

**(BARKING AND DAGENHAM SCHOOLS FORUM)**

**15 October 2024**

<b>Title:</b> Schools' Forum Report	
<b>Open</b>	For Decision / For Information
<b>Wards Affected: All</b>	Key Decision: No
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<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. Update on Schools, Central, High Needs and EY DSG Blocks Allocations:</li><li>2. 2024/25 Projected DSG Outturn</li><li>3. Update on 2024/25 Projected High Needs Outturn &amp; Savings Proposals</li><li>4. Update on Early Years</li><li>5. Update on DSG Allocation &amp; NFF - Indicative Allocation for 2025/26</li><li>6. Growth Fund for 2024/25</li><li>7. Falling Rolls for 2024/25</li><li>8. Trade Union facility time funding distribution update</li><li>9. Core Schools Budget Grant (CSBG)</li> <li>10. Any Other Business</li></ol>	

### **Recommendation(s)**

The Schools' Forum is requested to:

1. Note the updated 2024/25 DSG funding.
2. Note the projected DSG outturn for 2024/25
3. Note and comment on the 2024/25 HN outturn position & savings proposals.
4. Note and comment on Early Years update
5. Update on DSG Allocation & NFF - Indicative Allocation for 2025/26
6. Note the updated growth fund allocations for 2024/25
7. Note the proposed distribution of falling rolls budget for 2024/25
8. Note funding distribution for trade union facility time.
9. Any other Business

### **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. Update on Schools, Central, High Needs, and Early Years Block**

- 1.1. The initial allocation of the 2024/25 Dedicated Schools Grant (DSG), released in December 2023, awarded LBBD a total of £367.8m across four blocks (excluding academy recoupment). Adjustments have been made to the latest allocation published in July 2024. Notably there has been a reduction in the High needs funding of £744k and a decrease of £59k in the early years block.

The updates from July 2024 are detailed in the table below.

2024/25 DSG allocation as at December 2023				2024/25 DSG allocation as a July 2024			
	Before recoup't £000's (a)	Less recoup't & Rates £000's (b)	Net £000's (c) = (a) - (b)	Before recoup't £000's (d)	Less recoup't & Rates £000's (e)	Net £000's (f) =(d) - (e)	Movement (g) = (f) - (c)
Schools Block	275,744	78,082	197,662	275,744	78,082	197,662	0
Central Block	2,118	0	2,118	2,118	0	2,118	0
High Needs	57,291	4,974	52,317	56,586	5,013	51,573	-744
Early Years	32,692	0	32,692	32,633	0	32,633	-59
	<b>367,846</b>	<b>83,056</b>	<b>284,790</b>	<b>367,081</b>	<b>83,094</b>	<b>283,987</b>	<b>-803</b>

Table - Updated DSG Grant Allocation for 2024/25 (in £'000s)

- 1.2. There has been a significant reduction of £744k on the High needs funding. This change is due to recoupment and net import & export adjustments across special free schools.
- 1.3. There has been a net reduction of £59k in the early years block. This is due to the reduction in the uptake of 2-year-old funding of £157k mitigated by an increase in the 3- to 4-year-old funding of £117k. In addition, there has been a reduction in the EY pupil premium allocation of £19k.

Recommendation Schools forum is requested to:

- (i) Note the updated DSG funding for 2024/25.

## 2. DSG projected outturn – 2024/25

- 2.1 The table below outlines the projected DSG outturn for 2024/25. Among the funding categories, the Schools and Central blocks anticipate achieving a breakeven position at year end. Conversely, the high needs block is forecasting an overspend of £4.0m.
- 2.2 DSG reserves brought forward from 2023/24 is £7.750m. The projected overspend of £4.025m is due to the pressures on the High Needs Block. The adjusted reserve for the current financial year is £3.725m following the clawback of EY funding of £205k. The reserve balance of £3.725m includes £563k earmarked for

growth/falling rolls funding and £785k allocated to support Schools Facing Financial Difficulties (SFFD).

	2024/25 Funding £'000	2024/25 Projected Outturn Oct2024 £'000	Surplus / (Deficit) £'000
Schools Block (ISB)	197,662	197,662	0
Central Services Block	2,118	2,118	0
High Needs Block	51,573	55,598	(4,025)
Early Years Block	32,633	32,633	0
	<b>283,987</b>	<b>288,011</b>	<b>(4,025)</b>
<b>DSG reserves B/f</b>	<b>7,955</b>	<b>(205)</b>	<b>7,750</b>
<b>Revised DSG Reserve</b>			<b>3,725</b>
EY clawback			0
<b>Revised DSG Carried forward</b>			<b>3,725</b>
Of Which			
Growth fund/Falling Rolls (£251k + £312k)		(563)	
SFFD retained centrally		(785)	
<b>Projected DSG Reserves 2024/25</b>			<b>2,377</b>

