

**(BARKING AND DAGENHAM SCHOOLS FORUM)**  
**25 June 2024**

<b>Title:</b> Schools' Forum Report	
<b>Open</b>	<b>For Decision / For Information</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> No
<b>Report Author(s):</b> Amar Barot – Head of Service Finance  Kofi Adu – Group Finance Manager .	<b>Contact Details:</b> E-mail: <a href="mailto:amar/barot@lbbd.gov.uk">amar/barot@lbbd.gov.uk</a> Tel: N/A (contact via MS teams)  <a href="mailto:Kofi.adu@lbbd.gov.uk">Kofi.adu@lbbd.gov.uk</a> Tel: N/A (contact via MS teams)
<b>Accountable Operational Director:</b> Jane Hargreaves – Commissioning Director for Education Youth and Childcare	
<b>Accountable Strategic Director:</b> Elaine Allegretti – Director for People and Resilience, Jo Moore, Strategic Director of Finance & Investment	
<b>Summary:</b> The purpose of this report is to update the Barking and Dagenham Schools Forum on: <ol style="list-style-type: none"> <li>1. DSG Outturn for 2023/24</li> <li>2. Local Management of Schools (LMS)</li> <li>3. High Needs Block (HNB) Outturn for 2023/24</li> <li>4. High Needs Budget 2024/25</li> <li>5. Early Years (EY) Outturn for 2023/24</li> <li>6. Central Schools Services Block 2024/25</li> <li>7. Growth Funding for 2024/25</li> <li>8. Falling Rolls for 2024/25</li> <li>9. Schools Facing Financial Difficulty fund (SFFD)</li> <li>10. Mayor of London Free school meals</li> <li>11. Scheme for Financing Schools</li> <li>12. AOB</li> </ol>	

## Recommendation(s)

The Schools' Forum is requested to:

1. Note and comment on DSG outturn position for 2023/24.
2. Note LMS Reserves balances for Schools.
3. Note and comment on the 2023/24 High Needs outturn position.
4. Note and discuss options to mitigate projected overspend on the High Needs for 2024/25.
5. Note and comment on the Early Years Outturn position for 2023/24.
6. Note Central Schools Services Block for 2024/25
7. Note, comment and approve the Growth Fund for 2024/25
8. Note, comment and approve the Falling Rolls for 2024/25
9. Note SFFD funds, loans outstanding and balance retained centrally.
10. Note Mayor of London's Free School Meal grant
11. Note consultation to Revise Scheme for Financing Schools.

## Reason(s)

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

### 1. DSG Outturn for 2023/24

- 1.1. The Dedicated Schools Grant is reporting an overall in-year overspend of £2,118k (please refer to DSG table below). This consists of an overspend on High needs of £3,332k and an underspend of £1,183k on school's block.
- 1.2. Early years block ended the year with a net underspend of £31k, which is made up of an underspend of £379k for 2yr olds and overspend of £348k for 3&4yr olds. This has been achieved despite making a one-off payment of **£265k** during the spring term for 3&4 years. As in previous years, we have assumed a full claw back

of the in-year underspend of £379k for 2-year-old funding. Although there will be a retained element, this will not be known until July 2024.

- 1.3 The High Needs Overspend is £3,332k. This includes a one-off payment of £1,600k to schools to help alleviate the financial pressures schools are facing due to the ongoing demand and complex cases of children with SEN. This also included early years SEN pupils at reception and Private Voluntary & Independent settings.
- 1.4 The school's block is reporting an underspend of £1,183k. This relates to clearance of prior year transactions including school loans and interest payments.
- 1.5 The total DSG reserves brought forward from 2022/23 was £10,073k. This amount is reduced by the in-year overspend of £2,118k to give the revised DSG reserve of £7,955k. We have assumed the full clawback of the early years underspend on 2-year-old of £379k, therefore the adjusted reserve is £7,576k. An amount of £1,100k is earmarked for the Schools Facing Financial Difficulty fund.

Refer to the table below for the summary position.

