

Schools Forum Agenda

Tuesday 15 March 2022 at 2.00 pm

This meeting will be held remotely on Teams – if you would like to observe the meeting contact: david.abbott@lbhf.gov.uk

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www.lbhf.gov.uk/committees

Agenda Item 1

Hammersmith & Fulham Schools Forum – 18 January 2022 Minutes of the meeting

NOTE: This meeting was held remotely

Present

Voting members	Non-voting members
<p>Primary School Heads Karen Cunningham, St John XXIII Catholic Primary School Joe Brown, Old Oak Primary School Claire Fletcher, St Paul's CE Primary Michele Barrett, Randolph Beresford / Vanessa Nursery Wendy Aldridge, Sulivan Primary Kathleen Williams, Holy Cross Primary</p> <p>Academies and Free Schools Seamus Oates (Executive Director, Bridge AP Academy)</p> <p>Non-Schools Members Jane Gleasure (Little People, Early Years PVI)</p>	<p>Observers Chantelle Thomas-Payne, School Business Manager Alex Parker, Business Manager Aidan Smith, Governor Mark Hopper</p>

Officers

Jacqui McShannon (Director of Children's Services)
Jan Parnell (Director of Education)
Tony Burton (Head of Finance for Children's Services and Education)
Caroline Baxter (Strategic Finance Manager)
Urmilla Dattani (Accountant)
Honor Green (Principal Accountant)
Valerie Irolla (Principal Accountant)
Jill Lecznar (Head of Finance Corporate)
Daryle Mathurin (Strategic Lead Education, Assets and Ops)
Ozioma Onwochei (Principal Accountant)
Satwinder Saraon (Head of SEND Development)
Adele Patriciello (Senior Accountant)
Phil Tomsett (Head of Early Years)
David Abbott (Head of Governance)

1. WELCOME, INTRODUCTIONS, APOLOGIES, AND MINUTES

Apologies

Apologies were received from Gary Kynaston, Sam Naismith, and Daniel Upfield.

Minutes of the previous meeting

Correction to apologies: Apologies were received from Kathleen Williams and Michele Barrett.

RESOLVED

The minutes of the meeting held on 12 October 2021 were agreed as an accurate record.

2. FINAL SCHOOLS FUNDING FORMULA PROPOSALS 2022-23

Tony Burton (Head of Finance for Children's Services and Education) presented the report which provided a briefing on the final Schools Block allocation of the Dedicated Schools Grant for 2022/23, following the receipt of final funding allocations and Authority Proforma Tool in December 2021.

Tony Burton highlighted section 2 of the report which gave details of the Schools Supplementary Grant announced in December 2021. The grant was an additional allocation of £3.2m for 22/23 on top of the core budget share of £111m. The grant applied to mainstream schools from reception to year 11. However, officers also expect additional funding for early years and post-16, likely based on head count. Appendix 5 of the report showed the estimated supplementary funding for 2022/23 based on the October 2021 census. The figures were subject to confirmation by Education and Skills Funding Agency in the Spring Term.

Tony Burton then ran through each of the recommendations – and noted that the references to '2021/22' in recommendations 1, 2, and 3 should be amended to '2022/23'.

Claire Fletcher (Chair) asked if the recommendations satisfied the Department for Education requirements around the High Needs Block. Tony Burton said officers had have received agreement or 'no comment / no dissent' on the recommendations concerning the High Needs Block transfer, the falling rolls fund, de-delegation, and the education function.

Karen Cunningham asked what the extra funding allocated to schools was based on. Tony Burton said it was based on three elements (detailed in 2.6 of the report):

- a basic per-pupil rate (with different rates for primary, key stage 3 and key stage 4)
- a lump sum paid to all schools, regardless of pupil numbers
- a per-pupil rate for pupils who are recorded as having been eligible for free school meals at any point in the last six years, with different rates for primary and secondary pupils.

The amended recommendations were unanimously approved.

