Authority needs to operate within the funding available. It is therefore proposed to invest only in early intervention in 2024/25 to help make the high needs block sustainable in future years. All expenditure will be evaluated for effectiveness and if it is not having the desired impact, it will be ceased.

* Outreach **£2 million**
* Inclusion Fund **£1 million**
* Training **£500,000**
* Education Access Turnaround **£500,000**

5.7 Schools can work with their Inclusion Partner (and SEP/EP) to submit a proposal for one-off funding to the Inclusion Framework Panel for inclusion projects which are specific to their cohorts of children and young people. Proposals must focus on the pillars of inclusion (wellbeing, relationships, attending, participating, achieving and moving-on) and must demonstrate sustainability, inclusive culture and ethos, ability to reduce escalation or future demand and appropriate use of public funds. Small projects will be considered under £5,000, medium projects under £20,000 and large projects £20,000+. Schools are encouraged to work together to design projects which will impact across their Trust and/or school partnership. Guidance on the panel process and considerations can be found here: <https://essexcc.pagetiger.com/dcneqoo/1>

5.8 An information paper will be brought to the High Needs Review Group and Schools Forum a little later in the term setting out more detail on what the Outreach funding will do and how we will measure the impact.

5.9 Table 10 shows the financial impact of the proposals. It is important the Authority diverts funding towards early intervention as expenditure needs to match income. The revised proposals still result in a deficit in 2026/27 but reduces the cumulative forecast deficit to **£52.9 million**. The Authority has taken a prudent approach to forecasting the impact of the early intervention proposals, which if successful will impact upon **£65 million** expenditure within the High Needs Block



5.10 The Chancellor has announced the Autumn Statement will occur on 22 November 2023. Should there be any further increases in funding we will consider further proposals depending on the level of any additional funding. However, it must be noted that the RAAC issue in schools may result in no additional funding for 2024/25.

5.11 Table 11 shows how the final allocation has increased from the provisional allocation since 2019/20. Options will be considered for 2025/26 when the provisional funding settlement is announced in July 2024.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Provisional£’000 | Final£’000 | Change£’000 | Change% |
| 2019/20 | 137,576 | 140,932 | 3,356 | 2.44 |
| 2020/21 | 160,515 | 162,043 | 1,528 | 0.95 |
| 2021/22 | 179,961 | 180,965 | 1,004 | 0.56 |
| 2022/23 | 195,846 | 202,853 | 7,007 | 3.58 |
| 2023/24 | 215,717 | 226,719 | 11,002 | 5.10 |
| 2024/25 | 238,529 | ? | ? | ? |

5.12 It is clear the Authority must take control of expenditure in line with the funding uplift, to ensure it has a spending plan that is sustainable in accordance with the funding. At the moment it can be seen there is a 4% differential between expenditure and income and this is the driver of the forecast deficit. The proposed expenditure for 2024/25 is around early intervention to reduce demand on the high needs block. The Authority can only allocate funding on an annual basis given the continued one year settlements.

5.13 Although the financial outlook for the high needs block is a material pressure, the Authority is proposing pressing ahead early intervention initiatives to reduce expenditure going forward with the expectation to bring the High Needs Block into an ongoing sustainable position. If no action is taken, expenditure is likely to increase at a faster rate as shown in Table 12.



5.14 DSG deficits are currently held in a separate reserve not on the Authority’s balance sheet, however the Department for Levelling Up, Housing and Communities (DLUHC) has indicated this position will change from 2026/27 and that DSG deficit reserves will need to be managed across each local authority’s reserve balances. Approval of any deficit spending plan will require the sign off by the authority’s s151Officer, which will require a recovery plan to bring it back to surplus using all options available, one of which will be a transfer request from the Schools Block. The s151 Officer has approved the proposals presented today.

5.15 Should the high needs block go into deficit there are two schemes currently being run by the DfE, the Safety Valve and Delivering Better Value in SEND. Both schemes are direct intervention by the DfE and will require local authorities to make significant cuts to their SEND provision.

5.16 There are thirty-four local authorities with Safety Valve agreements. Whilst local authorities within the Safety Valve programme receive funding, the deficit is not paid off and they are required to make significant cuts. For example, Surrey is forecast to have a deficit of £217.3m at the end of 2024/25. The DfE has agreed to fund £100m so to get back to a balanced position, Surrey needs to implement changes to save £117m, A condition of the DfE funding is an annual 1% transfer from the Schools Block. For Essex this would equate to a transfer of **£11.6 million**.

5.17 There are fifty-five local authorities in the Delivering Better Value in SEND scheme, which aims to support local authorities to improve delivery of SEND services for children and young people while ensuring services are sustainable.

5.18 The High Needs Review Group has considered the proposals put forward by the Authority and recommends that Schools Forum approve the revised proposals.

**6. Other Resource Implications**

**7. Consultation with stakeholders**

**8. Background / Supporting papers.**

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 3** |
| Date: 27 September 2023 |  |

**REPORT TITLE: SCHOOL FUNDING 2024/25**

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 provisional School Funding Settlement for 2024/25.

**2. Recommendations**

2.1 To note the provisional funding settlement for 2024/25.

2.2 To accept the recommendation of the Finance Review Group (FRG) to approve the recommended changes (at 7.1 and 7.2)

2.3 To accept the recommendation of the FRG to approve the school funding consultation document (at Annex B).

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

3.1 Table 1 shows the relevant responsibilities in relation to formula change which is taken from the Education and Skills Funding Agency’s **Schools forum powers and responsibilities** published in September 2018.

|  |  |  |
| --- | --- | --- |
| Local Authority | Schools Forum | DfE |
| Proposes | Must be consulted. Voting is restricted to School members plus the Early Years PVI member. | Checks for compliance with regulations. |

###### 4. Background

4.1 The Secretary of State announced the provisional funding settlement for 2024/25 on 17th July 2023. Table 2 shows the core School budget since 2021/22.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2021/22£bn | 2022/23£bn | 2023/24£bn | 2024/25£bn |
| Spending Review 2021 | 49.8 | 53.8 | 55.3 | 56.8 |
| Autumn Statement 2022 |  |  | 2.4 | 2.4 |
| Provisional Settlement |  |  |  | 0.3 |
| Total Funding | **49.8** | **53.8** | **57.7** | **59.5** |
| Year-on Year Increase |  | 4.0 | 3.9 | 1.8 |

4.2 It can be seen that the increase for 2024/25 is significantly lower than previous years and does not follow the announcement in the Autumn Statement in 2022 ‘*The core schools budget in England will receive* ***£2.3 billion*** *of additional funding in each of 2023-24 and 2024-25*’.The **£1.8 billion** increase is the **£1.5 billion** announced in the 2021 Spending Review plus an additional **£300 million**.

 **Schools Block**

4.3 At a national level the Schools Block has increased by 2.75%. Table 3 shows the provisional allocation for Essex.

|  |  |
| --- | --- |
|  | £m |
| Schools Block 2023/24 | 1,090.6 |
| Mainstream Schools Additional Grant 2023/24 | 37.1 |
| 2023/24 Baseline | 1,127.7 |
| Provisional Schools Block 2024/25 | **1,159.4[[1]](#footnote-2)** |
| Provisional Increase | 31.7 |
| % Increase | 2.83% |

4.4 Table 4 shows how the mainstream additional grant has been baselined into DSG.

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2023/24£ | MSAG£ | Rebased 2023/24£ |
| Basic EntitlementPrimaryKS3KS4 | 3,3944,7855,393 | 119168190 | 3,5134,9535,583 |
| Primary FSM6 | 705 | 104 | 809 |
| Secondary FSM6 | 1,030 | 152 | 1,182 |
| Lump Sum | 128,000 | 4,510 | 132,510 |

4.5 Schools will receive additional funding for the agreed teachers’ pay rise through the Teachers’ Pay Additional Grant which is estimated at **£19.1million** for 2024/25.

4.6 Table 4 shows the unit values of each formula factor in the Schools NFF for 2024/25.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2023/24£ | 2024/25£ | Increase£ | Increase% |
| Basic Entitlement:PrimaryKS3KS4 | 3,513.004,953.005,583.00 | 3,597.005,072.005,717.00 | 84.00119.00134.00 | 2.42.42.4 |
| FSM:PrimarySecondary | 480.00480.00 | 490.00490.00 | 10.0010.00 | 2.12.1 |
| FSM6:PrimarySecondary | 809.001,182.00 | 830.001,210.00 | 21.0028.00 | 2.62.4 |
| IDACI:Primary Band FPrimary Band EPrimary Band DPrimary Band CPrimary Band BPrimary Band ASecondary Band FSecondary Band ESecondary Band DSecondary Band CSecondary Band BSecondary Band A | 230.00280.00440.00480.00510.00670.00335.00445.00620.00680.00730.00930.00 | 235.00285.00450.00490.00520.00685.00345.00455.00635.00695.00750.00950.00 | 5.005.0010.0010.0010.0015.0010.0010.0015.0015.0020.0020.00 | 2.21.82.32.12.02.23.02.22.42.22.72.2 |
| Low Prior Attainment:PrimarySecondary | 1,155.001,750.00 | 1,185.001,790.00 | 30.0040.00 | 2.62.3 |
| EAL:PrimarySecondary | 580.001,565.00 | 595.001,605.00 | 15.0040.00 | 2.62.6 |
| Mobility:PrimarySecondary | 945.001,360.00 | 970.001,395.00 | 25.0035.00 | 2.62.6 |
| Lump Sum | 132,510 | 135,700 | 3,190.00 | 2.4 |
| Sparsity:[[2]](#footnote-3)PrimarySecondary | 56,30081,900 | 57,70083,900 | 1,4002,000 | 2.52.4 |
| Split Sites:Basic EligibilityDistance Eligibility | 00 | 54,30027,100 | 54,30027,100 |  |

**High Needs Block**

4.7 At a national level the High Needs Block increases by **£440 million** to **£10.5 billion**. Every local authority will receive at least a 3% increase per head of their 2-18 population. The maximum increase is 5% and any authority due to gain more than 5% will be capped.