	2023/24 Budget	2023/24 Outturn	Surplus/ (Deficit) Outturn
	£'000	£'000	£'000
Schools Block – ISB	188,955	187,772	1,183
Central Block	2,162	2,162	0
High Needs Block	49,837	53,169	(3,332)
Early Years Block	23,174	23,143	31
<b>Total</b>	<b>264,128</b>	<b>266,246</b>	<b>(2,118)</b>
<b>DSG Surplus B/f</b>			<b>10,073</b>
<b>Revised DSG Reserve</b>			<b>7,955</b>
<b>Less EY clawback</b>			<b>(379)</b>
<b>23/24 DSG Reserve</b>			<b>7,576</b>
Of which:			
SFFD retained			(1,110)
<b>Net DSG Reserve</b>			<b>6,466</b>

Table: DSG 2023/24 Outturn

**Recommendation (i):** School Forum are asked to:

(a) Note the DSG outturn position for 2023/24

## 2. Local Management of Schools (LMS Reserves)

- 2.1 The 2023/24 Schools reserves opening balance is £11,381k. The in-year closing position across maintained schools for 2023/24 is an underspend of £220k. Schools deployed a total of £882k of revenue resources to fund capital projects therefore schools' reserves has reduced to £10,719k.

The table below summarises the % share of schools' reserves in 23/24 as compared to 22/23.

Schools Reserve Analysis		Primary	Secondary	Special
% Share of Reserve (2022/23)	100%	36%	48%	16%
Opening Reserve 22/23	11,381,444	4,056,575	5,484,398	1,840,471
23/24 Outturn	219,776	-153,784	1,409,967	-1,036,407
Capital projects	-881,508	-56,997	-815,081	-9,430
Closing Reserve 23/24	10,719,712	3,845,794	6,079,284	794,634
% Share of Reserve (2023/24)	100%	35%	58%	7%

- 2.2 The tables below further summarise the outturn position for maintained schools by phase. 11 schools had a combined deficit of £3,070k. 30 schools had a combined surplus of £13,312k.

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

### No. of Schools in Surplus by Phase

Phase	Numbers	Total
Primary	23	£5,896,336
Secondary	4	£4,202,514
All through	2	£2,375,555
Alternative Provision	1	£837,325
<b>Total Schools surplus</b>	<b>30</b>	<b>£13,311,730</b>

### No. of Schools in Deficit by Phase

Phase	Numbers	Total
Primary	9	(£2,470,751)
All through	1	(£556,555)
Special	1	(£43,113)
<b>Total Schools deficit</b>	<b>11</b>	<b>(£3,070,418)</b>

- 2.3 In 2024/25 the Financial Monitoring Group would be expecting schools that set a deficit budget to prepare a 3-year recovery plan, and schools with surplus exceeding 5% for Secondary schools & 8% for primary schools respectively will be expected to submit plan of usage for reserves with ratified budget.

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

- (a) LMS Reserves balances for Schools for 2023/24  
 (b) Submission of 3-year recovery plans by schools in deficit & Plan of usage by schools whose reserves exceeds 5%(Secondary) & 8%(Primary) of annual budget.

### 3. High Needs Block (HNB) Outturn for 2023/24

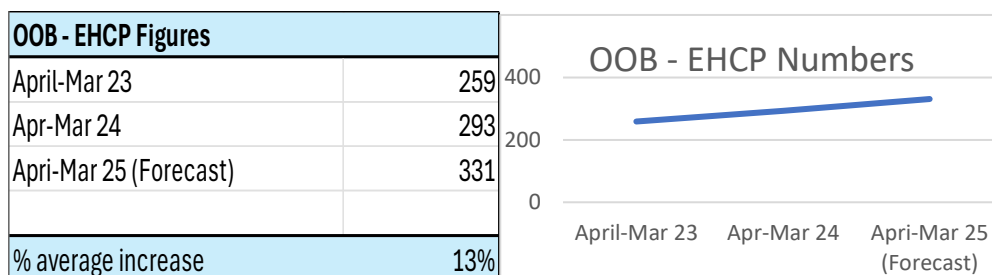
- 3.1 The budget for 2023/24 was £49,800k (after recoupment). The table below shows the detailed position for High Needs for 2022/23 & 2023/24. The outturn position for the year is a £3,332k overspend. This has been achieved despite making a one-off payment of over £1,600k to schools to help alleviate the financial pressures schools are facing due to the ongoing demand and complex cases of children with SEN. This also includes early years SEN pupils at reception and Private Voluntary & Independent settings.