Table: DSG outturn 2024/25

Recommendation (ii): Schools Forum are requested to:

(a) Note the 2024/25 projected outturn

### 3. 2024/25 Update on High Needs Projected Outturn & Savings Proposals

	2023/24 Outturn	2024/25 Budget	2024/25 Outturn Forecast	Variance +surplus / (deficit)
Alternative Provision	3,145,539	3,341,014	3,341,014	0
EAL Payment & Pilot	223,600	387,066	387,066	0
ARP Funding	9,789,848	11,040,112	9,957,093	1,083,019
Education Inclusion	1,945,955	2,115,587	2,076,983	38,604
Out of Borough & Non-Maintained Funding	10,371,272	8,318,115	10,371,888	(2,053,773)
HN Top Ups – Post 16	2,664,888	2,413,600	3,961,511	(1,547,911)
SEN Panel Top Ups	8,264,350	5,661,000	8,513,204	(2,852,204)
LAC Virtual School	380,035	372,999	372,999	0
Initiatives	903,872	772,601	772,601	0
Special School Funding	14,438,249	15,680,919	14,626,468	1,054,451
EY Portage & Youth Ser.	471,527	658,432	404,892	253,540
Parent Support & S&L	570,315	1,234,416	1,234,416	0
Gatekeeping	0	300,133	300,133	0
<b>Total Budget</b>	<b>53,169,450</b>	<b>52,295,994</b>	<b>56,320,268</b>	<b>(4,024,274)</b>

Table – High Needs Outturn

- 3.1 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 above shows a projected HN outturn forecast for 2024/25:

The DSG forecast is mainly due to projected overspend on High Needs block due to the following:

- Increase in Panel top-up payment 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. we've assumed no further growth in applications for 24/25.
- Forecast Out of Borough (OOB) overspend due to demand and uplift in placement costs from providers. The estimated average increase in OOB placement was 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 uplifts in provider charges.
- Post16 top up payments in support of continued growth for 16-25 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'.

- To mitigate the projected overspend, The high needs working group is tasked with considering various savings options including: % reductions to top-up rates, clawback of vacancy factors for SEN places, block transfers, 10% reductions on service budgets etc.

3.2 The table below shows the proposed savings for each option

High Needs Savings Strategies	Total Value of Savings	Preferred Savings	2024/25 Pro-rata Savings	RAG Rating
Stop Paying Band F	2,222,490	0.00	0.00	Red
50% reduction of Band F rate	1,111,245	0.00	0.00	Amber
40% reduction of Band F rate	888,996	0.00	0.00	Green
25% reduction of Band F rate	555,623	555,623	0.00	Green
10% Reduction on Band G	334,457	0.00	0.00	Red
5% Reduction on Band G	167,229	0.00	0.00	Green
Stop Provision Funding	2,440,000	2,440,000	0.00	Green
10% Reductions on Central Budgets	606,749	606,749	303,375	Green
% reduction on Top up (2%)	389,493	0.00	0.00	Green
% reduction on Top up (4%)	778,985	0.00	0.00	Red
% reduction on Top up (6%)	1,168,478	0.00	0.00	Amber
Clawback of Vacancy factor ??	206,000	0.00	0.00	Red
Out of Borough Savings	500,000	500,000	0.00	Green
0.5% Schools Block Transfer	988,312	0.00	0.00	Red
Stop Year 7 top-up	298,971	298,971	298,971	Green
		<b>4,401,343</b>	<b>602,346</b>	

3.3 The above table shows the full list of savings options that are being considered to mitigate the projected outturn deficit for High needs.

3.4 Items RAG rated red are least preferred, whereas Green rated items are preferable. A selection of green rated savings could deliver circa £4.4m per annum if implemented for 25/26. A pro-rata savings of £600k could be achieved for 2024/25.

3.5 There are no easy solutions to mitigate the HN deficit, there will be no general fund support from the LA, and if no action is taken, we may have to apply to the secretary of state for disapplication to top-slice the schools block to fund the high needs deficit.

The High Needs working group met on 1<sup>st</sup> October 2024 and reviewed the current year outturn position and ongoing pressures for 2024/25. The following areas were discussed at the meeting:

- High needs exceptional funding and new year distribution being processed to schools during summer break as detailed in section 5 below.