4.8 Table 5 shows Essex’s provisional allocation.

|  |  |
| --- | --- |
|  | £m |
| High Needs Block 2023/24 | 226.7 |
| Provisional High Needs Block 2024/25 | **238.5** |
| Provisional Increase | 11.8 |
| % Increase | 5.2% |

4.9 The High Needs NFF allocates Essex **£239.3 million** but due to capping there is a **£773,000** reduction.

**Central School Services Block**

4.10 At a national level funding for the ongoing responsibilities element of CSSB funding increases from **£294 million** in 2023/24 to **£304 million** in 2025/26.

4.11 Historic commitments continue to reduce by 20%. Essex will request that the historic commitments allocation is protected at **£3.8 million** for the final time for 2024/25.

4.12 Table 6 shows Essex’s provisional allocation

|  |  |
| --- | --- |
|  | £m |
| Central School Services Block 2023/24 | 11.4 |
| Provisional Central School Services Block 2024/25 | **11.5[[3]](#footnote-4)** |
| Provisional Increase | 0.1 |
| % Increase | 1.1% |

**Early Years Block**

4.13 The provisional Early Years Block settlement is not announced until December. There will be an additional **£288 million** increase for existing provision plus additional funding for the increased 2 year old offer from April 2024 and the new offer from 9 months old from September 2024.

**5. Changes for 2024/25**

5.1 The introduction of a new formulaic approach to allocating split sites funding.

5.2 The introduction of a methodology for calculating and allocating funding for falling rolls.

5.3 Local authorities must move their local formula factor values at least a further 10% closer to NFF, except where local formulae are already mirroring the NFF.

5.4 Local authorities must follow the new local formula requirements for growth funding, whereby additional classes must be funded by at least the minimum funding level set out in the funding calculation.

5.5 Local authorities can only provide falling rolls funding to schools where the school capacity survey (SCAP) 2022 data shows that school places will be required in the subsequent 3 to 5 years. The requirement that schools must be judged ‘good’ or ‘outstanding’ by Ofsted is removed.

5.6 The minimum funding guarantee (MFG) must be set between 0.0% and 0.5% per pupil.

5.7 Local authorities that used the London weighting multiplier of 1.0156, which includes Essex, must move 10% closer to the ratio of the London fringe and non-London fringe zones, which for Essex is 1.0345.

**6. Mirroring NFF**

6.1 A local authority is classified as mirroring NFF if their local factor values are within 2.5% of the respective NFF value.

6.2 Essex mirrors NFF in all factors other than Basic Entitlement. This is due to Essex having a higher primary / secondary funding differential and a higher KS3 / KS4 weighting than NFF. As the provisional settlement is less of an increase compared to previous years the Authority does not propose any changes to either the funding differential or the KS3 and KS4 weightings.

**7. Proposed Changes to the Essex Funding Formula 2024/25**

7.1 To fund schools using the Essex non-fringe area cost adjustment uplift for 2024/25 to ensure all schools receive funding based on the geographic cost pressures.

7.2 To increase the London Fringe allowance from 1.0156 to 1.0251 which is halfway between 1.0156 and 1.0345.

7.3 Table 7 shows the rates that will be funded in 2024/25 (highlighted) yellow along with the minimum and maximum allowed funding rates for primary schools based on the proposed changes in 7.1 and 7.2. The Basic Entitlement figure is provisional and will be based on the October 2023 Census.



7.4 Table 8 shows the rates that will be funded in 2024/25 (highlighted) yellow along with the minimum and maximum allowed funding rates for secondary schools based on the proposed changes in 7.1 and 7.2. The Basic Entitlement figure is provisional and will be based on the October 2023 Census.



7.5 Annex A shows the provisional financial impact on schools of the proposed changes.

7.6 FRG has considered the proposals put forward by the Authority and reviewed the consultation document and recommends that Schools Forum approves the proposed changes and the consultation document.

**8. Consultation with stakeholders**

8.1 Changes to the Essex Formula for Funding Schools requires consultation with all primary and secondary schools.

**9. Background / Supporting papers.**

9.1 The provisional settlement including technical notes can be found using the following link: [National funding formula tables for schools and high needs: 2024 to 2025 - GOV.UK (www.gov.uk)](https://www.gov.uk/government/publications/national-funding-formula-tables-for-schools-and-high-needs-2024-to-2025?utm_medium=email&utm_campaign=govuk-notifications-topic&utm_source=cd70bfec-7412-4d5f-b5aa-779fd46aa4a9&utm_content=immediately)

9.2 Annex A – Finance Model

9.3 Annex B – Draft Consultation Document

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 3** |
| Date: 27 September 2023 |  |

Annex A

Separate attachment.

The financial model shows for each school their indicative allocations for 2024/25 based on the proposals in this consultation.

The indicative allocation is based on the October 2022 Census and the provisional Schools Block allocation for 2024/25.

The Finance Model shows for each school the following:

* 2023/24 budget allocation
* 2023/24 Mainstream Schools Additional Grant (MSAG) allocation
* Total funding received in 2023/24 from the school’s budget allocation plus MSAG allocation.
* Indicative 2024/25 allocation based on the proposed changes using October 2022 pupil data and the provisional funding for 2024/25.
* A comparison between the provisional 2024/25 allocation and the total funding received in 2023/24.

The final 2024/25 allocations will be dependent on pupil numbers and pupil characteristics from the October 2023 Census and any significant change in data could result in a decrease in funding. The final DSG settlement will be announced before Christmas and the final budget will be presented to Schools Forum in January 2024.

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 3** |
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Annex B

**Overview**

The consultation concerns proposed changes to the Essex Formula for Financing Schools (the Essex local formula) for the financial / academic year 2024/25.

The consultation is for all primary and secondary schools, both maintained and academies. The Essex local formula 2024/25 will calculate budget allocations for maintained schools between April 2024 and March 2025 and academies between September 2024 and August 2025.

Each individual schools’ allocation under the current formula and proposed changes is included in Annex A. Schools should note that the allocations are provisional. The final allocation will be based on October 2023 Census.

**Why We Are Consulting**

We are seeking views on two changes to the Essex local formula required in preparation for the proposed implementation of the Direct National Funding Formula by 2027/28 at the latest.

**Introduction**

Table 1 shows how the core Schools Budget has increased since 2021/22.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2021/22£bn | 2022/23£bn | 2023/24£bn | 2024/25£bn |
| Spending Review 2021 | 49.8 | 53.8 | 55.3 | 56.8 |
| Autumn Statement 2022 |  |  | 2.4 | 2.4 |
| Provisional Settlement |  |  |  | 0.3 |
| Total Funding | **49.8** | **53.8** | **57.7** | **59.5** |
| Year-on Year Increase |  | 4.0 | 3.9 | 1.8 |

The Schools Budget covers the Schools Block, High Needs Block, Early Years Block and Central School Services Block.

The DfE has announced that the minimum per pupil level increases to £4,655 for primary schools in 2023/24, to £6,050 for secondary schools, £5,824 for KS3 only schools and £6,389 for KS4 only schools.

It is proposed that the minimum funding guarantee will remain at 0.5%.

The funding schools received for the Mainstream Schools Additional Grant in 2023/24 is included in the Schools Block for 2024/25 and each school’s allocation will be protected through the minimum funding guarantee.

The indicative Schools Block allocation for Essex is £1.16bn, an increase of £31.7m. The indicative delegation to schools is £1.15bn. The reason that delegation is lower than the Schools Block allocation reflects the need to retain funding for the Growth Fund, which funds new and expanding schools.

Essex County Council is consulting on the changes it is proposing to make to the Essex Formula for Funding Schools (Essex local formula) for 2024/25.

**About the Proposed Changes**

The Department for Education has confirmed that it plans to implement a ‘direct’ national funding formula by 2027/28 at the latest, whereby schools will receive what they attract through the national funding formula, rather than through the Essex local formula.

To ensure every local authority is moving towards the NFF, each local authority has been set a minimum and maximum funding range for each factor for 2024/25 depending on how far away they are from NFF.

The first change is required to meet the minimum and maximum range allowed for London weighting and concerns **all schools currently in receipt of London weighting.**

The second change concerns the actual value of each formula factor for **all schools**.

**What Will Change**

London Weighting

To reflect the additional costs of schools in the London fringe area, London weighting is applied to all pupil-led factors, the lump sum, sparsity and the splits site factor.

In 2023/24, local authorities could choose between 2 different values for the London weighting multiplier, either 1.0156 or the ratio of the area cost adjustment of the London fringe and non-London fringe zones, which for Essex is 1.0345.