High Needs Budget 2023/24	2022/23 Outturn	2023/24 Budget	2023/24 Outturn	Variance +Surplus (-deficit)
Alternative Provision	3,435,882	3,390,746	3,369,139	21,607
ARP Funding	11,132,959	10,053,443	9,789,848	263,595
DSG - Education Inclusion	1,406,563	1,946,654	1,945,955	699
Out of Borough & Non Maintained	8,448,443	8,358,158	10,371,272	(2,013,113)
HN Top Ups - Post 16	1,859,996	2,412,000	2,664,888	(252,888)
SEN Panel Top Ups	3,516,738	2,550,000	5,474,350	(2,924,350)
Provisional Payments	2,431,228	3,000,000	2,790,000	210,000
LACHES, Language Support	439,602	475,461	380,035	95,426
Initiatives	977,579	907,452	903,872	3,580
Special School Funding	12,269,364	15,024,191	14,438,249	585,942
EY Portage & Youth Service	525,105	610,354	471,527	138,827
Speech, Language & Communicati	580,000	1,108,251	570,315	537,936
<b>Total</b>	<b>47,023,459</b>	<b>49,836,711</b>	<b>53,169,449</b>	<b>(3,332,739)</b>

Table – High Needs Outturn

- 3.2 The HN pressures in 2023/24 was driven by increase in panel top-up applications and out of borough placements both of which overspent by £2,900k and £2,000k respectively. Post 16 service also ended the year with an overspend of £252k. All other areas achieved an underspend to mitigate the reported overspend in OOB & panel payments.

- Overspend on **Out of Borough (OOB)** budget is due to increase demand and uplift in placement costs from providers. The estimated average increase in OOB placement is about 13% in 2023/24 as compared to 22/23. In addition, we estimate an average of 4% - 6% increase in cost is related to uplift providers charges.



- Overspend in **Panel top-up** payment is due to increase in applications from schools. There were 1043 applications in 2023/24 as compared to 559 in 2022/23, an increase of 87%. This is not sustainable, if this pattern continues in 24/25, our DSG reserves will be depleted in the next 12 months.

SEN Panel Applications	2022-23		
	Primary	Secondary	Total
Enhanced (Band F)	363	58	421
Targeted (Band G)	131	5	136
Specialist (Band H)	2	0	2
<b>Total</b>	<b>496</b>	<b>63</b>	<b>559</b>

SEN Panel Applications	2023-24			% increase over 22/23
	Primary	Secondary	Total	
Enhanced (Band F)	595	95	690	64%
Targeted (Band G)	328	11	339	149%
Specialist (Band H)	11	3	14	600%
<b>Total</b>	<b>934</b>	<b>109</b>	<b>1,043</b>	<b>87%</b>

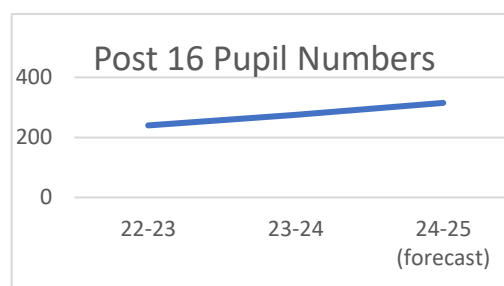
- **Additional Resourced Provision (ARPs)** ended the year with an underspend of £253k. this was mainly due to growth funding. The table below shows there was an increase of 15% ARP places from 21/22 and 6% increase between 22/23 and 23/24. This is positive for SEN children within the borough and recognised as part of SEN strategy and 'graduation response'.

ARP Data	21-22	22-23	23-24
Primary Schools ARP	236	297	320
Secondary Schools ARP	139	156	176
Special Schools (excl Pathways)	349	402	415
<b>Total</b>	<b>724</b>	<b>855</b>	<b>911</b>

- **Post16** top up payments in support of continued growth for 16-25 cohort reported an overspend of £252k primarily due to increase placements with this cohort. There's been 15% increase in demand year on year since 2022/23. Post16 continues to be a 'demand driven area', extra commissioning of places are usually known in December/January.

The post 16 trajectory is as follows:

Post 16 Figures	
22-23	240
23-24	275
24-25 (forecast)	315
<b>% average increase</b>	<b>15%</b>



- The High Needs working group met on 13 June and reviewed the year end outturn position and ongoing pressures for 2024/25. Other high needs areas discussed were:
- Deep dive audit of Out of Borough (OOB) children and young people placements, including individual 'checks and balances on actual placements in schools and settings visits.
- DfE 2-year review strategy of top up rates nationally
- Forecast 2024/25 outturn based upon last four years expenditure analysis and appendix B attached provides details of High Needs Block direction of travel including growth in demand driven areas.

**Recommendation (iv):** Schools forum are requested to:

(a) Note and comment on the 2023/24 High Needs outturn position.

