



TO: ALL MEMBERS OF THE SCHOOLS' FORUM

March 03, 2022

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NOTICE OF MEETING - SCHOOLS FORUM 10 MARCH 2022

A meeting of the Schools Forum will be held on Thursday, 10 March 2022 at 5.00 pm **via Microsoft Teams, the link will be sent via email.** The Agenda for the meeting is set out below.

AGENDA Item		Page
1.	Welcome and apologies - Chair	
2.	Minutes of the previous meeting including matters arising - Chair	3 - 10
3.	Schools' Forum Membership Update - including confirmation of representation - Chair	11 - 12
4.	DSG Budget monitoring 2021/22 month 10 - Schools/DSG Business Partner	13 - 28
5.	Early Years Budget 2022/23 - Schools/DSG Business Partner	29 - 38
6.	High Needs Budget 2022/23 - Strategic Finance Business Partner	39 - 48
7.	Falling Rolls Fund - Schools/DSG Business Partner	49 - 60
8.	Schools' Forum meeting dates 2022/23 - Schools/DSG Business Partner	61 - 64
9.	Agenda items for next meeting <ul style="list-style-type: none">• DSG Outturn 2021/22• Maintained School Balances 2021/22• DSG Budget and Deficit Recovery Plan for 2022/23	

- SEND Strategy Annual Update
- SEND Top-Up review
- Schools' Forum Constitution/ Terms of reference for 2022/23
- Update to Scheme for Financing Schools

10. Any Other Business

11. Next Meeting: June 16, 2022 at 5pm (Virtual via Teams)

Minutes of Schools' Forum Meeting

20 January 2022

Members Present

Justine McMinn – Head Teacher of EP Collier; Peter Kayes – Governor at the Ridgeway; Richard Rolfe – Governor at Micklands (Chair); Jo Budge - Executive Head Teacher of Reading Early Years Schools Federation; Nikki McVeigh – Head Teacher of Christ The King; Simon Uttley – Head Teacher of Blessed Hugh Faringdon; Karen Edwards – Head Teacher of The Heights; Annal Nayyar – Finance Director of Baylis Trust (Reading Girls); Tonia Crossman – Head Teacher of Emmer Green; Symon Cooke – Head Teacher of The Avenue; Isabelle Sandy – Business Manager of Kendrick; Cathy Woodcock – Finance Director of Reading School; Ita McGullion – Manager of Kennet ;Day Nursery ; M Grantham – Deputy Head Teacher of Highdown (substitute for R Cave); Alison McNamara - NEU.

Apologies

Dani Hall - Co-Chair of the Federation between Oxford Road Community School & Wilson School; Jane Brown – Business Manager of Churchend; Rachel Cave – Head Teacher of Highdown; John Salberg – Principal of The Wren School; Deborah Glassbrook - Director of Children's Social Care

In attendance

Nicola Panel – Schools & DSG Business Partner; Clare Warren – School Support Lead; Steven Davies – Strategic Finance Business Partner; Sue Imbriano - Director of Education; Gill Dunlop – Pupil & School Service Manager; Ann McDonnell – Business Manager of Blessed Hugh Faringdon; Corinne Dishington – Service Manager Under 5s; Vanessa Hurdle – minute taker.

	Item	Notes
1	Welcome and apologies - Chair	<p>The Chair welcomed everyone to the meeting.</p> <p>Nicola Panel read out the protocol for the virtual meeting and confirmed that votes would be required from eligible members for the following items:</p> <p>5 – School Formula Options 6 – Growth Fund Allocation 7 – De-delegations 8 – Central & Early Years Retained Budgets</p> <p>Recording of the meeting commenced. The recording will be retained until the minutes have been approved.</p>

2	Minutes of the meeting held on 9 December 2021 - Chair	<p>Minutes were agreed as an accurate record of the meeting from 9 December 2021.</p> <p>Matters arising:</p> <ul style="list-style-type: none"> - Membership – Richard needed to confirm with Jo Budge that she wished to remain a member of the Schools’ Forum. Jo has confirmed that she does wish to remain a member.
3	Schools’ Forum Membership Update - Chair	<p>Richard noted that quite a few members of the Forum are now reaching the end of their term of office. These are:</p> <p>Robert Howell - Alfred Sutton Primary Justine McMinn - EP Collier Primary Tonia Crossman - Emmer Green Primary Isabelle Sandy - Kendrick School David Littlemore - Kings Academy Prospect Rachel Cave - Highdown School Annal Nayyar - Reading Girls</p> <p>Both Justine and Annal confirmed that they are happy to remain as members of the Forum. Richard will contact the rest of the members above for confirmation.</p> <p>Aside from this, the Schools’ Forum remains at full membership.</p>
4	DSG Budget Settlement for 2022/23 – Strategic Finance Business Partner	<p>Steve Davies presented.</p> <p>The LA received notification of its allocation on 17 December. Funding has increased by £5.6m. £2.8m of this is due to the Government increasing the rates, but a further £2.1m of this is due to pupil numbers increasing, mainly in the secondary sector.</p> <p>The Schools block now has funding of £108m, which is an increase of 4.7%. This includes extra growth funding of just under £1m.</p> <p>The allocation to the High Needs block has increased by £2.2m. Based on this a revised Deficit Recovery Plan will be brought to the Schools’ Forum in March to show the position going forward.</p> <p>There is an increase in the Early Years funding rates, but it will be a case of Reading losing money as pupil numbers have decreased over the last couple of years.</p>