In 2023/24 Essex used 1.0156 as the multiplier for London fringe so must move the weighting to a minimum of 1.0173 in 2024/25.

The Authority is proposing to move the weighting over 2 years, which is the same approach adopted when moving to NFF. Therefore it is proposed to use a multiplier of 1.0251 in 2024/25 and to use the value set by the DfE for 2025/26.

Essex Local Formula Funding Values

In calculating individual school budget allocations within the NFF, the DfE increases each school’s allocation by the local area cost adjustment to reflect local market conditions affecting each school. To ensure all Essex schools receive this adjustment the Authority will multiply each NFF formula value by the DfE non-fringe area cost adjustment for Essex. For example, the NFF value for FSM is £490 in 2024/25. The Authority will apply the Essex non-fringe multiplier of 1.00368 and fund FSM at £491.80 in 2024/25.

Schools within the London Fringe area will continue to receive an additional allocation for London weighting.

**Consultation Questions**

Question 1 – Do primary and secondary schools agree that the multiplier for London weighting should increase to 1.0251 in 2024/25 and to the actual value set by the DfE for 2025/26?

Question 2 – Do primary and secondary schools agree that the Essex local formula should fund schools on the NFF funding values increased by the non-fringe area cost adjustment for 2024/25?

**Financial Model**

The financial model shows for each school their indicative allocations for 2024/25 based on the proposals in this consultation.

The indicative allocation is based on the October 2022 Census and the provisional Schools Block allocation for 2024/25.

The Finance Model shows for each school the following:

* 2023/24 budget allocation
* 2023/24 Mainstream Schools Additional Grant (MSAG) allocation
* Total funding received in 2023/24 from the school’s budget allocation plus MSAG allocation.
* Indicative 2024/25 allocation based on the proposed changes using October 2022 pupil data and the provisional funding for 2024/25.
* A comparison between the provisional 2024/25 allocation and the total funding received in 2023/24.

The final 2024/25 allocations will be dependent on pupil numbers and pupil characteristics from the October 2023 Census and any significant change in data could result in a decrease in funding. The final DSG settlement will be announced before Christmas and the final budget will be presented to Schools Forum in January 2024.

**Who is this consultation for:**

This consultation welcomes views from maintained schools and academies. The consultation is relevant to headteachers, finance staff and governors. Please note that only **one consultation response is allowed from each schoo**l.

**Responding to this consultation**

The consultation is online at <https://consultations.essex.gov.uk/>

**Enquiries**

For all enquiries, please contact yannick.stupples-whyley@essex.gov.uk or by telephone 033 3013 8464.

**Deadline**

The consultation closes at 11.59pm on Friday 3rd November 2023.

**The Response**

We will publish the response to Schools Forum on 29th November 2023.

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 4** |
| Date: 27 September 2023 |  |

**REPORT TITLE: DE-DELEGATION and EDUCATION FUNCTIONS 2024/25**

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 present Schools Forum with the Authority’s proposal for de-delegation and education functions for 2024/25.

**2. Recommendations**

2.1 That primary maintained members agree the recommendation of the Finance Review Group (FRG) to approve the proposal for de-delegation for public duties at 4.4;

2.2 That the secondary maintained member agrees the recommendation of FRG to approve the proposal for de-delegation for public duties at 4.5;

2.3 That all School members agree the recommendation of FRG to top-slice **£1.3m** for premature retirement costs at 4.7;

2.4 That all members agree the recommendations of FRG to approve the proposals for education functions funded by the ongoing responsibilities element of the Central School Services Block at 5.3; and

2.5 That all maintained members agree the recommendation of FRG to approve the proposals for education functions to be funded by maintained schools at 5.4.

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

3.1 Table 1 shows the relevant responsibilities in relation to de-delegation and education functions, which are taken from the Education and Skills Funding Agency’s **Schools forum powers and responsibilities** published in September 2018.

|  |  |  |  |
| --- | --- | --- | --- |
| Function | Local Authority | Schools Forum | DfE |
| De-delegation | Proposes | Decided by the relevant maintained school members (primary and secondary) | Adjudicates where Schools Forum does not agree local authority proposal. |
| Contribution to responsibilities local authorities have for all schools | Proposes | Decides | Adjudicates where Schools Forum does not agree local authority proposal. |
| Contribution to responsibilities that local authorities hold for maintained schools | Proposes | Decided by the relevant maintained school members (primary, secondary, special and PRU) | Adjudicates where Schools Forum does not agree local authority proposal. |

###### 4. Background

4.1 The School Funding Reforms of 2013/14 required local authorities to delegate funding to schools for the following services:

* Contingencies
* Behaviour Support Services
* School meals Eligibility
* Support for ethnic minority pupils/underachieving groups
* Insurance
* Museum and Library services
* Licences and Subscriptions
* Staff costs supply cover.
* School Improvement

4.2 Maintained members of Schools Forum can decide on behalf of all maintained schools to de-delegate funding for the Authority to provide services to all maintained schools.

4.3 Funding cannot be de-delegated from academies however they can choose to procure these services from the Authority or an alternative provider.

4.4 Table 2 shows the Authority’s proposals for de-delegation for maintained primary schools for 2024/25 for Public Duties and shows a comparison with previous years.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Primary | 2021/22Per Pupil£ | 2022/23Per Pupil£ | 2023/24Per Pupil£ | 2024/25 ProvisionalPer Pupil£ | 2024/25ProvisionalBudget£ |
| Basic Entitlement | 3,153.82 | 3,158.10 | 3,385.51 | 3,613.01 |  |
| Public Duties (1) | 1.00 | 1.00 | 1.00 | 1.00 | 53,669 |
| Total De-delegation | **1.00** | **1.00** | **1.00** | **1.00** | **53,669** |

1. The de-delegation requested for Public Duties enables schools to receive funding for employees who undertake union duties, employees who undertake magistrate duties and for employees who attend jury service. It also enables schools to receive support from the trade unions.

4.5 Table 3 shows the Authority’s proposals for de-delegation for maintained secondary schools for Public Duties for 2024/25 and shows a comparison with previous years.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Secondary | 2021/22Per Pupil£ | 2022/23Per Pupil£ | 2023/24Per Pupil£ | 2024/25 ProvisionalPer Pupil£ | 2024/25ProvisionalBudget£ |
| Basic EntitlementKS3KS4 | 4,492.195,470.82 | 4,427.255,391.64 | 4,683.475,573.32 | 5,007.265,858.49 |  |
| Public Duties (1) | 1.00 | 1.00 | 1.00 | 1.00 | 4,261 |
| Total De-delegation | **1.00** | **1.00** | **1.00** | **1.00** | **4,261** |

1. The de-delegation requested for Public Duties enables schools to receive funding for employees who undertake union duties, employees who undertake magistrate duties and for employees who attend jury service. It also enables schools to receive support from the trade unions.

 **Premature Retirement Costs**

4.6 In October 2021 Schools Forum approved to top-slice funding from the Schools Block, High Needs Block and Early Years Block to fund **£1,271,793** for premature retirement costs relating to former school employees.

4.7 Table 4 shows the funding top-sliced in 2023/24 and the request for 2024/25.

|  |  |  |  |
| --- | --- | --- | --- |
| Phase | 2023/24£ | 2024/25£ | Difference£ |
| Nursery | 22,023 | 22,023 | 0 |
| Primary – Maintained | 160,185 | 160,185 | 0 |
| Primary – Academy | 238,214 | 238,214 | 0 |
| Secondary – Maintained | 131,288 | 131,288 | 0 |
| Secondary – Academy | 680,974 | 680,974 | 0 |
| Special – Maintained | 17,948 | 17,948 | 0 |
| Special – Academy | 19,509 | 19,509 | 0 |
| Total | **1,270,142** | **1,270,142** | **0** |

4.8 The request for 2024/25 remains at **£1,270,142** as to date there is no forecast underspend in 2023/24. Should an underspend materialise before the end of the Autumn Term the Authority will reduce the top-slice.

**5. Central Services – Education Functions**

5.1 The responsibilities of services provided by the local authority are split between:

* those that are for all schools, which are funded through the Central Schools Services Block, with the agreement of Schools Forum; and
* those that relate to maintained schools only, which are charged on a per pupil basis, with agreement of the maintained school members of Schools Forum.

 Central Services for all Schools

5.2 Following the termination of the Education Services Grant (ESG), the DfE transferred **£3.1m** directly into the Central School Services Block (CSSB) to fund the statutory responsibilities that the authority has for all schools. The Authority has maintained the amount at **£3.1m** since 2017/18, thus containing inflation of **£832,000** (27%). This amount is insufficient to fund the total cost of statutory services for all schools (**£3.4** **million**), which the Authority has funded through making savings across Education to avoid passing the increase onto schools.