RESOLVED

1. That the APT for the January 2022 recommended model be submitted to the ESFA for 2022/23 school budget shares, with revised NFF rates for local factors in appendix 1, an MFG value of 1.5% per pupil and a local LAC factor allocation £27,170 (Model 3 is recommended model).
2. Schools Forum agreed a proposal to continue to transfer 0.5% of the total Schools Block to the High Needs Block in 2022/23. This equates to £0.556m based on the final allocation.
3. Schools Forum agreed a proposal to top-slice the 2022/23 Schools Block to the value of £0.200m or 0.18% of the total for the Falling Rolls protection fund in 2022/23.
4. That maintained school representatives at Schools Forum agreed to the proposed de-delegated budgets proposed for 2022/23 in Table 3 totalling £655,900.
5. That maintained school representatives at Schools Forum agreed to the proposed Education Functions budgets proposed for 2022/23 in Table 4 totalling £258,200.

3. EARLY YEARS BUDGET 2022-23

Jill Lecznar (Head of Finance Corporate) presented the report which updated the forum on the Initial Allocation of Early Years Block funding for 2022/23 based on January 2020 census numbers and explained the impact on the participation model for all providers.

Jill Lecznar noted that a review of the current spend on early years indicated a potential underspend of £300k due to unallocated contingency and lower than expected uptake on the Special Educational Needs Inclusion Fund.

There was also a £917k brought-forward surplus from 2020/21 following the retrospective funding adjustment for the 2020/21 financial year. It was proposed that the surplus be used to offset the High Needs Block deficit and support the transformation programme for children with Special Educational Needs.

Satwinder Saraon (Head of SEND Development) said officers wanted a joint conversation with schools at upcoming workshops about how best to meet needs and develop school readiness. Jane Gleasure asked that maintained and PVI (private voluntary and independent nurseries) settings join together for the workshops. Officers said dates for the workstream on special needs would be presented shortly.

Jill Lecznar highlighted table 2, a breakdown of the initial Early Years funding allocations. She noted that the total allocation from the Department for Education was based on a January 2021 headcount. Due to Covid restrictions those numbers were very low compared to what was expected for 2022/23. To give a more accurate picture, officers based the budget on the January 2020 headcount. The figures would be adjusted throughout the year and the final figures would be agreed in July 2023.

Jane Gleasure asked if part of the consultation would include discussing intervention and inclusion officers. Posts had been lost in recent years and hadn't been replaced. Jill Lecznar said it could be covered in the central spend discussion. Satwinder Saraon added that officers recognised a gap had been left and it was an area the team wanted to address. The workshop on specialist services would help identify gaps in practice, knowledge and skills.

The recommendations were unanimously approved.

RESOLVED

1. Schools Forum noted the draft 2022/23 Early Year budget for consultation including an increase to the base rate from £6.26 to £6.39 (2.1%) and proposed hourly rates for deprivation detailed in Appendix 1 subject to consultation.
2. Detailed work will be done with the Maintained Nursery Schools to set up Service Level Agreements in order to commission work to provide training, build networks and disseminate best practice to the early years sector. This will also include work to ensure their ongoing financial sustainability.
3. Proposed timescale for Budget Consultation to Maintained Nursery Schools, Primary Schools with Nurseries, PVI providers and Childminders and the approval of final budget for Early Years Block is set out in Table 7 below.

Table 7: Budget Consultation Timescales

Date	Description
Week beginning 24 Jan 2022	Circulation of consultation
Friday 11 Feb 2022	Final date for responses
Tuesday, 8 Mar 2022	Schools Forum papers issued
Tuesday 15th March 2022	Schools Forum
By 31st March 2022	Providers notified of approved budget

4. Schools Forum to note offset of 2020/21 closing Early Years surplus to offset High Needs brought forward deficit.

4. DRAFT WORK PROGRAMME (FOR INFORMATION)

The draft work programme was noted.


5. ANY OTHER BUSINESS

None.