		<p>Reading will also receive a Supplementary Funding Grant of just under £2.8m. Appendix 3 shows the estimated Supplementary funding allocations per school. This funding is over and above what the schools were expected to receive.</p> <p>Attention was drawn to the National Insurance increase that take place from April 2022. The DfE has been asked if there will be a separate grant for this and they have confirmed that there will be. No details have been provided as yet. It is hoped that the Supplementary Funding will not be seen as the grant to cover the NI increase.</p>
5	Final school funding formula for 2022/23 - Schools/DSG Business Partner	<p>Nicola Panel presented.</p> <p>A vote is required for this item.</p> <p>The final Schools Block funding has now been confirmed as £108.4m, with £0.9m of this to be used for growth funding. Part of the funding will be used for Green Park (£154k), with the remaining £779k to be used for bulge classes and other expansions.</p> <p>After the transfer of funds to the High Needs block and deducting the growth funding, £107m will be available to allocate to primary and secondary schools through the funding formula. This is an increase of £4.7m compared to 2021/22. Of this £2.1m is due to an increase in pupil numbers, with the remaining £2.5m being real increases in a per pupil funding level.</p> <p>Since receiving the allocations, it is now clear that it is not possible to 100% mirror the National Formula Funding (NFF) due to affordability. Two proposals for the funding formula are as follows:</p> <p>Option 1 – All factors at the NFF rate (excluding lump sum), including the Area Cost Adjustment (ACA) for Reading. A lump sum of £105k and the Minimum Funding Guarantee at 1.75%.</p> <p>Option 2 – All factors at the NFF rate (excluding lump sum), including the Area Cost Adjustment (ACA) for Reading reduced by 0.6%. A lump sum of £116,595 and the Minimum Funding Guarantee at 1.75%.</p> <p>Nicola highlighted that there were some errors in the calculations:</p>

		<p>Appendix 1, Page 30 – Overall change is 2.76% for primary schools and 6.77% for secondary schools Overall change per pupil – 2.43% primary and 2.95% secondary</p> <p>This is the same error for option 2 on page 32 - Overall change is 2.96% for primary schools and 6.77% for secondary schools Overall change per pupil – 2.62% primary and 2.69% secondary</p> <p>It was clarified that the calculations per school were correct, but that it was just the percentages that were incorrect.</p> <p>Richard confirmed that the vote made by the Schools’ Forum would be an indication of what the Forum would like, but it remains up to BFFC as to which option they use. BFFC favours option 1.</p> <p>10 members voted for Option 1</p>
6	Growth Fund 2022/23 – Strategic Finance Business Partner	<p>Steve Davies presented.</p> <p>The Growth Fund allocation for 2022/23 is £933k. There is also a potential carry forward of £1.1m. This is higher than what was reported in 2021 due to bulge classes being factored in for September 2021, which did not materialise.</p> <p>£154k of the £2m Growth Fund will be used for Green Park. The Schools’ Forum needs to approve the transfer of the £154k from the Growth Fund into the Formula. Steve confirmed that all members had the right to vote on this issue.</p> <p>9 members voted for £154k to be transferred from the Growth Fund into the Formula</p> <p>For 2022/23, Reading also has a commitment for bulge classes amounting to £551k. It may be a case that this commitment is not required. This will confirmed at the Schools’ Forum in the Autumn Term.</p> <p>Appendix 1 details the Growth Fund for the period 21/22 to 24/25. The majority of the Growth Fund will be required in future years due to the new school, The River Academy, which should be established from September 2023. A carry forward has been factored in for the Academy, but it may be a case that there is enough funding to pay for the Academy. It has</p>