5.3 Table 5 shows the Authority’s proposals for 2024/25.

|  |  |  |
| --- | --- | --- |
| Central Services for all schools | 2023/24 | 2024/25 |
|  | **£’000** | **£’000** |
| Statutory & Regulatory services: |   |   |
|   |   |   |
| Education Welfare | 1,170 | 1,566 |
| - School attendance |   |  |
| - Employment of children |   |  |
| - Children missing education and elective home education |   |  |
|   |   |  |
| Statutory Regulatory Duties - | 1,577 | 1,155 |
| - Director Education |   |  |
| - Senior Education Management Team |   |  |
| - Planning for education service as a whole |   |  |
| - Revenue budget preparation / external audit |   |  |
|   |   |  |
| Asset Management | 333 | 359 |
| - Management of the LA's capital programme  |   |   |
| - Preparation and review of the asset management plan |   |   |
| - Negotiation and management of private finance transactions |   |   |
|   |  |  |
| Total | **3,080** | **3,080** |

Central Services for Maintained Schools

5.4 Following the cessation of the Education Services Grant, the DfE changed the funding regulations to allow local authorities to request that the central services for maintained schools are funded by maintained schools. Table 6 shows the Authority’s proposal for central services for maintained schools.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Central Services for maintained schools | 2023/24 | 2023/24 | 2024/25 | 2024/25 |
|  | **Cost of service** | **Per Pupil** | **Cost of service** | **Per Pupil** |
| Asset Management | 268 | 4.48 | 268 | 4.53 |
| - General landlord duties including: |  |  |  |  |
| i) appropriate facilities for pupils / staff |  |  |  |  |
| ii) ability to sustain appropriate loads |  |  |  |  |
| iii) reasonable weather resistance |  |  |  |  |
| iv) safe escape routes |  |  |  |  |
| vi) adequate water supplies and drainage |  |  |  |  |
| vii) playing fields of appropriate standards |  |  |  |  |
| - General health and safety  |  |  |  |  |
| - Management of the risk of asbestos in community schools |  |  |  |  |
|   |  |  |  |  |
| Statutory & regulatory Duties | 2,168 | 36.28 | 2,168 | 36.65 |
| - maintaining computer systems |  |  |  |  |
| - data storage |  |  |  |  |
| - Budgeting and accounting functions |  |  |  |  |
| - planning sufficient school places |  |  |  |  |
| - compliance with Health & Safety regs |  |  |  |  |
| - pupil access to education |  |  |  |  |
|  |  |  |  |  |
| School Improvement |  |  |  |  |
| - core school improvement function | 438 | 7.34 | 438 | 7.41 |
| Total Education Functions | **2,874** | **48.10** | **2,874** | **48.59** |

5.5 The Authority is maintaining the overall charge at **£2.9 million** but due to academy conversions in 2023/24 the per pupil charge increases by **£0.49** (1%). This is less than the expected inflation of 3.5% for 2024/25. The total cost of central services for maintained schools is **£3.4 million**, so in maintaining the overall charge at **£2.9 million** the full cost is not being passed to schools.

5.6 There is an income risk to the authority that future academisation will impact economies of scale and could cause a pressure on Education Non-DSG budgets. The authority currently has 229 maintained schools (41.2%).

5.8 Table 6 below shows how the provisional **£1.15 billion** allocation is distributed based on the proposed changes to school funding for 2024/25.

**6. Financial Implications**

6.1 The financial implications are embedded in the report.

**Table 6 – Allocation of Provisional Funding 2024/25**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|   | Primary 2023/24 | Primary 2024/25 | PrimaryDifference | Secondary 2023/24 | Secondary 2024/25 | Secondary Difference |
| Deprivation - FSM | 10,658,099 | 11,549,318 | 891,219 | 6,429,631 | 7,409,607 | 979,976 |
| Deprivation - FSM6 | 17,497,606 | 21,138,685 | 3,641,079 | 18,416,442 | 22,468,573 | 4,052,131 |
| Deprivation - IDACI | 14,235,934 | 14,507,309 | 271,375 | 14,265,991 | 14,895,337 | 629,346 |
| Prior Attainment | 34,484,654 | 37,262,148 | 2,777,494 | 29,666,421 | 31,164,912 | 1,498,491 |
| Mobility | 1,005,175 | 1,126,701 | 121,526 | 51,519 | 59,982 | 8,463 |
| EAL | 3,702,371 | 4,401,041 | 698,670 | 1,234,953 | 1,707,907 | 472,954 |
| Lump Sum | 57,676,026 | 60,608,724 | 2,932,698 | 10,404,806 | 11,032,150 | 627,344 |
| Sparsity | 1,905,964 | 1,937,443 | 31,479 | 35,180 | 36,912 | 1,732 |
| Split Site | 221,260 | 192,781 | -28,479 | 700,741 | 299,598 | 401,143 |
| Rates | 5,435,141 | 5,400,390 | -34,751 | 2,620,483 | 2,620,513 | 30 |
| PFI | 0 | 0 | 0 | 3,498,961 | 4,134,714 | 635,753 |
| Exceptional Premises | 2,912,640 | 2,912,640 | 0 | 101,250 | 60,000 | (41,250) |
| Exceptional Premises – Lump Sum | 0 | 190,679 | 190,679 | 0 | 0 | 0 |
| London Weighting | 2,966,218 | 5,110,922 | 2,144,704 | 2,643,681 | 4,574,911 | 1,931,230 |
| Minimum per Pupil | 8,121,390 | 6,672,441 | -1,448,949 | 1,502,186 | 1,566,663 | 64,477 |
| MFG | 139,343 | 7,721 | -131,622 | 20,981 | 0 | (20,981) |
| Basic Entitlement | 403,272,066 | 431,240,744 | 27,968,678 | 412,624,835 | 444,485,005 | 31,660,170 |
| Total | **564,233,885** | **604,259,687** | **40,025,800** | **504,218,061** | **546,516,782** | **42,298,721** |

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| Schools Forum | **Agenda Item 5** |
| Date: 27 September 2023 |  |

Any Other Business and Feedback from Associations and Other Forum Members

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 5a** |
| Date: 27 September 2023 |  |

**High Needs Review Group Draft Minutes of 13th September 2023**

**Microsoft Teams**

**09:00 – 09:59**

*(subject to approval)*

In Attendance

|  |  |  |
| --- | --- | --- |
| Jeff Fair (JF) – Chair | Ruth Bird (RB) | Rod Lane (RL) |
| Sue Bardetti (SB) | Ruth Sturdy (RS) | John Hunter (JH) |
| Jo Barak (JB) | Harriet Phelps-Knights (HP-K) | Scott Bowak (SBk) |
| C Herman (CH) | Philomena Cozens (PC) | Luke Bulpett (LB) |
| Local Authority: |  |  |
| Ralph Holloway (RH) | Yannick Stupples-Whyley (YSW) | Gareth Rott (GR) |
| Candice Thompson (CT) |  |  |

|  |  |
| --- | --- |
| **1** | **Apologies for Absence and substitute notices**Jeff Fair chaired the meeting and welcomed everyone. Apologies have been received from: Pam Langmead, Simon Wall and Emily Welton. |
| **2** | **High Needs Review Group – Terms of Reference (Yannick Stupples-Whyley)**YSW introduced the report proposing terms of reference (ToR) for the High Needs Review Group (HNRG).YSW stated the proposed ToR are based on the Forum version.**Questions**No questions were raised.JF stated that the HNRG needed a vice-chair appointed or elected in the group but suggested to leave it to the next meeting, so that people can think about their willingness to take that role on.JF asked colleagues to state their vote in the chat.The terms of reference were approved. |
| **3.** | **Provisional High Needs Block Settlement 2024/25**RH and YSW introduced the report, setting out the provisional settlement and the financial impact upon the proposals agreed at July’s Forum meeting.**Questions**JB asked if the investment for turnaround is just one year or the next few years. RH responded it is just for one year and then if it has no impact, it will be stopped.JB spoke about the Outreach investment and raised the issue of recruitment. RH stated that the funding would be ring-fenced and could be spread over a longer time period.JB raised that recruitment is more difficult if the funding is only for a short-term period.PC added that it will take longer to make an impact on the Independent Schools spend.RH added that the DfE could help by actually building the schools to which they have committed.PC added we need some sort of audit so that we're looking at which children go because if we want to make a difference to that cohort of young people, it's not the same as early intervention necessarily and it might be a slightly different project, which would maybe give quite high returns if we were able to intervene an early stage.RH responded that the table shows £1.9m for early intervention and the Authority will explore with special schools and PRUs how we can invest in our provisions to prevent escalation in Independent Schools spend.JB asked is the £500 top-up just for one year. RH confirmed that is correct.RB asked when are we going to see the plans for Outreach. RH stated there is still a plan for secondary but ESSET are still to produce the plan for primary.JB asked when will the money for outreach be received. RH responded it is unlikely anything will be in place until January, so it will be from the beginning of the spring term. If it is quicker then it will be allocated when needed.RB added it is hard to recruit without confirmation of funding. PC stated there are already people that could start immediately.JB asked for clarification why the proposals have to go back to Forum. JF responded it is a completely different set of plans to what was agreed in the summer.RS recalled discussion at Forum about investigating school balances and what the plan was before any decisions are made about extra funding. YSW clarified the plan to review school balances is separate to this.JF reminded HNRG of the two recommendations and asked members to vote in the chat.HNRG approved:To recommend to Schools Forum, following the provisional settlement, to revise the funding decisions taken in July to £4.8m for 2023/24 at 5.5 and £4m for 2024/25 at 5.6 andTo create a working group to specifically focus on the use of Independent Schools  |
| **4.** | **Approach to Funding EHCPs (Ralph Holloway)**RH presented an update on two case studies that were circulated ahead of the meeting. Schools are challenging the Authority that it is acting illegally in the way the banding system is managed.RH stated the DfE has previously stated our interpretation is correct and it fits in the ESFA funding guide.CT explained the funding guidance and the code of practice slightly differ and it is the funding guide that states local authorities do not have to pay a value requested by a school.RH added a sticking point is the question about whether one to one is required for all pupils.PC stated that as the Schools Forum has come to an umbrella decision for the whole authority the HRNG has no choice but to support the Authority.JH asked if the school had any balances. RH confirmed it has sufficient balances.JF summarised the issue and recommended RH talk to EPHA and ASHE and that everyone needs to get onboard. JF also recommended going back to the DfE to get them to confirm their current position on this.JF asked YSW was there anything else that could be done. YSW recommended getting Schools Forum onboard. |
| **5.** | **Any Other Business (Jeff Fair)**YSW thanked members who had responded to the change of date for the November meeting e-mail and asked those who had not responded to let him know of their availability for the two proposed dates. |
| **6.** | **Closing Comments (Jeff Fair)**JF thanked members for their time. |