Meeting started: 2.00 pm
Meeting ended: 3.00 pm

Chair

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 <p>h&f hammersmith & fulham</p>	<p>London Borough of Hammersmith & Fulham</p> <p>SCHOOLS FORUM</p> <p>Tuesday 15th March 2022</p>
<p>Update: Schools Block and Central Services Schools Block Budget 2022/23</p>	

Agenda Item 2

Open
Classification - For Scrutiny Review & Comment
Key Decision: No
Wards Affected: (All Wards); All
Accountable Director: Jacqui McShannon, Director of Children’s Services
Report Authors: Tony Burton Head of Finance for Children’s Services and Education
Purpose of the report
<p>This report confirms the funding allocations proposed and agreed by Schools Forum in January 2022 have now been confirmed by the ESFA (24th February 2022) and formally approved by local authority cabinet decision on 7th March 2022.</p> <p>This report proposes the allocation of the available falling rolls funding agreed by Schools Forum for all mainstream schools (maintained and academy/free schools) the 2022/23 budget of £200,000 in line with funding regulations following October 2021 census and expressions of interest in support.</p> <p>The proposal also notes the Local Authorities proposed deployment of the Central Services Schools Block of the Dedicated Schools Grant for 2022/23.</p>

1. Introduction

- 1.1. Following Schools Forum approval of the 2022/23 Authority Proforma Tool (APT) in January 2021, the budget proposals were agreed by Hammersmith and Fulham and for formal approval by Cabinet on 7th March 2022. The ESFA confirmed their approval of the APT on 24th February 2022.
- 1.2. All mainstream schools had their delegated budgets for 2022/23 (April to March) financial year confirmed by 28th February 2022.
- 1.3. Academies and Free Schools were also informed of their APT budget shares for the April 2022 to March 2023 period which is subject to recoupment by the ESFA.

- 1.4. In section 2 this paper sets out the proposed allocations of falling rolls funding yet to be distributed to mainstream schools from the agreed 2022/23 £200,000 fund.
- 1.5. In section 3 this paper sets out the proposed 2022/23 budget for the Central Services Schools Block for approval.

2. Falling Rolls Allocations Proposed

- 2.1. There is a fund of £0.200m from the 2022/23 budget with respect to roll falls between October 2020 and 2021 census dates approved at the January 2022 Schools Forum.
- 2.2. ESFA guidance states that the local authority may set aside schools block funding to create a small fund to support good schools with falling rolls where local planning data shows that surplus places will be needed within the next three years.
- 2.3. The ESFA advise that the allocation of falling rolls funding should contain clear objective trigger points for qualification and a clear formula for calculating allocations.
- 2.4. The criteria agreed for the 2022/23 falling rolls funds are detailed below:
 - The fund is available to all mainstream schools (maintained, Academy and Free Schools) subject to the points below
 - Key trigger point is reached for falling rolls support. The fall in roll is more than 3% year on year.
 - An Ofsted category of Good or Outstanding (Mandatory per the regulations)

Plus any of the following where the school can evidence the impact on the School and the actions taken to adjust to a lower role or clear plan to recover the roll based on clear planning data agreed by the LA:

- surplus capacity exceeds a minimum number of pupils, or a percentage of the published admission number
- local planning data shows a requirement for a minimum percentage of the surplus places within the next three years
- formula funding available to the school will not support provision of an appropriate curriculum for the existing cohort
- the school will need to make redundancies in order to contain spending within its formula budget

2.5. Schools were asked for applications for falling rolls funding as part of the November schools budget consultation. The following schools applied and meet the criteria in paragraph 2.4. and are shown in the table below with proposed allocations.

Falling Rolls allocation of available funding from 2022/23 Schools Block £200,000

Eligibility

OFSTED - good or outstanding

Fall in roll between October 2020 and October 2021 over 3%

Eligible Schools

	<u>loss over 3%</u>	<u>No of Pupils</u>	<u>allocation</u>
ADDISON PRIMARY SCHOOL	-7.95%	-21.78	21,362.37
ALL SAINTS C.E. PRIMARY SCHOOL	-5.54%	-11.03	10,818.50
Ark Bentworth Primary Academy	-0.87%	-1.57	1,539.90
Ark Swift Primary Academy	-6.79%	-13.18	12,927.27
BRACKENBURY PRIMARY SCHOOL	-5.24%	-19.72	19,341.87
Flora Gardens School	-6.29%	-11.51	11,289.29
HOLY CROSS RC PRIMARY	-1.40%	-8.27	8,111.42
Kenmont Primary School	-3.32%	-6.3	6,179.20
OLD OAK PRIMARY SCHOOL	-7.41%	-16.37	16,056.10
S. Johns Walham Green CE	-0.76%	-2.62	2,569.76
Sir John Lillie	-1.17%	-3.08	3,020.94
ST MARY'S PRIMARY SCHOOL	-4.18%	-7.57	7,424.84
St Thomas of Canterbury Catholic Primary Sc	-18.99%	-36.27	35,574.52
SULIVAN PRIMARY SCHOOL	-6.13%	-12.76	12,515.33
WENDELL PARK PRIMARY SCHOOL	-6.49%	-23.93	23,471.14
WORMHOLT PARK SCHOOL	-2.37%	-7.95	7,797.56
Total		-203.91	200,000.00