#### 4 High Needs Budget 2024/25

- 4.1 The High Needs block increased by £2,459k, from £49,836k to £52,295k, representing 4.7% increase from previous year. The new allocation, now based on formula, goes some way to address the gap created by funding allocated on a

historic basis. However, a growing population and other demographic changes mean continuing increase in demand for services.

4.2 **Appendix B** shows the 2024/25 budget verses projected forecast based on spending trend. This has been projected to reflect known costs and pressures. Key changes to note includes:

- Our HN budget allocation for 24/25 has increased by only 4.7%.
- We have increased each budget line by 2%
- Growth provision for 25 and 15 ARP places have been made for Primary & Secondary respectively.
- Budget has been earmarked for provision funding for 24/25, schools will receive an equal amount of £40,000 per school irrespective of size.
- Panel applications have increased by 87% from 22/23 to 23/24. We've assumed no further growth in 24/25.
- 24/25 Top-up rate for panel applications has been increased by 7%, 97% and 58% for Band F, G & H respectively. The projected cost is shown below:

SEN Panel Applications	2024-25			Top-up Rates	Forecast Amount	2024/25 Budget	Forecast Overspend
	Primary	Secondary	Total				
Enhanced (Band F)	595	95	690	3,221	2,222,490		
Targeted (Band G)	328	11	339	9,866	3,344,574		
Specialist (Band H)	11	3	14	12,510	175,140		
<b>Total</b>	<b>934</b>	<b>109</b>	<b>1,043</b>		<b>5,742,204</b>	<b>2,601,000</b>	<b>- 3,141,204</b>

4.3 There continues to be significant growth and demand for SEN places especially in early years and primary schools and the monthly budget monitoring and HN working group will continue to review demands. The table below shows a projected HN outturn forecast for 2024/25:



## High Needs 5yr Trend Analysis

High Needs Expenditure Trend	24/25 Forecast	23/24 Outturn	22/23 Outturn	21/22 Outturn	20/21 Outturn
Alternative Provision	3,728,080	3,369,139	3,435,882	3,150,015	3,399,759
ARP Funding	10,254,512	9,789,848	11,132,959	7,679,447	6,093,890
Education Inclusion	2,115,587	1,945,955	1,406,563	1,332,948	1,494,256
Out of Borough & Non Maintained	10,371,272	10,371,272	8,448,443	6,820,436	6,264,504
HN Top Ups - Post 16	2,497,056	2,664,888	1,859,996	3,003,921	1,801,210
SEN Panel Top Ups	5,742,204	5,474,350	3,516,738	1,762,327	1,522,596
Provision Funding & Supm'tary Grant	2,440,000	3,360,315	3,011,228	2,525,565	-
The Aspire Virtual School	372,999	380,035	439,602	317,440	360,490
Inclusion Initiatives	772,601	903,872	977,579	313,076	147,608
Special School Funding	15,160,161	14,438,249	12,269,364	11,396,094	10,952,544
EY Portage & Youth Service	772,264	471,527	525,105	412,798	342,143
Communication S&L Support Initiatives	1,234,416				
Growth in place numbers ARPs	971,901				
<b>Total Expenditure</b>	<b>56,433,053</b>	<b>53,169,450</b>	<b>47,023,459</b>	<b>38,714,067</b>	<b>32,379,000</b>
<b>Budget</b>	<b>£52,295,994</b>	<b>£49,836,711</b>	<b>£44,508,650</b>	<b>£38,556,105</b>	<b>34,014,675</b>
<b>Surplus (Deficit)</b>	<b>-4,137,059</b>	<b>-3,332,739</b>	<b>-2,514,809</b>	<b>-157,962</b>	<b>1,635,675</b>
<b>% Increase</b>	<b>6%</b>	<b>13%</b>	<b>21%</b>	<b>20%</b>	

**Recommendation (v):** Schools forum are requested to:

- a) Note and comment on the High Needs budget and forecast for 2024/25.
- b) Comment on strategies or options to mitigate 24/25 projected overspend.

### 5. Early Years (EY) Outturn

- 5.1 The EY funding is based on prior year allocations and funding is only finalised using the previous two spring census data after year-end around July 2024. The underspend of £31k is made up of £379k underspend on 2-year-old and £348k overspend on 3- and 4-year-olds. As in previous years, we have assumed a full claw back of the in-year underspend of £379k. Although there will be a retained element, this will not be known until July 2024.
- 5.2 The underspend is due to lower pupil numbers during the year compared to the census figures. Although the early years census now measures actual attendance on census day, fluctuations in take up over the academic year mean that not all funding are spent. In addition, settings continue to find it difficult to recruit staff and are therefore not operating at full capacity. However, attendance continues to rise from an all-time low during the pandemic and with actual 2-year-old and

universal 3-and-4-year-old numbers now matching pre-pandemic figures. Take up of the extended entitlement has risen significantly from 2022.