		<p>been estimated that £600k from the Growth Fund element will be required to pay for the Academy. This should then leave a surplus of £476k at the end of 24/25 in the Growth Fund reserve.</p> <p>Steve wished to make the Forum aware that the Growth Fund could be used for schools with falling rolls. There was a falling rolls procedure that was previously established when there was an increase in numbers in the primary sector, but a decrease for secondary schools. Schools had to show that their numbers were likely to increase within three years. If numbers had fallen by more than 30 in year 7, then schools could apply to the Falling Rolls Fund.</p> <p>Primary schools have never applied for this fund, but it was believed that it would be possible for them to do so. The Forum was asked if they would like BFfC to look into this situation further on behalf of the primary schools, as there are several primary schools now in this position. BFfC will clarify if it would be possible for primary schools to apply under the national criteria. A paper will be brought to the March Schools' Forum confirming findings, and if possible, which schools will benefit from the funding.</p> <p>Justine McMinn explained her school's situation. The school was expanded some time ago, but has never been full. The school has irregular-sized year groups and a small year 6. However, the 22/23 budget will be based on the October 21 figures, but the school now has 31 more pupils since the census date. The funding for these extra pupils will be put into the 23/24 budget but that does not help in September 22 when extra classes will be needed as well as extra staff.</p> <p>Steve explained that pupils who join schools after the October census can be included using the mobility factor and this provides some additional funding.</p> <p>11 members voted yes to BFfC looking into the falling rolls issue</p>
7	De-delegations 2022/23 – Schools/DSG Business Partner	<p>Nicola Panel presented</p> <p>Richard explained that a vote was required for this item. He hoped that just one vote per member could be given, rather than per service.</p>

		<p>Nicola confirmed that the four de-delegations are:</p> <ul style="list-style-type: none"> • Behaviour Support • Union Duties • School Improvement • General Duties <p>The de-delegations only apply to maintained schools. Table 1 sets out the current year rates plus the proposed changes for 2022/23, with some increasing and others decreasing. Some may decrease due to the fact that there are more pupils.</p> <p>Sue Imbriano wished to make members aware that as per the Consultation that came out at the end of 2021 from the DfE on the School Improvement, Brokering and Monitoring Grant, the outcome has now been received. It will be reduced by 50% from April 2022, and will be phased out completely the following year. Sue, therefore, felt that going forward conversations will need to be held on School Improvement and what it will look like in the future.</p> <p>12 members voted yes to the proposals for all 4 de-delegations</p>
8	Central and Early Years retained budgets for 2022/23 - Strategic Finance Business Partner	<p>Steve Davies presented</p> <p>Overall the Central block has reduced slightly. The Central block is split into two areas. One is the core central block, which is based on pupil numbers and a rate. This area of the block has increased by £54k due to the rise in pupil numbers.</p> <p>The second part of the block relates to historic commitments and is given as a lump sum. However, for the last three years, the amount has been reduced by 20%. This has resulted in a loss of £87k. Table 2 shows how this shortfall will be managed. Aside from the Copyright Licences, the Schools' Forum has to agree all the other changes.</p> <p>13 members agreed to all elements of the Central Block budget</p> <p>The Early Years block is normally presented at the March Forum, together with the High Needs block. This will still happen, but the central elements of the Early Years block need to be approved prior to the March meeting.</p>

		<p>The proposed increases mainly related to Payroll and the Early Years' Team.</p> <p>12 members approved the increases to the Early Years' budget for 22/23</p>
9	Agenda Items for next meeting	<p>The next meeting will be held on 10 March 2022 at 5pm as a virtual meeting</p> <ul style="list-style-type: none"> • DSG budget monitoring month 11 21/22 • Agree high needs budget for 2022/23 • Agree early years budget for 2022/23 • Agree Schools' Forum dates for 2022/23 • Review of falling rolls fund
10	Any Other Business	<p>There was no other business.</p> <p>The meeting finished at 5.37pm.</p>

Summary of Actions Outstanding

SF Date & Item no.	Action Required	Responsible Person
20/1/22 – Item 3	<p>Membership – Do the following wish to remain members?</p> <p>Robert Howell - Alfred Sutton Primary</p> <p>Tonia Crossman – Emmer Green Primary</p> <p>David Littlemore – Kings Academy Prospect</p> <p>Rachel Cave – Highdown School</p> <p>Isabelle Sandy – Kendrick School</p>	Richard Rolfe