2.6. The method used fully allocates the £200,000 budget with an amount per pupil for the pupil fall above the 3% threshold between October 2020 and October 2021 census points.

2.7. *Schools Forum are asked to agree the proposed allocations and agree payment of the allocations proposed in April 2022.*

3. Central Services Schools Block (CSSB) Budget 2022/23

3.1. In 2022/23 there is no change to the arrangements for Central Schools Services Block (CSSB) of the DSG. The CSSB allocation for 2022/23 provides funding for:

- The retained duties element of the Education Services Grant (ESG) for all schools

- Ongoing central statutory functions – for example Admissions – for maintained schools
- Ongoing historic commitments.

3.2. *Schools Forum are asked to approve the recommended Central Services Schools Block budget for 2022/23 totalling £2.817m below and as approved by Cabinet on 7th March 2022.*

Central Services Planned Expenditure 2022/23

Area of Expenditure	2022/23 Proposed
	£m
Copyright Licensing	0.110
Asset Management, Place Planning and Strategic Operations	0.165
Management, Support, Finance/Business Intelligence and SACRE	0.529
Virtual School	0.106
Professional Development Centre/Learning Partnership	0.060
Admissions and ACE	0.528
Contingency to support High Needs Transformation	1.319
Total Spend/Funding	2.817


3.3. The historic element of CSSB funding has reduced by £0.496m in the year to 2022/23. A balanced budget has been proposed for 2022/23. £1.319m of the Historic Allocation is proposed to support High Needs expenditure in 2022/23 as part of the Safety Valve agreement with the Department of Education (DfE). It is assumed that this contribution to the High Needs Block will reduce over the medium term as the historic CSSB funding continues to be wound down by the DfE.

3.4. The Education and Skills Funding Agency is expected to confirm further block funding reductions from 2023/24 late in the Summer Term 2022. The Hammersmith and Fulham Education Department will be exploring budget options for 2023/24 in order to mitigate expected further block reductions.

Report End

Agenda Item 3

Agenda Item 3

 hammersmith & fulham	London Borough of Hammersmith & Fulham SCHOOLS FORUM Tuesday, 15th March 2022
EARLY YEARS FUNDING 2022/23	
Open	
Wards Affected: (All Wards); All	
Accountable Director: Jacqui Mc Shannon, Director of Children's Services	
Report Authors: Jan Parnell Director of Education Tony Burton Head of Finance for Children's and Education	Contact Details: E-mail: jan.parnell@lbhf.gov.uk Tony.burton@lbhf.gov.uk
Purpose of the report This report updates forum on the results of the consultation on the 3 and 4 year olds Draft proposals for 2022/23 and presents the 2022/23 Final Budget model for approval.	

1. Introduction

- 1.1. Schools Forum on 18th January 2022 noted the draft 2022/23 3 and 4 year old budget subject to the required consultation with Early Years providers in the borough.
- 1.2. The proposals were presented at the PVI forum on 12th January and at a workshop open to all Early Years providers on 3rd February.
- 1.3. The consultation questions were sent out to all early years providers in the borough after the February workshop.
 - A total of 28 responses were received and 21 (75%) agreed with all the proposals.
 - There were some comments about the hourly rates for 2 year olds not covering costs but these rates are set by the DfE. This is part of the reason for lower availability of these places in the borough.
 - There was widespread support for the increase in SENIF funding and several providers offered to be part of a working group looking at additional support requirements for the early years sector as a whole.