### 5.3 Early Years Budget & Forecast for 2024/25

In the 2023 Spring budget, a significant expansion of early years childcare entitlements for working parents was announced. This was to support increased parental engagement in the labour market. In addition, the government announced investment in wraparound care to support working parents with school aged children.

5.4 The expansion includes entitlements for 2-year-olds from April 2024 and a new offer for under 2-year-olds to begin from September 2024. It is proposed that 5% of the funding is retained centrally to meet LA support costs. This centrally retained element will apply to all provision levels as opposed to 3 & 4-year-olds funding only as was the case in previous years.

The estimated funding & forecast for 2024/25 is set out in the table below:

2024-25 Early Years Funding	Ratified Budget	PTE	Annual Entit'mt (Hrs)	Funded Hours	Rates paid by DFE	Total DSG Funding	Rates Paid to Providers	Anticipated Expenditure
		2024/25	2024/25	2024/25	2024/25	2024/25	2024/25	2024-25
<b>Centrally Retained 5%</b>	<b>1,607,563</b>							<b>1,607,563</b>
Universal 3&4 YO	12,938,337	4,279	570	2,438,939	6.29	15,340,925	5.45	13,298,872
Census Adj.								
Plus 15 PTE 3& 4 YO	4,121,064	1,210	570	689,660	6.29	4,337,962	5.45	3,760,529
Deprivation	938,580						0.30	938,580
Flexibility	328,503						0.21	328,503
SEN Inclusion	300,000							300,000
Contingency	68,459							68,459
EY Pupil Premum	193,222	498.51	570	284,151	0.68	193,222		193,222
DAF - 3&4YOF	172,900			190	910	172,900		172,900
<b>Total 3&amp;4 YO EY Block</b>	<b>19,061,065</b>					<b>20,045,010</b>		<b>19,061,065</b>
Entitlement 2 YO	5,507,240	1,126	570	641,569	9.21	5,908,853	8.65	5,549,317
Plus 15 PTE 2YOF	3,685,104	739	570	421,179	9.21	3,879,057	8.65	3,643,027
2YOF PP	109,121	281.53	570	160472.1	0.68	109,121		109,121
2YOF DAF	48,230			53.00	910	48,230		48,230
SEN inclusion fund	100,000							100,000
Contingency	6,171							6,171
<b>Total Entitlement 2 Y O</b>	<b>9,455,866</b>					<b>9,945,261</b>		<b>9,455,866</b>
Under 2 year old Funding	2,346,216	374.37	570	213,391	12.58	2,684,458	11	2,346,216
Under 2YOF PP	5,457	14.08	570	8,026	0.68	5,457		5,457
Under 2s DAF	11,830			13	910.00	11,830		11,830
SEN Inclusion Fund	76,507							76,507
Contingency	127,512							127,512
<b>Under 2 Funding Total</b>	<b>2,567,522</b>					<b>2,701,745</b>		<b>2,567,522</b>
<b>TOTAL EY BLOCK</b>	<b>32,692,016</b>					<b>32,692,016</b>		<b>32,692,016</b>

Table – 2024/25 Early Years Budget & Forecast

- 5.5 It is proposed that 5% of the funding for all provision levels is retained centrally to meet support and costs of early years provision. This is to fund the home portage scheme (home visiting), early years teacher service (qualified teachers working with settings to raise standards), childminding development officers, and commissioning costs. (Please refer to table below for details.)

<b>Centrally Retained Costs</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
EY Teachers & Childminding Officers	627,680	603,750	671,011	635,000
Home Portage Scheme	190,155	182,906	111,602	112,000
Targeted Support Costs	115,211	110,819	58,337	61,000
Nursery Education Staff	0	0	80,000	113,000
2YO Staffing	0	0	0	323,000
Resource for Under 2YO Expansion	0	0	0	363,563
<b>Total</b>	<b>933,046</b>	<b>897,475</b>	<b>920,950</b>	<b>1,607,563</b>

Table – Early Years centrally funded services

**Recommendation (iv):** Schools forum are requested to:

- a) Note the Early Years outturn position for 2023/24
- b) Note & comment 2024/25 EY budget & Forecast.