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| Schools Forum | **Agenda Item 5b** |
| Date: 27 September 2023 |  |

**Finance Review Group Draft Minutes of 13th September 2023**

**Microsoft Teams**

**11:00 – 12:08**

*(subject to approval)*

In Attendance

|  |  |  |
| --- | --- | --- |
| Jeff Fair (JF) – Chair | Ruth Bird (RB) | Rod Lane (RL) |
| John Hunter (JH) | Harriet Phelps-Knights (HP-K) | Nigel Hill (NH) |
| Sean Moriarty (SM) | Sue Bardetti (SB) |  |
| **LA Officers** |  |  |
| Clare Kershaw (CK) | Yannick Stupples-Whyley (YSW) |  |

|  |  |
| --- | --- |
| **1** | **Apologies for Absence and substitute notices**Jeff Fair welcomed everyone back. Apologies have been received from Pam Langmead and Carole Herman. |
| **2** | **Terms of Reference (Yannick Stupples-Whyley)**YSW introduced the report setting out the proposed terms of reference (ToR) for the Finance Review Group.**Questions**JF & SM raised a query on the proposed objectives around the balances review and whether it fits in. SM added some kind of catch all nature would be ideal.YSW responded that an additional objective could be added like to undertake financial reviews as directed by Schools Forum.With no further comments JF asked members to put their votes in the chat.**Recommendations**:To agree the proposed Terms of ReferenceFRG approved the recommendation. |
| **3.** | **School Funding 2024/25 (Yannick Stupples-Whyley)**YSW introduced the report highlighting the provisional funding settlement for 2024/25, the proposed changes to the Essex Formula for Funding Schools and the proposed consultation document.**Questions**RL asked about the funding for the SEND & PRU capital programme in reference to 2024/25 being the last year. Is there any chance we could encourage people to agree to retain it longer.YSW responded we need to wait and see what the DfE do. They could reduce it by 20% on an annual basis or withdraw the funding completely. We will now in July 2024 when the provisional settlement for 2025/26 is known.CK stated it has been discussed and we need to see what happens but it is on the list of things to do.NH referred to the consultation document and asked that it is clear in the first section that allocations are provisional based on the October 2022 Census.YSW responded that it will be added.CK added we have seen an increase in maintained schools applying for loans this financial year and given the increase in school funding is currently below inflation, we need to continue to watch this.JF stated it is going to be a tough time.JF asked for the section on the increase to Essex Local Funding Formula Values to be simplified.YSW responded it was the same wording from the previous consultation but agreed to revise the wording.RB pointed out where a space needed to be added between two words and HP-K highlighted another one.YSW agreed to make the changes.JF asked if there were any other questions and asked members to vote on the recommendations in the chat.**Recommendations**:To agree to recommend that Schools Forum approves the recommended changes (at 7.1 and 7.2) and the school funding consultation document (at Annex B).FRG approved the recommendation. |
| **4.** | **De-delegation and Education Functions 2024/25 (Yannick Stupples-Whyley)**YSW introduced the paper setting out the Authority’s proposals for de-delegation and Education Functions for 2024/25.**Questions**CK sought clarification whether Table 5 should state 2024/25 instead of 2023/24. YSW responded that it should read 2024/25.JF added table 7 should be table 6. YSW agreed to make the change.JF asked CK how realistic is it for the Authority to continue to contain the costs not currently being passed to schools.YSW outlined the financial position of the Authority.CK responded that we will have to keep it under review. ECC is fully aware of the unprecedented demand upon Education services, particularly around statutory SEND, permanent exclusions and elective home education. We are working through all of that and being as creative as we can as all schools are being creative as they can.Without any further questions JF put the recommendations to the group and asked members to express their vote in the chat.**Recommendations**:That FRG recommends that primary maintained members approve the proposal for de-delegation for public duties at 4.4;That FRG recommends that the secondary maintained member approves the proposal for de-delegation for public duties at 4.5;That FRG recommends that all School members agree the proposal to top-slice **£1.3m** for premature retirement costs at 4.7;That FRG recommends that all members agree the proposals for education functions funded by the ongoing responsibilities element of the Central School Services Block at 5.3; andThat FRG recommends that all maintained members agree the proposals for education functions to be funded by maintained schools at 5.4.FRG agreed all recommendations. |
| **5.** | **Provisional High Needs Block Settlement 2024/25 (Yannick Stupples-Whyley)**YSW ran through the report that was presented to the High Needs Review Group (HNRG) earlier, given the financial implications of the provisional settlement for 2024/25.**Questions**CK added further clarification in terms of a wider context in terms of SEND nationally. The Authority had a visit from the regional SEND lead and from the regional NHS lead in August. The Authority with the exception of 20 week data has been selected to be a sector led improvement partner for SEND.JF added one thing talked about at HNRG earlier was the fact that the Authority is investing in the system at a time most local authorities are making cuts.SM thanked CK for the information which helped to add context for someone who is not part of the HNRG. SM added if we do not address the deficit issue we may be forced into a situation where other people in central government who are less able to address SEND, as we are in Essex, taking control and that is not a situation we want.CK responded we do not want to be in the safety valve programme.SB stated she appreciates how this is a growing problem. Schools are feeling hard done by but I can see from my position on Forum, that the local authority is exactly in the same position and we have just got to all realise that and understand it. There just is not the money there and we have just got to get on with it.CK responded we need to think even more creative and how with the investment we can be more creative to just provide the resources, the facilities, the space, the environment, the training, the staff, you know, just to be as creative as we can. There is a lot more to do and I absolutely appreciate how tough it is for schools at the moment. But we have a chance. NH added having been on Forum for five years special needs is always the most complicated, the most difficult and the most discussion required to balance budgets. This is not just about the money and what you are trying to do and how you are trying to manage so that it doesn't affect the wider school population and their budgets is just fantastic and I commend you for all the hard work you've done and to actually be acknowledged by the DfE is somebody of excellence just shows that the hard work is beginning to pay off. If we did not have that, where would we be? I just do not know. So well done. |
| **6.** | **Any Other Business (Jeff Fair)**YSW thanked members who had responded to the change of date for the November meeting e-mail and asked those who had not responded to let him know of their availability for the two proposed dates. |
| **7.** | **Closing Comments (Jeff Fair)**JF thanked members for their time and looked forward to seeing everyone at Schools Forum. |

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| Schools Forum | **Agenda Item 6** |
| Date: 27 September 2023 |  |

**Schools Forum Meeting Minutes of 12th July 2023**

**held via Teams.**

**8.30 – 10.42**

*(subject to forum approval)*

In Attendance

|  |  |  |
| --- | --- | --- |
| Ruth Bird (RB) - Chair | Jo Barak (JB) | Philomena Cozens (PC) |
| Jeff Fair (JF) | Carole Herman (CH) | Marilyn Smith (MS) |
| Sean Moriarty (SM) | Pam Langmead (PL) | James Saunders (JS) |
| John Hunter (JH) | Sue Bardetti (SB) | Stuart Roberts (SR) |
| Rod Lane (RL) | Harriet Phelps-Knights (HP-K) | Robin Taverner (RT) |
| Richard Potter (RP) | Jinnie Nichols (JN) | Lyn Wright (LW) |
| Nigel Hill (NH) | Claire Styles (CS) | Jody Gee (JG) |
| Ruth Sturdy (RS) | Emily Welton (EW) | Ferliene Willis (FW) |
| Jo Santinelli (JS) | Simon Wall (SW) | James Saunders (JS) |
| Lisa Freshwater (LF) | Chanel Lassman (CL) |  |
| **LA Officers** |  |  |
| Yannick Stupples-Whyley (YSW) | Andrew Page (AP) | Clare Kershaw (CK) |
| Cllr Tony Ball (TB) | Carolyn Terry (CT) | Ralph Holloway (RH) |
| Val Cleare (VC) - Minutes |  |  |