- ISOS review and sharing of good practice for managing the High Needs block of funding and operational working practices. Including strategies undertaken within Barking and Dagenham last 8-10 years and lessons learnt.
- SEN pupils within mainstream schools and reviews based upon a 'case by case' basis.
- Savings proposals in point 3.2 above and proposed 50% reduction in band F with further modelling based upon suggested 25% reduction in banding due to increase in pressures of SEN children attending primary school.
- 10% savings on band G and implications to the range of children attending mainstream provision who ideally should be attending a special school due to exceptional SEN and additional support costs for the pupil to access mainstream education.
- Fairness of central budgets of High Needs block and ratio of savings circa £607k in comparison of proposed school savings with impact upon some of the borough's most volatile children and young people.
- Out of Borough savings through in-borough placements. There are 287 learners in out-borough schools' settings (both maintained and non-maintained/independent)
- Phase transfer cohorts saw majority remaining in borough
- Ongoing arrangements are being made with our in borough special schools for the potential transfer from OOB to local special schools.
- Year 7 top ups and SEN transitional implications for pupils attending secondary schools with no support funding.

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

Note & comment on the proposed savings options to mitigate the High Needs projected overspend.

#### 4. **Update on Early Years**

4.1 The projected outturn for early years is breakeven position. The projected forecast will be monitored for any possible slippage(s) regarding take-up of the extended entitlement for 2-year-olds.

#### 4.2 **Take up of Extended Entitlements**

Parents apply for eligibility code from the DfE's website called Childcare Choices. They prove their eligibility online and only when they are issued a code, can they

claim. To activate their claim, codes must be validated by the LA. So, some parents apply and get a code but do not use it.

4.3 431 codes have been issued for children entitled to the 2-year-old offer. Of these, 246 codes have been validated, which makes our validation rate 57%. This aligns with validation rate for London of 57% and is below England at 71%. At present, 440 2-year-olds are accessing their new entitlement in Barking and Dagenham. This means that many out of borough children are accessing provision in Barking and Dagenham.

4.4 The entitlement for children aged 9 months and above commenced in September 2024. In total, 620 codes have been issued. 60% of these have been validated. At present, 203 children are accessing their entitlement in our settings. We are currently seeing between 6 and 7 code validations per day.

#### 4.5 **Early Years Capital programme**

Applications for the early years' capital programme have been received and assessed. A total of 289 new full time equivalent places for children up to 2yrs old will be created with the capital funding across the borough. The availability of new places will start in October 2024 with a programme of works that will complete in the summer of 2025 ready for the roll out of additional hours for children aged 2 and under.

#### 4.6 **Early Years Budget Grant (EYBG)**

The EYBG is to support early years providers who are delivering the government's early years entitlements with their costs, following the recent teacher pay award, for the period September 2024 to March 2025. The allocation for LBBB is £0.13p rate which equates to £252,787. We are planning to passport this in full to eligible settings.

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

Note the EYBG & projected outturn and take-up of places.

### 5. **National Funding Formula (NFF) - Indicative Funding 2025/26**

Due to the timing of the general election, the publication of the notional schools and high needs national funding formula (NFF) allocations for 2025 to 2026 has been delayed.

5.1 The notional NFF allocations for schools and all supporting documents on the NFF for 2025 to 2026 will be published following the budget announcement on 30 October 2024. The LA plan to consult with schools as soon as the indicative funding allocation is released.



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

Note the delay by DfE to release the indicative DSG funding and Authority Proforma Tool (APT) template. The LA will consult schools on the funding models as soon as the DSG funding is released.

## 6. 2024/25 Growth Fund

6.1 Growth funding is allocated to Schools to manage an increase in pupil numbers in 2024/25 before the lagged funding catches up. The DfE allocate growth funding based on the differences between primary and secondary pupils at school within each Middle Layer Super Output Area (MSOA) between the October 2022 and October 2023 census figures. Only positive MSOA growth will be used in calculating the number of pupils to be funded. The criteria set by LBBD for the growth fund is as 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 local authority to provide an extra class to meet basic need in the area (either as a bulge class or as an ongoing commitment), regardless of whether the additional class is within or outside of the PAN.

6.2 The 2024/25 DfE growth fund allocation is **£1.182m** and the revised growth required based on the September 2024 class intake is **£1.433m**.

6.3 The table below sets out the revised growth allocation for 2024/25 based on the planned admission numbers in September 2024. Both Riverside primary and Greatfields School have an additional class attracting a revised amount of £144k and £175k respectively. These allocations are provisional until confirmed by the LA admission team.

School	Pri Nos	Sec Nos	Sep24 Growth Nos	Prim. Growth £4,125.30	Sec. Growth £5,888	Total Growth Allocation 2024/25
Eastbrook School		30	30	0	103,040	103,040
Ripple Primary School	30		30	72,193	0	72,193
Riverside Primary (Free School)	60		60	144,386	0	144,386
Riverside Secondary (Free School)		30	30	0	103,040	103,040
Robert Clack School of Science	60	180	240	144,386	618,240	762,626
St Josephs Catholic (Barking) School	30		30	72,193	0	72,193
Greatfields School	30	30	60	72,193	103,040	175,233
<b>Total</b>	<b>210</b>	<b>270</b>	<b>480</b>	<b>505,349</b>	<b>927,360</b>	<b>1,432,709</b>
DFE Growth Fund Allocation 2024/25						<b>1,181,691</b>
(Shortfall)/ Surplus Growth Allocation						<b>(251,018)</b>

- 6.4 In 2024 to 2025, local authorities will continue to set criteria to determine how to allocate growth funding to schools in their local area” Therefore, due to our reported growth deficit for 2024/25, we are dropping the “uplift for more than 4 class expansion” from 24/25.