## 6 Central Schools Service Block (CSSB) Funding for 2024/25

- 6.1 The Central School Services Block allocates funding to LAs for “**ongoing**” and “**Historic**” responsibilities. Funding for on-going responsibilities is based on a pupil-led formula. The formula uses two factors: a basic per-pupil factor for all pupils through which LAs receive most of the funding (90%), and a deprivation per-pupil factor (10%). The pupil count used to calculate CSSB allocations are LAs’ schools block pupil count – that is, pupils in mainstream schools in year groups Reception to year 11 inclusive, including pupils occupying places in special educational needs (SEN) units. In accordance with previous DfE announcement, the historic element is seeing year on year reductions of 20% that started in 2020/21. The table below shows details of budget allocations to services funded from the CSSB.

<b>Services</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
Admission Service	648	671	691
Schools Forum	60	62	64
Copy right Licences	180	186	192
Statutory responsibilities	743	769	792
<b>Ongoing Commitments</b>	<b>1,631</b>	<b>1,688</b>	<b>1,738</b>
School Improvement	55	44	35
Schools Estates	77	62	50
School Games Organiser	26	21	17
Trewern outdoor education	106	85	68
Community Music Service	158	126	101
Advisory Teachers	170	136	109
<b>Historic Commitments</b>	<b>592</b>	<b>474</b>	<b>379</b>
<b>CSSB Budget</b>	<b>2,223</b>	<b>2,162</b>	<b>2,118</b>

Table – 3 Years CSSB Allocations

Recommendation (vi): Schools Forum are requested to:

Note the 2024/25 allocations for on-going and historic responsibilities.

## 7. Growth Funding for 2024/25

- 7.1 Growth funding is allocated to Schools to manage an increase in pupil numbers in 2024/25 before the lagged funding catches up. The allocation is based on differences between the primary and secondary numbers on roll in each LA between the October 2022 and October 2023 school censuses. The methodology captures growth at the level of Middle Layer Super Output Areas (MSOAs). Only positive MSOA growth is used to calculate the number of pupils to be funded.
- 7.2 The 2024/25 DFE growth fund allocation is **£1,182k** and the growth required is **£1,563k**. Therefore, there is a shortfall of £380,836.
- 7.3 The existing local policy is that growth more than 4 classes should receive an uplift. DfE guidance states that significant growth should be funded through the formula in order that these attract not just the pro-rata AWPU, but also other pupil led factors. These equate to an average 40% uplift on AWPU. This is in recognition of diseconomies of scale associated with large scale growth. This can be funded by varying the pupil numbers on APT so that these are included in the overall ISB allocation for the year. However, this can create difficulties where the full planned classes fail to materialise due to lack of pupil numbers which will then have to be

clawed back the following year. Therefore, the preferred option is to fund it through centrally retained growth.

7.4 The criteria set by LBBB to qualify for growth funding is set out below:

- Support growth in Pre-16 pupil numbers to meet basic need.
- Support additional classes needed to meet the infant class size regulation.
- Meet the costs of new schools.
- Where a school or academy has agreed with the LA to provide an extra class to meet basic need in the area (either as a bulge class or as an ongoing commitment).

**Please Note:**

Growth funding should not be used to support schools in financial difficulty or general growth due to popularity.

7.5 The table below shows the provisional growth allocation for 2024/25 based on forecasts of pupil numbers that will be admitted to the Boroughs schools in September 2024.

School	Prim Growth	Sec. Growth	Prim. AWPU £4,125.30	Sec. AWPU £5,888	40% uplift	Budget
Eastbrook School		30	-	103,040		<b>103,040</b>
Greatfields Primary School	30		72,193	-		<b>72,193</b>
Ripple Primary School	30		72,193	-		<b>72,193</b>
Riverside Primary (Free School)	30		72,193	-		<b>72,193</b>
Riverside Secondary (Free School)		30	-	103,040		<b>103,040</b>
Robert Clack School of Science	60	180	144,386	618,240	305,050	<b>1,067,676</b>
St Joseph's Catholic (Barking) School	30		72,193	-		<b>72,193</b>
<b>Total</b>	<b>180</b>	<b>240</b>	<b>433,157</b>	<b>824,320</b>	<b>305,050</b>	<b>1,562,527</b>
<b>DFE Growth Fund Allocation 2024/25</b>						<b>1,181,691</b>
<b>(Shortfall)/ Surplus Growth Allocation</b>						<b>(380,836)</b>

Table: Growth Fund allocation based on planned Sept. 24 Expansions

**Recommendation (vii):** School Forum are requested to:

- Note the expected shortfall in growth funding allocations for 2024/25.
- Approve the shortfall to be funded from DSG reserves.