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| **1** | **Apologies for Absence and substitute notices**Ruth Bird chaired the meeting and welcomed everyone. **Apologies** had been received from Luke Bulpett, Debs Watson and Scott Bowak.Ferliene Willis is substituting for Debs Watson and Pam Langmead for Luke Bulpett.It was noted Patrick Grant from the ESFA will be observing today. Nicola Woolf and Alison Fiala from EEC also observing at today’s meeting. |
| **2** | **High Needs Block Surplus – Ralph Holloway**RH informed Schools Forum of the surplus balance and medium term forecast for the High Needs Block and sought Schools Forum approval for a one-off allocation of funds for the 2023/24 and 2024/25 financial years.Table 2 showed the movement since 2018/19 from deficit to a healthy surplus at the end of 2022/23. The latest forecast position for the High Needs Block, as detailed in Agenda Item 9, for 2023/24 is a £10.3 million underspend. There is an accumulative forecast surplus of £23.8 million at 31st March 2024.The High Needs Review Group were presented with draft proposals at theirmeeting on 20th June 2023 which was shown in Table 3. If the Authority went ahead and implemented the plans, it is forecast that a **£39.9 million** deficit would occur by 31st March 2029. The implication of such a large deficit is that the Authority would need to seek financial help from the Department for Education (DfE) through the Safety Valve scheme, but this would require the Authority to make significant cuts to expenditure. A usual condition of financial help is an annual transfer from the Schools Block to the High Needs Block. Any planned overspend would require the approval of the Authority’s Section 151 Officer as the deficit will sit on Essex’s balance sheet.The current annual cycle of one year budget settlements hinders long-term planning. The Authority recognises pressures within the system and therefore plans to implement the following one-off changes for 2023/24 and 2024/25.Ahead of the introduction of the financial elements of the new banding topup system in Essex the priority for investment of the surplus is an uplift in the SEN funding going into Essex settings to support children andyoung people with an EHCP. A 5% uplift is proposed for top up in special schools, mainstream schools, enhanced provisions and alternative provisions (PRUs) for 2023/24 and 2024/25. The uplift cannot be guaranteed to continue beyond 31st March 2025.Special schools, enhanced provisions and alternative provisions will receive up to £500 per pupil depending on the balance held by each setting. Theincrease is for 2023/24 and 2024/25 and further funding cannot be guaranteed to continue beyond 31st March 2025.* Schools with less than 210 pupil whose balance is 8% or lower or up to £60,000, whichever is the greater, receive £500 per pupil.

**Questions**PC did not understand the 8%.YSW reported the DfE recommended the balance schools held is 5% for secondary schools and 8% for all other settings as a percentage of that years’ funding.RH confirmed it is that year’s budget and not carried forward.YSW stated it is that year’s funding which it is measured against, i.e., maintained schools 31/3/23 it would be 2022/23 allocation.PC informed we are not ignoring reserves. As a trust we pulled our GAG funding, the reserves did not apply to each of our schools. How are you measuring it? YSW responded we will base it on the funding we give you.PC said you must know which schools are going to get this money and at what level.YSW replied, yes.JB asked does it take into account in-year deficit and also reserves you are holding in order to balance your budget in 2-3 years’ time.YSW – yes, it will be updated for next year.JB enquired based on approval when will be informed of what we have been allocated?YSW responded, the funding will be paid in September.JB stated base funding was 5% for top up funding but we only got 1%.  YSW stated it depends on balances.JB informed regarding funding split into base funding and top up, we only got to the base funding. Is that correct?YSW said all schools will get 5%.PC emphasised this was a draft at HNB and we knew nothing of this.JB said this was not what was presented to the HNB. JB was very upset we have still not got any saving as a trust to expand our provision and if penalised for that she would be really annoyed and vented her frustration.CK apologised these were the proposals presented. There is an error in the paper that RH has presented.1) These are revised and adjusted proposals based on looking at the long term sustainability of the HNB.2) CK pointed out this criteria has been applied to other papers. So, this is something that has been endorsed in the past by Schools Forum in respect of decisions which affects capital maintenance contributions from maintained schools and the Falling Rolls Fund.3) CK said the Local Authority is also looking at some special schools which actually do have a large level of reserves and what we are trying to do is distribute the funding that is equitable across the provisions but also in a way that means we are not giving scarce resources to schools that actually, on paper, do not look like they need it.It is a balance between all those factors, we are considering across all of the provisions moving forward.RP suggested a second look. That financial measure identifies schools but in the narrative is held with an explanation for that in-year anomaly which is asked for. Is it worth having a narrative, a second tier?RS reiterated this was not a proposal brought to the HNB and this is noted. It changes the picture for special schools. We need to look around those special schools that have significant reserves. It is important we have a conversation rather than just looking at the principles. We need a conversation as to why some schools have reserves and look at a 3-year forecast for schools.CS echoed about the enhanced provision. A school may be healthy, but money is ring fenced and overall figures might not reflect for the enhanced provision. HP-K reiterated everything which had been said. Mainstream schools are facing exactly the same things. She agreed balances are high so schools are not going into deficit, but every school is in this position. EW said in terms of the narrative behind in-year surplus, how would consideration be given to those schools? In terms of schools in Mats, pooling resources, how would these be discredited? Essex would have no control how that would work for schools in large Mats. CK stated it is a question of whether we go back and revisit a review of the eligibility for £500 per place top up funding and a review of a 3-year forecast and whether school will have reserves. This is one part of the paper. CK suggested, if Andrew is in agreement, this is the most problematic that we revisit this element of the paper and will answer Emily’s questions outside of the meeting. JS felt quite happy with the proposal because it is fundamental and equitable to distribute reserves and do not have the same issues. AP stated if we are going to look at those balances, we need to take it back to the HNB. This is what the paper is based on. We need to reconsider principles that have been agreed previously.JF believed there is a principle we need to follow in trying to be equitable. All schools and establishments are on the same place on the same journey. Some schools have more money secure in the past. Because of our lack of certainty in 3 years’ time we will all be in a deficit position. We will try and produce a process approach to ensure balances are sufficient for the short-term problems. We have to assume Government will resolve for especially special schools.RH reported work is currently underway through ASHE, EPHA, ESSET and the Essex PRUs to develop a programme of outreach support for mainstream schools. An initial funding allocation of £1 million for the 2023/24 academic year is proposed, increasing to £2 million for 2024/25. Further funding cannot be guaranteed beyond 2024/25. A further paper will be brought to Schools Forum in the Autumn term setting out the proposals developed through the current work. Concerns about accessing and transparency. Proposal to bring a further paper to the September meeting what the inclusion framework is and how to access it.The funding will be revisited on an annual basis once the provisional funding settlement has been announced each July. The effectiveness of each planwill be reported to Schools Forum and if a plan is not achieving the desired outcomes, it will be ceased. Table 5 shows a summary of the funding for2023/24 and 2024/25.**Questions**JB commented she understood you cannot guarantee funding without success parameters. She pointed out about accessing funding with the outreach model and that was making recruitment difficult and not being able to guarantee permanent employment. JB would like guarantee if successful and that funding will continue. RH stated if we set the criteria, it should not be difficult to measure.RP believed potentially we are taking into account previous statement about recruitment retention being an issue. RP suggested using inclusion partners across the county to look at the effectiveness. PC informed at Heybridge we will be full and no capacity, unless reduce exclusions. There is trauma attached to being excluded and we have to do something about it, and we all have to work together to do something about it.CK agreed with both. We see an impact on consistency approach around inclusion, investment in outreach and inclusion framework. RP asked is this making a difference in the system or do we have a group of schools not engaged. We will do a full review of the data coming through for 2023. RH mentioned proposal for investment in outreach for the next financial year which will come to the Autumn Schools Forum. CK was disappointed to hear from JG, but CK informed we did share feedback on Friday last and schools are really benefitting from access to the framework. We are testing with Headteacher voice the investment.JG indicated we have been doing testing in the background with some schools. It was going to be launched in September and more information on how to bid for the money. It would appear there is a lack of transparency where money is going and how to bid for it. RH continued with 4.18.Whilst it can be seen an estimated surplus balance of **£14.7 million** willremain at the end of 2024/25 due to the uncertainty created by one-year funding settlements, the Authority cannot commit at this stage to continue the proposals beyond 2024/25 as a potential deficit of **£11.4 million** could occur by 31st March 2029. The sensitivity analysis shows how apercentage change either way can significantly change the forecast andtherefore, caution is needed to ensure a deficit does not occur.RB felt this should go back to the HNB in September.CK indicated the only thing that has changed is the balance criteria for **£500**, everything else is the same.YSW agreed. The only other change would have been **£2 million** for outreach. JF did not see any point in sending this back to the HNB. There are difficulties but it is trying to look at how to help establishments at the moment.RH agreed with JF that there is no point bringing it back for discussion at the HNB. There is an issue around recruitment, but we would struggle to spend money in an academic year anyway.**Recommendations**:That the Schools Forum noted the accumulative forecast balance and the medium term forecast for the high needs block.That Schools Forum approved the one-off allocations from the surplus balance at 4.10 to 4.14 – as set out below the voting.**Voting****4.10 – 4.14 - CK suggested this is done separately.**4.10 – majority voted in agreement.4.11JB asked will there be clarification around on balance held?CK explained there are two issues. The balance criteria is a principle that we have adopted now within Schools Forum. If we were to adjust the principle of the criteria being added to this proposal, we would have to rework that principle as in other areas.JB said within schools now so that we can plan.AP stated we have already made decisions on funding in previous Schools Forum, if looking to change this now.JB was not asking to change principles and was not disputing. It is so that schools can plan for the academic year.AP said that is the value.JB asked when each school will know if getting £200 or £500. There are principles that may affect the decision. CK stated that is the bit that is complex. The application of the principle has not taken into account forecast of balance over time. We agreed the balance situation as of now.JB asked when will schools be notified?YSW stated there is an indicative timeline to let schools know by end of term.**Voting - 4.11****13 - for; 5 – against.****Over 50% voted for, which will be carried.****4.12 Agreed.****4.13 Agreed.****4.14 Agreed.**JB said the workforce is with more IP’s. Do you have a view?RH responded this is not an expansion of the workforce. It is to support the workforce internally. This will come in the paper in the Autumn term. |
| **3.** | **Schools Contribution to Capital Maintenance – Lisa Freshwater**The report sought approval of Schools Forum to increase the current contribution from £40 per pupil to £50 per pupil, using a tiered approach dependant on each school’s revenue balance from 1st April 2024.It is proposed to use the DfE recommended level of revenue balances, asused in the balances criteria within the Falling Rolls Fund, to determine thecontributions each school should make. The proposed tier approach is detailed below.* Small primary schools with 210 pupils or fewer with revenue balances of £60,000 or up to 8%, whichever is the higher, will continue to contribute £40 per pupil.
* Primary schools with 211 pupils or more with revenue balances below 8% and secondary schools with revenue balances below 5%, will continue to contribute £40 per pupil.
* Schools with revenue balances above 8% (above 5% for secondary schools) but less than 20% will contribute £45 per pupil.
* Schools with revenue balances of 20% or higher will contribute £50 per pupil.