- The results of the consultation are included as Appendix 1.

2. 3- & 4-YO Offer 2022/23 final budget model

2.1. The 2022/23 final budget model is detailed in Table 1 below. This model assumes a base rate of £6.39 per hour and deprivation rates as detailed in Table 2

Table 1: 2022/23 Early Years Budget – 3- & 4-YO Universal and Extended Offer

	21/22 Budget	22/23 Budget	Change year on year
	£000	£000	£000
A. Participation based on estimated hours - base rate	11,542	11,784	242
B. Participation based on estimated hours – deprivation.	1,302	1,329	27
C. SEN Inclusion Fund	500	629	129
D. Provision for Vulnerable & Additional Needs Children	550	562	12
E. Contingency	73	50	-23
F. Central services expenditure - 5% maximum allowed	743	759	16
G. Best Practice, Training and Network Building	150	60	-90
TOTAL SPEND	14,860	15,173	313
DSG EY funding	-14,860	-15,173	-313
NET POSITION	nil	nil	nil

Table 2: 2022/23 Deprivation Hourly Rates

IDACI BAND	Hourly Rate 2021/22	Hourly Rate 2022/23
1	£1.30	£1.33
2	£1.20	£1.23
3	£1.10	£1.12
4	£1.00	£1.02
5	£0.90	£0.92
6	£0.70	£0.71
7	£0.50	£0.51
8	£0.30	£0.31
9	£0.10	£0.10

10	£0.00	£0.00
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2.2 The breakdown of the hourly funding rate of £8.23 is shown in the table 3 below.

Table 3: Factors and Hourly Rates Applied (see paragraph 3.1 for full detail)

Factors	Rate per hour £	Rate per hour %
A. Basic hourly rate per child	£6.39	77.7
B. Deprivation hourly rate (average)	£0.72	8.8
C. SEN Inclusion Fund	£0.34	4.1
D. Vulnerable & Additional Needs	£0.31	3.7
E. Contingency	£0.03	0.3
F. Central Support Expenditure	£0.41	5.0
G. Best Practice Training and Networks	£0.03	0.4
Total	£8.23	100.0%

3. Details of Proposed Early Years Central Budget

Table 4: Final Early Years Central Services Budget 2022/23

Item of Central Expenditure	Budget 2021/22 £000s	Budget 2022/23 £000s	Change year on year £000s
i) Education Early Years Team	322	329	7
ii) Children's Centres Offer including outreach, early identification and support to families	211	216	5
iii) Vulnerable & Additional Needs spot purchases non maintained nursery schools	70	71	1
iv) Finance Team	86	88	2
v) Statutory Education functions and strategic support	45	45	0
vi) Business Intelligence for the termly census, EY Census and EYFS Assessments	9	10	1
Total Central Spend from Early Years DSG	743	759	16

3.1. 2022/23 budgets for Early Years central spend recommended within the 5% allowed are shown above in table 4 above.

3.2. Item iii. provides allowance within the central budget for Vulnerable & Additional Needs provision outside of the maintained nursery sector in order to comply with grant funding regulations and per current levels of expenditure.


4. Recommendations and to note

- 4.1. Schools Forum to agree final 2022/23 Early Year budget including an increase to the base rate from £6.26 to £6.39 and proposed hourly rates for deprivation detailed above in Table 1 and Table 2.
- 4.2. Schools Forum to agree final Early Years Central Services Budget for 2022/23 as detailed above in Table 4 totalling £0.743m.