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

Approve the shortfall of £251k on the growth budget to be funded from DSG reserve.

## **7. Falling Rolls Fund 2024/25**

The DfE allows LAs to create a small fund to support good schools with falling rolls, where local planning data shows that the surplus places will be needed within the next 3 financial years. Details of the falling rolls was shared at the June Schools Forum.

- 7.1 In 2024/25, a budget of £312k is earmarked to assist schools experiencing declining numbers. LBBD was not awarded falling rolls allocation by the DFE as there was an increase in the overall numbers of pupils on roll. The decision to allocate these funds was reached during the June meeting, and it was agreed that the falling roll requirement will be met from DSG. The current criteria agreed by Schools forum includes:
- The school must have a reduction of 10 or more pupils after adjusting for impact of bulge classes.
  - There must be a year-on-year reduction in delegated budget.
  - The school’s reserves do not exceed 8% of delegated budget.
- 7.2 Based on the numbers of pupils on roll at the October 2023 census when compared to the October 2022 the schools listed below meet the set criteria.

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	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>7,522</b>	<b>7,266</b>	<b>-256</b>	<b>311,824</b>

Table: Falling rolls allocation for 2024/25

- 7.3 Where a school qualifies for both growth and falling rolls fund, we recommend that the school receives the higher funding of the two but not both.

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

- (a) Approve the falling rolls funding of £312k to be met from DSG reserves.
- (b) Approve the new criteria for schools to receive the higher of growth or falling rolls fund where a school qualifies for both funding.

## 8. Review of Trade Union Facility time

Schools' forum approved de-delegated facility time rate of £5.25 (inner London average) for 2024/25 and for the next two subsequent years.

- 8.1 This agreement includes annual uplift of the per pupil rate in line with the yearly per pupil funding increase in schools block funding.
- 8.2 Academies will contribute to the TU FT budget through a service level agreement (SLA).
- 8.3 The annual budget for TUFT for 2024/25 is £211,412, a 5-month protection has been provided to ensure a smooth transitional start from September 2024, hence the annual budget including the protection is £233,949. The table below shows details of the funding arrangement for 2024/25.

Description	2024/25
De-delegation Budget	155,768
Academies Invoicing	55,645
<b>Total Budget Available</b>	<b>211,412</b>
Number on Roll	40,264
<b>Unit Cost</b>	<b>5.25</b>

Table: Current Trade Union Budget for 2024/25

- 8.4 The Table below shows how the budget has been distributed to the affected trade unions.
- A fixed amount of £15,000 has been allocated to each trade union for admin & resourcing.
  - The remaining balance of £151k, has been allocated proportionally to NEU & NASUWT according to membership.
  - A 5-month protection has been given to NEU & NASUWT to ensure the same level of support is provided to union members from April to August 2024, until the implementation of the new reduced funding from September 2024.
  - This method of distribution assumes an amount of £61,567 will be invoiced and fully paid by academy schools.

Trade Unions	Membership	23/24 Allocations	24/25 Fixed allocation	24/25 Proportional allocation	24/25 Allocation per union	5months Protection	24/25 Allocation with LA Protection
NEU	2,123	162,900	15,000	121,531	136,531	10,987	147,517.80
NASUWT	522	72,600	15,000	29,882	44,882	11,549	56,431.01
ASCL	77	20,000	15,000		15,000		15,000.00
NAHT	507	20,000	15,000		15,000		15,000.00
<b>Annual Funding</b>	<b>3,229</b>	<b>275,500</b>	<b>60,000</b>	<b>151,412</b>	<b>211,412</b>	<b>22,537</b>	<b>233,949</b>

Table: Distribution of Trade Union Budget for 2024/25

**Recommendation (viii):** Schools forum are requested either to:

Note the distribution of TU facility time budget for 2024/25.

9. **Core Schools Budget Grant (CSBG)**

The DfE has made provision for extra funding to schools starting from September 2024. The Core Schools Budget Grant (CSBG) will provide funding to support all schools with their overall costs, following the confirmation of the 2024 teacher pay award.

9.1 This grant is ongoing and will be rolled into the core budgets from 2025/26.

Appendix A shows the CSBG allocation per school for 2024/25.

Payment of the grants will be made to the LA in November 2024, and this will be passed on to schools in the next payment run following receipt.

10. **AOB**

11 **Financial implications**

As presented in this document.

12 **Legal implications**

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

13 **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: Core School Budget Grant 2024/25**