Revenue balances are shown as a percentage of the revenue budget allocation for the relevant financial year.**Questions**RS said this is for maintained school members only.CS stated it is not known how schools will react.JB felt considering the information in the paper and the last increase, she thought it is a fair request.JN added we needed our boilers replacement nearly £300k but our contribution was £3k.SB agreed with the costs and understood why there should be an increase.**Recommendations:**For maintained school members to agree the recommendation of the Finance Review Group (FRG) to increase school contributions from £40 per pupil up to £50 per pupil, using the tiered approach at 4.5 from 1st April 2024.Maintained school members agreed the recommendation. |
| **4.** | **Early Years Funding 2023/24 – Carolyn Terry**The report updated Schools Forum on the outcome of the consultation with Early Years settings on the distribution of the former teachers pay and pension grants and sought the support of Schools Forum to delegate the decision of increasing funding rates for Early Years settings to the Chair, Vice-Chair in consultation the two Early Years representatives.Table 2 showed the majority of responses are **not** in agreement with the proposal. The Authority wants to use a supplement to ensure funding goes to the schools that received the former teacher’s pay and pension grants. Forum came to the ‘bigger view’ that the funding should be distributed to the schools that previously received it.4.6 reported headlines on additional funding being distributed from September. The DfE recently announced a one-off Early Years Supplementary Grant, but funding will revert back from April 2024.Table 3 showed the increased rates for Essex for three and four year-olds. JF asked for clarification in terms of funding. Is this funding believed to be the real rate anticipated beyond April 2024?CT informed that level will increase from April next year. This money will be added to the Early Years Block from April.YSW agreed.**Recommendations:**The Forum agreed to distribute the former teachers pay and pension grants via a Quality Supplement to all eligible schools.The Forum noted the details of the additional funding from September 2023.The Forum agreed to delegate the decision to increase funding rates for 2023/24 to the Chair and Vice-Chair of Schools Forum in consultation with the two early years representatives. |
| **5.** | **Falling Rolls Fund – Yannick Stupples-Whyley**YSW presented to the Schools Forum an additional application received for the Falling Rolls Fund. Since the previous paper there has been one more application from Finchingfield Academy. 4.3 showed information received from Finchingfield Academy to support their application. Table 2 showed the schools that were contacted and those that have made a subsequent application.Table 3 shows the overall funding, previously approved, for 2023/24 and indicative funding for future years based on the school’s pupil forecasts. Balances recorded at Companies House shows a surplus. They have a new Chief Finance Officer and have provided reports showing the academy is heading into a deficit position. It meets all the criteria. The FRG has reviewed the application and recommended that Schools Forum approve it.**Questions**PC referred to the list on Table 2. Did all of them still apply? PC was not sure why only considering Finchingfield.YSW said it depends on each school meeting the criteria. Finchingfield meets the criteria, however Great Bardfield does not meet the criteria.PC observed other schools do not meet the criteria.YSW responded we think they have not applied and do not meet the criteria.JF stated this is the third time that Falling Rolls Fund has come to Schools Forum for approvals.**Recommendations:**The Forum agreed the recommendation of the Finance Review Group that Finchingfield Academy receives Falling Rolls funding for 2023/24.The Forum approved the Falling Rolls Fund is increased by **£58,000** to be funded from the Schools Block underspend in 2022/23. |
| **6.** | **Any other business, feedback from schools through Associations and from Schools Forum representatives on other Bodies.****ASHE**CH highlighted many issues noted before. In particular it has been a challenging year for secondary schools and secondary school Headteachers. One area discussed earlier in regard to outreach and alternative provision where we have been really pleased meeting have been helpful. There has been a difference from what we heard at the HNB meeting and here today.The Forum focused on alternative funding and outreach going forward. Funding needs to be considered as discussed earlier. Another area is the travesty of the Ofsted framework and delivery of that. We were pleased CK has a meeting with the East of England representative in October. It was noted before about recruitment being an issue both for teachers and support staff, and teachers in general with specific subjects challenged, such as Maths is difficult. Recruitment continues to be difficult as does managing the strikes during the year. Headteachers had shared concerns about under funded settlement will put support issues brought forward by the new NEU. Concern remains however about the pay settlement for teachers unfunded difficult going forward.CK replied she did not have any objection to PL and the Vice Chair attending a meeting with Ofsted. **Action: CK to send PL details.****EPHA**HPK mentioned the pressures we heard about in the first agenda item are really for primary schools. There is still and issue with Lag to send funding, and do not know when getting it. Some of the new EHCP’s have got new banding on as this is still being determined. HPK has spoken to RH about this but it is still happening and needs to be considered from finance. Energy price increases varies from school to school. Unfunded pay awards and impact of primary schools to increase to 32-hour week from September. Recruitment and retention is an issue. EPHA continues to support with retraining and supporter programme for Heads and Governors.**ESSET**Issues as raised previously. EW spoke about the partnership working across the education sector. There have been positive solutions, and everyone has been focused in getting the best in young people. We should also acknowledge that our staff are doing a cracking job. EW stated our young people are achieving incredible things because of this work. We need to hang on to those positives because of dedication of staff. **PRUs**JB celebrated the hard work PRU’s staff have done across Essex to support pupils. There has been a huge demand and unfortunately most of our time goes into statutory obligations we have. JB welcomed all of the work and meetings that have taken place so far regarding outreach. JB was disappointed with the changes in the paper today but hoped it will not detract from work going forward. It is hoped we can develop outreach.JB noted Philomena Cozens is coming to the end of her term of office.NB. YSW has emailed PC to ask her if she would like to continue on Schools Forum.**Early Years – Nurseries**The main issues as most likely similar to most remains recruitment and quality of recruitment, SEND support and the level of children's needs which are becoming increasing higher and larger numbers of children needing support. There was also feedback of time taken to process EHCP's with some children nearer the end of term and still not having these in place for school. **ESGA**RL commented it has been very much the same as all Headteacher assessments, funding, staffing etc.**Unions**JF was deeply frustrated with the Government not engaged for the last six months of discussions. He was deeply concerned about the publishing of salary commitments in the last week of term. These used to be published earlier. JF voiced concern about the fully funded pay rise. Unions were impressed how schools worked together to deal with the funding issue and that impacts on support staff as well. JF was aware that staff will lose out. JF was also concerned with the high level of workload everyone is under from Headteachers down to Early Years teachers and working at an unsustainable rate and showing that turnover in schools and education. So many teachers have left education within 3 years.**Unison** MS agreed with everything JF had said. There are deep concerns on the impact now and in the future of the failure by the Government to fully fund. Recruitment and retention continue to be an issue. Unfortunately continuing with consultation meetings with support staff of schools has an impact on education and young people.**Church Rep** JS informed there was nothing to raise on behalf of the church schools, but simply to point out that the Diocese of Brentwood extends from the Suffolk border to East London. Everything resonates with us from the same concerns. **High Needs Review Sub-Group**This Group had met on 20th June 2023.**Finance Review Group** This Group had met on 20th June 2023.**Early Years Sub-Group** The Group had met on 15th June 2023.**Any Other Business**None. |
| **7.** | **Minutes of 17th May 2023**Amendments were made to Item 6 – Marilyn Smith feedback and from Rod Lane.The minutes of the last meeting were accepted as a true record. |
| **8.** | **Minutes Action Log – Yannick Stupples-Whyley**Early Years surplus balance is in progress.Agreed **£1.9 million** at the last meeting, now awaiting financial adjustment 2022/23 financial year (next week). Then will bring more proposals to the September meeting.The cost benefit analysis of underspend proposals.In progress and will be presented at a future meeting.**Action: YSW to discuss with CT the September agenda**. |
| **9.** | **Schools Budget & Education Functions Q1 Forecast Outturn 2023-24 –****Yannick Stupples-Whyley**YSW updated Schools Forum on the forecast outturn position for the year-ended 31st March 2024 for both the Schools Budget and Education Functions.The total Dedicated Schools Grant (DSG) expected to be received for2023/24 after academy recoupment is **£596.9 million**.The DSG forecast underspend for 2023/24 is **£11.2 million**. Table 2 showed the overall forecast DSG balance at 31st March 2024.HNB and Early Years Block is in line pending announcement of final adjustments 2022/23.The surplus carry forward related to the contingency held for schools who admit a significant number of refugee or asylum seeking children of which **£645,000** remains.The Authority received **£685,000** for summer term growth payments toacademies. The growth fund budget included these payments so thefunding is a windfall to the Schools Block.The surplus balance in the Central Schools Services Block is built up over several years. The underspend in 2022/23 **£900,000** was due to utilising other funding streams for School Effectiveness Partners which reduced thecost to the CSSB. The balance is held in anticipation of the impact of future funding changes that the DfE has mentioned in previous consultations.The significant variations contributing to the outturn position are:**Schools Block - £1.1 million underspend****Central School Services Block - £178,000 overspend.****High Needs Block - £10.3 million underspend**Independent special schools are forecasting a **£3.7 million** overspend due to an increase in volume and the cost of placements.SEN Services is forecasting an underspend of **£13.9 million**. The maincause of the underspend is the HNB contingency **£12.9 million** which has arisen due to funding increasing faster than expected demand. Thecontingency is held partly to offset in-year pressures and proposals have been presented in Agenda Item 2 to utilise the surplus. The Authority hasdecided not to contribute to the pension deficit in 2023/24 resulting in a**£753,000** underspend. The remaining **£200,000** underspend is due tovacant posts.Education Functions – Table 3 showed a total of £3.08 million which had been agreed at the Forum meeting on 30th November 2022 for all schools which is broken down into Education Welfare, Strategic Management andAsset Management.Also, at the meeting of 30th November 2022, maintained members ofSchools Forum agreed to de-delegate from maintained school £48.10 perpupil to fund the education functions shown in Table 4.Table 5 showed the forecast outturn position for 2023/24 which is online.**Recommendations:**The Forum noted the forecast outturn position for the year ended 31st March 2024. |
| **10.** | **Forward Plan – Yannick Stupples-Whyley**YSW read this out and confirmed the dates of future meetings up to 10 July 2024. As suggested last time have added either face-to-face or virtual.PL agreed with the dates. However, PL pointed out that Wednesday, 15th May 2023 is during SATS week.Action: YSW noted. YSW to change the date of the May meeting.**Recommendation**The Forum noted the dates of future meetings and that additional items as proposed by Schools Forum are included in the Forward Plan. |
|  | **Any Other Business**None. |
|  | **Chair’s Closing Comments** (Ruth Bird)RB thanked everyone for attending the meeting and also for everyone’s support over the year. She wished everyone a happy summer holiday.RB thanked Philomena Cozens for all her years of service.CK thanked on behalf of ECC to all members of the Forum for their involvement and in-depth discussions.YSW and AP were formally thanked for all the work they do in preparation for the Schools Forum and how the system works.RB also thanked VC for minuting Schools Forum meetings.Cllr Ball thanked both RB and CK for their hard work.**Date of next meeting – Wednesday, 27th September 2023 at 8.30am**at Hamptons Sports & Leisure, Tydemans, Beehive Lane, Chelmsford CM2 9FH.This meeting will be in-person. |