Report Ends

Appendix A	Please indicate type of early years provider	The Local Authority (LA) propose to continue to pass on in full the 2 year old funding hourly rate received from DfE. This was £6.66 in 2021/22 and is £6.87 for 2022/23. Do you agree with this pr...	The Local Authority (LA) propose to pass on the full increase of 2.1% on 3 and 4 year old hourly base rate to early years providers offering the free early education entitlements. This is from £6....	The Local Authority (LA) propose to increase the hourly rates for the deprivation supplement by 2.1% to match the increase in the base rate. This supplement is based on IDACI deprivation factors a...	The Local Authority propose to increase the SEN Inclusion Fund (SENIF) available to early years providers from £500,000 to £629,000 and increase the amount that can be applied for, to respond to g...	The Local Authority will increase funding for Vulnerable & Additional Needs children by 2.1% in line with the increases in rates for 3 and 4 year olds. Do you agree with this proposal?	The Local Authority propose to continue to commission a local maintained nursery school to provide training. From Autumn 2022 CPD support for the wider early years sector is proposed to continue....	The Local Authority propose to provide an Early Years SEND resource which could include an Early Years educational psychologist, speech and language therapist and a specialist advisor. All Early Y...	Please include any further comments you may have in relation to the proposals for 2022/23 Early Years funding?
	1 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	2 Childminder	I disagree	I agree	I agree	I agree	I agree	I agree	I agree	
	3 Childminder	I agree	I agree	I agree	I agree	I agree	I agree	I agree	Training to be available to childminders .that is at suitable times.
	4 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	5 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	6 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	although I support an increase in the funding - the amount proposed falls short of the amount required to provide quality care and education for children
	7 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	8 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	9 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	10 Childminder	I disagree	I disagree	I agree	I agree	I agree	I agree	I agree	
	11 Childminder	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	12 Childminder	I disagree	I disagree	I disagree	I disagree	I disagree	I agree	I agree	2/3/4 year funding doesn't cover costs
	13 Primary school	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	14 Primary school	I agree	I agree	I agree	I agree	I agree	I agree	I agree	No further comments
	15 Local authority maintained nurse	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	16 Childminder	I agree	I agree	I agree	I agree	I agree	I agree	I agree	No comment
	17 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I disagree	I agree	Maintained Early Years sector now no longer on a "level playing field " in providing early years education as they have had supplementary payments for uplift in NI.
	18 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	19 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I disagree	I agree	
	20 Childminder	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	21 Childminder	I disagree	I disagree	I disagree	I disagree	I disagree	I agree	I disagree	The funding rate does not reflect our current rates. One Early years SEND advisor is not enough to cover the whole Borough, after Covid there are more & more children needing help.
	22 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	23 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	I am sure that there is a desperate need for professional support such as psychologist, speech & Language therapist and specialist advisor. We welcome this these support to return as in the past we benefit greatly from the SLT intervention and the training that our SENCO gained. Now more than ever due to the covid there is increase with children with Speech delay and psychologist intervention. We hope that the PVI sector with benefit from them.
	24 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	25 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	26 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	N/A
	27 Private, voluntary, independent	I agree	I agree	I agree	I agree	I agree	I agree	I agree	
	28 Private, voluntary, independent	I disagree	I disagree	I agree	I agree	I disagree	I disagree	I agree	The minimum living wage, food, maintenance, and utilities bills etc have increased about 10% in the past 12 months. The 2.1% increase doesn't match the increase rate of our out going cost.

Agenda Item 4

	<p>London Borough of Hammersmith & Fulham</p> <p>SCHOOLS FORUM</p> <p>March 15th 2022</p>
<p>DEDICATED SCHOOLS GRANT MONITORING QUARTER 3 2021/22</p>	
<p>Open</p>	
<p>Wards Affected: (All Wards); All</p>	
<p>Accountable Director: Jacqui McShannon, Director of Children Services</p>	
<p>Report Authors: Tony Burton Head of Finance for Children’s Services and Education</p>	<p>Contact Details: Tel: 07909 004 710 E-mail: tony.burton@lbhf.gov.uk</p>
<p>Purpose of the report</p> <p>This report updates forum on the 2021/22 quarter 3 budget monitoring position for the Dedicated Schools Grant covering:</p> <ul style="list-style-type: none"> • High Needs Block • Schools Block including dedelegated budgets • Central Services Schools Block • Early Years Block 	

1. Introduction

- 1.1. This paper sets out:
- Carry forward balances at 1st April 2021
 - Forecast variances in each of the blocks of the Dedicated Schools Grant in 2021/22
 - Projected closing balances at 31st March 2022
 - Changes in 2021/22 dedicated schools grant allocations advised by Education and Skills Funding Agency (ESFA)

2. Summary Position

- 2.1. Table 1 below shows the high-level position for 2021/22 financial year at quarter 2.