## 8. Falling Rolls Fund for 2024/25

- 8.1 Details of the falling rolls was shared at the January Schools Forum. The table below is a summary of changes in numbers on roll (NOR) (with pupil numbers adjustment for new and growing schools) used for funding purposes. Overall, pupil numbers have increased by 262 between October 22 and October 23 census. All-Through schools have a net increase of 259 and secondaries have a net increase of 130 pupils. The primary phase is reporting a net reduction of 127.

Phase	Oct 2022 Pri NOR	Oct 2022 Sec NOR	Oct 2023 Pri NOR	Oct 2023 Sec NOR	Primary Movement	Secondary Movement	Net
All- Through	1,737	6,903	1,795	7,104	58	201	259
Primary	22,653	-	22,526	-	-127	-	-127
Secondary	-	8,971	-	9,101	0	130	130
	24,390	15,874	24,321	16,205	-69	331	262

Table: change in pupil numbers between October 22 October 23 census.

- 8.2 The previous criteria that a school had to be judged outstanding or good by OFSTED has now been removed. Other requirements previously agreed by the Forum are:
- (a) reductions of 10 or more pupils after adjusting for impact of bulge classes.
  - (b) year on year reduction in delegated budget.
  - (c) school's reserves do not exceed 10% of delegated budget. Academy schools would have to confirm their reserve position to meet this criterion.
- 8.3 For the first time, the DfE will allocate funding to LA's for falling rolls. Falling rolls will be distributed based on reduction in pupil numbers that the LA's experience from year to year. It is based on the observed differences between the primary and secondary number on roll in each LA between October 2022 and October 2023.
- The falling rolls allocation for each LA will be £140,000 per MSOA which sees a 10% or greater reduction in the number of pupils on roll between the two census years. This allocation will be subject to an ACA.
  - LBBD has not attracted falling rolls fund for 2024/25 because the overall numbers of pupil on roll is an increase rather than a reduction. School forum has decided on supporting schools that meet the criteria from the DSG reserve.
- 8.4 The table below shows the schools that meet the eligibility criteria and budget allocation to support the reduction in pupil numbers.

Phase	School Name	Total NOR Oct 2022	Total NOR Oct 2023	Change in NOR increase/ (decrease)	Falling Rolls Fund £
Primary	Roding Primary School	1,055	1,003	-52	62,239
Primary	William Bellamy Primary School	909	861	-48	57,452
Primary	St Joseph's Catholic Primary School(Barking)	250	217	-33	39,498
Primary	Dorothy Barley Infants' School	259	234	-25	29,923
Primary	Manor Infants' School/Manor Longbridge	1,075	1,050	-25	29,923
Primary	Parsloes Primary School	372	349	-23	27,529
Primary	Valence Primary School	852	833	-19	22,741
Primary	Hunters Hall Primary School	588	571	-17	20,348
Primary	St Joseph's Catholic Primary School (Dagenham)	326	311	-15	17,954
Primary	Rose Lane Primary School	621	610	-11	13,166
Primary	The Leys Primary School	392	382	-10	11,969
Secondary	The Warren School	1,073	1,062	-11	18,581
		<b>7,772</b>	<b>7,483</b>	<b>-289</b>	<b>351,322</b>

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

- (a) the proposed distribution of falling rolls budget of £351,322 for 2024/25.  
(b) Approve for the falling rolls cost to be funded from DSG reserves.

## 9. Schools Facing Financial Difficulties (SFFD)

- 9.1 The purpose of SFFD fund is to provide temporary financial support for schools in financial difficulty to enable organisational / staffing changes to be implemented to place the schools on a financially sustainable basis. Funds have been built-up through de-delegation over several years, and contributions to the fund ceased in 2017/18 as it was intended to be self-financing from then onwards. Schools are charged interest rate of 1% above the Bank of England base rate. This is recycled back to the fund.
- 9.2 To access the loan facility schools are required to submit:
- A recovery / business plan setting out proposed savings and risks.
  - A three-year budget and demonstrate deficit clearance over a period not exceeding three years, - establishment list covering the period of recovery.
  - Repay the loan within three years (subject to individual school circumstances).
  - Submit cash flow statement.
  - Submit minutes of discussion by Finance Committee / Governing Body,
  - This is subject to approval by Commissioning Director of Education, following review by Finance Monitoring Group.
- 9.3 By the end of 2016/17, the total value of the de-delegated funds was £3,223k. However, in the early part of the scheme one off payments totalling £1,770k were provided to schools. Therefore, funds available for the scheme is circa £1,489k. From 2015/16, financial support is only available in the form of loans. In the past four years interest payment of £36k has been added to the scheme. The total fund



available at the end of 2023/24 is £1,100k, and £379k has been given out in loans as shown on the table below:

<b>23/24 Schools Facing Financial Difficulty Fund</b>	
Funds b/fwd	963,350
Loans given 23-24	(100,000)
<b>Funds available</b>	<b>863,350</b>
Loan Repaid (including Interest) 23-24	246,906
<b>Funds available</b>	<b>1,110,257</b>
Loan Outstanding	378,893
<b>Total SFFD Funds</b>	<b>1,489,149</b>

Please refer to Appendix C for further details.

**Recommendation (ix):** Schools Forum are requested to note:

Total SFFD funds, loans outstanding and balance retained centrally.

## 10. Mayor of London Free School Meals Grant

- 10.1 The Mayor of London Free school meals grant has been extended for another academic year. The meals help London families mitigate the cost-of-living crisis. This grant ensures all primary school children in state funded schools get at least one free school meal for the academic year 2023/24 and 2024/25.
- 10.2 The GLA has replicated the ESFA funding methodology by allocating the level of funding required for FSM for primary pupils. In 2023-24 the funding is calculated based on the average of primary pupils taken on census days in October 2022, January 2023 and June 2023 extrapolated across the year multiplied by £2.65 per day. For the 2024/25 academic year, the price per meal will be increased. LAs are awaiting further details on level of funding for 24/25.
- 10.3 LBBB received £4,418k funding for 2023/24 academic year. 50% of this funding was received in July, 25% in December and the final 25% in April 2024. A balance of 10% would be held back for the final payment as set out in below:
- A balancing payment or clawback would be made before the end of the summer term 2024 based on the census day returns in October 2023 and January 2024.
  - Any additional process for clawback or top up will be based on actual differences in uptake of free school meals, except where an LEA chooses not to implement the scheme after having received the advances. This is because currently the ESFA does not operate such a clawback or top-up mechanism beyond the reconciliation payment described above.



10.4 The LA will have the responsibility to passport this funding stream to maintained primary schools and primary academies. The allocation does not cover any provision for capital expenditure that may be necessary for LA's or Academy Trusts to provide this service. An assessment of the potential need for such capital investment will be made by each school to ensure the Mayor's commitment can be implemented.

**Recommendation (x):** Schools forum are requested to:

Note the extension of the Mayor of London's Free School Meal grant in 2024/25.

## 11. Scheme for Financing Schools

11.1 The Scheme for Financing Schools (referred to as the Scheme) sets out the financial relationship between the authority and maintained schools and describes the requirements relating to financial management and associated issues, binding on both the authority and schools.

11.2 The scheme applies to all community, nursery, voluntary, foundation, community special or foundation special schools and pupil referral units (PRUs) maintained by the authority, whether they are situated in the area of the authority or situated elsewhere. It does not apply to schools situated in the authority's area which are maintained by another authority. Nor does it apply to academies. A schedule of all schools covered by this Scheme is attached as Annex A.

The scheme also covers special education needs units attached to mainstream schools when the budget is delegated to schools.

11.2 Proposed revisions to the scheme will be subject to consultation with the governing bodies and head teachers of all maintained schools prior to submission to Schools Forum for approval.

We are therefore undertaking a one month consultation from 18<sup>th</sup> June to 17<sup>th</sup> July 2024 before submitting the revised document to school's forum for approval. Please find attached the draft Scheme for financing Schools as appendix D.

**Recommendation (x):** Schools forum are requested to:

Note the consultation period for the Scheme of financing schools:  
**June 18<sup>th</sup> to 17<sup>th</sup> July 2024.**

12. AOB

13. Financial implications

As presented in this document.

### **13 Legal implications**

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

### **14 Other implications**

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

### **Background papers used in the preparation of the report:**

None.

### **List of appendices:**

Appendix A - LMS Reserves 2023/24  
Appendix B - HN Budget for 2024/25  
Appendix C - Schools Facing Financial Difficulty Fund (SFFD)  
Appendix D – Scheme for Financing Schools.