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| Schools Forum | **Agenda Item 7** |
| Date: 27 September 2023 |  |

**REPORT TITLE: Minute Action Log**

Report by Yannick Stupples-Whyley

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

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| 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 |
| 12 July 2023 | Agenda Item 2 – High Needs Block Surplus | Clare Kershaw | To send Forum an update on the communications chronology of the test and learn phase of the Inclusion Framework and to share the  list of schools who had accessed support and funding for the use of the Framework in their schools. | Added to the Forward Plan for September 2023 | Completed |
| 12 July 2023 | Agenda Item 3 – Early Years | Carolyn Terry | To consult the Chair, Vice-Chair and Early Years members to agree increase in funding rates. | Increase in funding rates was agreed on 21 July 2023. | Completed |

|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 8** |
| Date: 27 September 2023 |  |

**REPORT TITLE: SCHOOLS BUDGET & EDUCATION FUNCTIONS FORECAST OUTTURN REPORT Q2 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 **£603.8 million**.

4.3 The DSG forecast underspend for 2023/24 is **£10.5 million**. 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 Provisional Outturn | (1.2) | 0.1 | (5.7) | (3.8) | (10.5) |
| Closing Balance 2023/24 | **(2.5)** | **(1.9)** | **(19.2)** | **(11.2)** | **(34.8)** |

4.4 The significant variations contributing to the outturn position are:

**Schools Block - £1.2 million underspend.**

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 underspend on furniture and equipment for new and expanding schools **£23,000**.

 **Central School Services Block - £136,000 overspend.**

4.6 The overspend reflects drawing down an agreed carry forward for Strategic Support from 2022/23 to 2023/24 **£192,000** offset by vacant posts **£56,000**.

 **High Needs Block - £5.7 million underspend**

4.7 Independent special schools are forecasting a **£4.7 million** overspend due to an increase in volume and the cost of placements.

4.8 SEN services are forecasting an underspend of **£12.2 million**. The main cause of the underspend is the HNB contingency **£11.3 million** which has arisen due to funding increasing faster than expected demand. The contingency is held partly to offset in-year pressures and proposals have been presented in Agenda Item 3 to utilise the contingency. The Authority has decided not to contribute to the pension deficit in 2023/24 resulting in a **£753,000** underspend. The remaining **£118,000** underspend is due to vacant posts.

4.9 Other alternative provision services are forecasting a **£1.9 million** overspend due to an increase in pupils being placed through the IPES contract.

4.10 Support for inclusion is forecasting a **£707,000** underspend due to vacancies in the quadrant SEND teams, particularly new posts that have yet to be recruited to.

4.11 Therapies and other health related services are forecasting a **£437,000** overspend due to an increased use of independent therapists whilst new contracts have been developed.

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

4.12 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**

4.13 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** |

4.14 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 | 288 |
| Statutory & Regulatory Duties | 2,168 |
| School Improvement | 438 |
|  | **2,894** |

4.15 The budgets in Table 4 are subject to recoupment each time a school converts to an academy. Whilst six primary schools converted to academy status on 1st September, this report is for August 2023 and therefore the conversions are not reflected in this budget update.

4.16 Table 5 shows the forecast outturn position for 2023/24 which forecasts a **£12,000** overspend.

|  |  |  |  |
| --- | --- | --- | --- |
| Education Functions | Budget£’000 | DraftOutturn£’000 | Variance£’000 |
| Education Welfare | 1,170 | 1,145 | (25) |
| Strategic Management | 1,577 | 1,712 | 135 |
| Asset Management – all schools | 333 | 333 | 0 |
| Asset Management – maintained schools | 288 | 288 | 0 |
| Statutory & Regulatory Duties | 2,168 | 2,082 | (86) |
| School Improvement | 438 | 426 | (12) |
| Total | **5,974** | **5,986** | **12** |

**5. Other Resource Implications**

**6. Consultation with stakeholders**

**7. Background / Supporting papers.**

7.1 Annex A – Schools Budget Forecast Outturn Q2 2023/24

**Agenda Item 8 – Annex A**



|  |  |
| --- | --- |
| Schools Forum | **Agenda Item 9** |
| Date: 27 September 2023 |  |

**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 |
| Forward Plan and dates of next meetings  |
| Sub Group updates (HNRG, Early Years, FRG) |

|  |  |
| --- | --- |
| **Date of Schools Forum** | **Agenda Items** |
| Wednesday 29th November 2023 | Early Years and Childcare Update (I) |
| Remote | School Funding Consultation Final Proposal (D) |
|  | Scheme for Financing Schools (D/I) |
|  | High Needs Funding Review (D/I) |
|  | SEND and PRU Capital Investment Project (D/I) |
|  | Constitution and Membership of Schools Forum (D / I) |
|  | School Balances Review (D/I) |
|  | Future Plans for the School Meals Advisory Service (tbc) (D) |
|  |  |
| Wednesday 10th January 2024 | DSG Budget 2024/25 (D) |
| Remote | Third Quarter Budget Update 2023/24 (I) |
|  | High Needs Funding Review (D/I) |
|  | Falling Rolls Fund (D) |
|  | Independent Schools Working Group (I) |
|  | Future Plans for the School Meals Advisory Service (tbc) (D) |
|  |  |
| Wednesday 22nd May 2024 | Falling Rolls Fund (D/I) |
| In Person | Schools Budget & Education Functions Draft Outturn Report 2022/23 (I) |
|  | Constitution and Membership of Schools Forum (D /I) |
|  | Early Years and Childcare Update (I) |
|  |  |
| Wednesday 10th July 2024 | Falling Rolls Fund (D/I) |
| Remote | Schools Budget and Education Functions Q1 Update 2024/25 (I) |
|  | School and Academy Balances (I) |
|  |  |
| Wednesday 25th September 2024 | Half Year Budget & Education Functions Update 2024/25 (I) |
| In Person | 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) |

1. Assumes the same growth fund allocation as 2023/24 [↑](#footnote-ref-2)
2. Sparsity funding is on a sliding scale. Primary schools with less than 75 pupils and secondary schools with less than 300 pupils will attract the full amount. Funding then decreases as pupil numbers increase up to 150 pupils for primary schools and up to 600 pupils for secondary schools. [↑](#footnote-ref-3)
3. Assumes historic commitments will be protected at £3.8 million. [↑](#footnote-ref-4)