Table 1 – Accumulated Adjusted DSG Carry Forward from 2020/21 (balances at 31/03/21 and forecast balances at 31/03/22)

Dedicated Schools Grant (DSG) Balances by Block			
Figures in red and brackets represent surplus	Balances 31/03/21	2021/22 Forecast Variance	Forecast Balance 31/03/22
	£m	£m	£m
Schools Block	(0.755)	0.755	0
Central Services Schools Block	0	0	0
High Needs Block (including Safety Valve £4m)	16.679	(3.725)	12,954
Early Years Block	(1.418)	1.418	0
TOTAL DSG	14.505	(1,572)	12,934

3. Schools Block and Maintained De-delegation 2021/2022

3.1. The £0.755m Schools Block surplus carry forward at 31/03/21 relates to the underspend on maintained primary dedelegated budget since April 2018.

3.2. It is expected that the £0.755m will be fully utilised or passed back to contributing schools in 2021/22 financial year as follows:

- £0.124m contingency support agreed March 2021 with respect to maintained schools not eligible for schools block falling rolls support due to DfE grant funding regulations.
- £0.042m additional cost of Asbestos Management and Surveys 2021/22 noted in Qtr2 report.
- £0.265m passed back to contributing schools Summer 2021
- £0.217m proposed to be passed back to contributing schools March 2022 – see paragraph 3.3 below
- £0.057m proposed use for contingency support 2021/22 – see paragraph 3.4 below

3.3. Appendix 1 sets out the proposed allocation of the remaining of £0.267m of dedelegated funding between contributing maintained schools. Allocations are calculated pro rata to schools contributions in 2019/20 financial year. Following approval these amounts will be paid in March 2022, the total funds returned to maintained mainstream schools following close financial control since 2018 will be £0.532m.

3.4. Following the due diligence process, contingency support for schools in financial difficulty totalling £0.249m for 5 schools across the 2021/22 and 2022/23 financial years is shown below. The contingency payments would be funded from £0.057m of retained balances and the £0.192m in-year contingency budget.

Table 2 – Proposed Contingency Support to Schools in Financial Difficulty

	2021/22	2022/23	Total
	£	£	£
Melcombe Primary	106,700		106,700
Old Oak	34,887		34,887
St Thomas of Canterbury	26,791		26,791
St Pauls	15,409		15,409
Flora Gardens	0	65,000	65,000
Total Proposed	183,787	65,000	248,787

3.5. It is proposed that the contingency support totalling £183,787 for 2021/22 and £65,000 for 2022/23 is agreed by Schools Forum. Payment would be contingent on receipt of balanced medium-term budget agreed by respective governing bodies.

3.6. It should be noted that following the contingency support proposed £175,000 of contingency budget for schools in financial difficulty is available in 2022/23 to support maintained primary schools as they finalise budgets with governing bodies.

3.7. The Schools Block budget 2021/22 is summarised below in Table 3, with the Schools block expenditure in excess of budget funded from balances carried forward as per paragraph 3.2.

Table 3 - Schools Block Forecast 2021/22

	£m	£m	£m
	2021/22 Budget	2021/22 Forecast	2021/22 Variance
Schools Block delegated (after academy recoupment)	38.086	38.086	0
Falling Rolls Fund	0.200	0.200	0
Maintained schools de-delegated Budget	0.696	1.451	0.755
Maintained schools Education Functions	0.273	0.273	0
Transfer to High Needs Block	0.528	0.528	0
Total Schools Block received by LBHF	39.780	40.530	0.755

4. Central Services Schools block 2021/22

4.1. The £3.313m CSSB block is forecast to outturn to budget. Any efficiencies or savings possible within the CSSB ahead of the notified further grant reduction in April 2022 will be passed through to support the High Needs Block pressure in year.

5. High Needs Block

- 5.1. The High Needs Block is forecast to overspend by £0.255m versus the funding allocation of £29.082m in 2021/22 including academy recoupment funding. This represents a £0.177m favourable position versus the High Needs Block Safety Valve in year deficit agreed with the Department of Education for 2021/22 financial Year which allowed for investment associated with the High Needs transformation.
- 5.2. The retained HNB deficit at 31/03/21 was £16.7m after receipt of the first £6m of agreed Safety Valve funding in 2020/21 financial year.
- 5.3. The retained deficit is forecast to reduce to £12.954m at 31/03/22 following the expected receipt of £4m further safety valve funding in 2021/22 financial year and following the benefit of final Early Years surplus balances from 2020/21 financial year after final funding adjustments confirmed by the ESFA.

6. Early Years Block 2021/22

- 6.1. Early years DSG closed with a provisional retained surplus in 2020/21 of £1.418m, subject to final funding adjustments by the ESFA. Final funding for 2020/21 was reduced by £0.501m leaving revised surplus balance of £0.917m. This balance has been offset against the High Needs Block retained deficit of £16.7m as agreed at Schools Forum in January 2022.

Table 4 Early Years Grant Funding 2021/22

	£m
Early Years Funding Element	2021/22 Original Budget
3 and 4 YO universal & extended offer	14.860
2 YO Disadvantaged offer	1.161
EY Pupil Premium	0.089
Disability Access Fund	0.048
MNS supplementary funding	0.850
Total 2020/21 Early Years	17.008

- 6.2. The Early Years block is forecast to spend to budget in 2021/22 based on current data available. There are risks and uncertainties concerning the final level of funding due to the change in methodology used by the ESFA to determine entitlement.
- 6.3. For the 2021/22 financial year funding will be calculated on a term by term basis; Summer term 2021 headcount will be used to determine 5 months of funding, Autumn term 2021 headcount 4 months of funding and January 2022 headcount 3 months of funding. It is expected that for 2022/23 ESFA

will revert to using January headcounts to determine the annual allocation. As funding will follow the individual headcount numbers it seems reasonable to assume that funding will be adequate to cover the costs incurred.

- 6.4. The Early Years block is adjusted retrospectively each year so the final allocation for 2021/22 will not be known until July 2022.

Report ends

Appendix 1 - Proposed Reimbursement of Surplus Funds to Maintained Primary schools

School	2019/20 Dedelegation	Proposed Reimbursement
Addison Primary School	-30,032	11,345.90
Avonmore Primary School	-18,177	6,867.26
Brackenbury Primary School	-40,504	15,302.04
Miles Coverdale Primary School	-20,647	7,800.31
Flora Gardens Primary School	-17,486	6,606.00
Kenmont Primary School	-19,758	7,464.41
Melcombe Primary School	-36,058	13,622.55
Old Oak Primary School	-29,538	11,159.29
Sir John Lillie Primary School	-28,155	10,636.79
Wendell Park Primary School	-38,627	14,592.92
Wormholt Park Primary School	-38,429	14,518.28
All Saints CofE Primary School	-19,956	7,539.05
Holy Cross RC School	-58,187	21,982.69
John Betts Primary School	-23,611	8,919.97
St Augustine's RC Primary School	-20,943	7,912.28
St Johns Walham Green Church	-35,268	13,323.97
St Mary's Catholic Primary School	-19,165	7,240.48
St Paul's CofE Primary School	-19,659	7,427.09
St Peter's Primary School	-20,450	7,725.66
St Stephen's CofE Primary School	-40,158	15,171.41
Good Shepherd RC Primary School	-19,758	7,464.41
St John XXIII Catholic Primary School	-28,501	10,767.41
St Thomas of Canterbury Catholic	-24,500	9,255.87
Larmenier & Sacred Heart Catholic	-40,998	15,488.65
Normand Croft Community School	-17,881	6,755.29
	-706,447	266,889.98

Item 6 - Schools Forum 15th March 2022 – Draft Work Programme 2021/22

Note: Dates and items to be confirmed

Tuesday 14th June 2pm

- Schools Budget 2020/21 Outturn
- Budget Update 2022/23
- High Needs Transformation Update
- Annual Audit Update

Tuesday 11th October 2pm

- Dedicated School Grant 2022/23 Qtr2 Report
- Budget Update 2023-24
- Scheme for Financing Schools Revisions

Tuesday 6th December 2pm

- Budget Update 2023-24
- Scheme for Financing Schools Revisions
- High Needs Transformation Update