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Agenda Item 3

SCHOOLS' FORUM MEMBERSHIP

Mar-22

Group / Sub Group	Votes	Position	Name	School	First elected / appointed to SF	Last elected / appointed to SF	Period of office as member	Due for re- election / appointment
School Members:								
Nursery (2)	1	Head teacher	Jo Budge	Reading EY Schools Federation	Jan-17	Jan-19	3 yrs	Jan-22
	2	Governor	Julia Cottee	Reading EY Schools Federation	Mar-20	Mar-20	3 yrs	Mar-23
Maintained Primary (7)	3	Head teacher	Robert Howell	Alfred Sutton	Mar-19	Mar-19	3 yrs	Mar-22
	4	Head teacher	Justine McMin	EP Collier	Nov-13	Jan-19	3 yrs	Mar-22
	5	Head teacher	Nikki McVeigh	Christ the King	Jul-21	Jul-21	3 yrs	Jul-24
	6	Head teacher	Tonia Crossman	Emmer Green	May-17	Mar-19	3 yrs	Mar-22
	7	Governor **	Peter Kayes	The Ridgeway	Mar-07	Dec-19	3 yrs	Dec-22
	8	Governor *	Richard Rolfe	Micklands	Dec-16	Dec-19	3 yrs	Dec-22
	9	Governor	Dani Hall	Oxford Road and Wilson	Mar-20	Mar-20	3 yrs	Mar-23
		Observer/Substitute	Sarah Bernto	St Anne's				
Maintained Secondary (1)	10	Head teacher	Simon Utley	Blessed Hugh Faringdon	Jan-17	Jan-22	3 yrs	Jan-25
Academy Primary (2)	11	Academy Member	Karen Edwards	The Heights	Jul-18	Jul-21	3 Yrs	Jul-24
	12	Academy Member	Howard Seymour	Churchend	Mar-20	Mar-20	3 yrs	Mar-23
Academy Secondary (5)	13	Academy Member	Isabelle Sandy	Kendrick	Feb-12	Mar-19	3 Yrs	Mar-22
	14	Academy Member	David Littlemore	Prospect	Feb-12	Mar-19	3 Yrs	Mar-22
	15	Academy Member	Rachel Cave	Highdown	Feb-12	Mar-19	3 Yrs	Mar-22
	16	Academy Member	Annal Nayyar	Reading Girls	Dec-17	Mar-19	3 Yrs	Mar-22
	17	Academy Member	Andy Johnson	Maiden Erlegh School	Sep-21	Sep-21	3 Yrs	Sep-24
		Observer/Substitute	Louise Baker	John Madjeski				
		Observer/Substitute	Jonathan Nicholls	UTC				
		Observer/Substitute	John Salberg	The Wren				
Maintained Special (1)	18	Head teacher	Lee Smith	Holy Brook	Oct-19	Oct-19	3 yrs	Oct-22
Academy Special (1)	19	Academy Member	Symon Cooke	The Avenue	Mar-18	Mar-21	3 Yrs	Mar-24
Alternative Provision (1)	20	Head teacher	Mandy Wilton	Cranbury College			On-going	n/a
Non-School Members:								
Early Year's PVI (1)	21	PVIs	Ita McGillion	Kennet Day Nursery	Oct-17	Oct-21	3 yrs	Oct-24
Trades Unions (1)	22	Trades Unions	Ali McNamara	NEU			On-going	n/a
16 - 19 Provision (1)	23	FE College	Charlotte Morgan	Reading College (Activate Learning)	Oct-20	Oct-20	3 yrs	Oct-23

Non Members

Observer

- RBC

Elected October 2020

* Chair

** Vice chair

Elected October 2020

Elected October 2020

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Reading Schools' Forum

March 10, 2022

Agenda Item 4

Dedicated Schools Grant (DSG)
Budget Monitoring 2021/22

☐ For decision ☒ For discussion ☐ For information

SUMMARY

This report sets out the current position (month 10) of the DSG budget for 2021/22 and outlines the variances.

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None

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1. Recommendations

- 1.1 NOTE: The current overall DSG allocation and budget position for 2021/22.
- 1.2 NOTE: The current position within each funding block and impact on the deficit recovery plan.

2. Background

- 2.1 The Dedicated Schools Grant (DSG) is a ring fenced specific grant and can only be used in support of the schools' budget and spent on school/pupil activity as defined by the School and Early Years Finance (England) Regulations (2020).
- 2.2 The DSG is split between four different funding blocks - schools, central school services, early years, and high needs. Each Council's allocation is largely based upon actual pupil numbers from the October pupil count proceeding the actual financial year. Although separate allocations are received for each block, transfers are allowed between blocks but subject to certain restrictions.
- 2.3 Most of the grant is allocated to schools – the Individual School's Budget (ISB) or delegated budget – this is mainly formula driven; the remainder is the Centrally Retained School's Budget – the non-delegated budget.
- 2.4 Overspends on the DSG are carried forward and are a first call on the following year's allocation of DSG. Underspends on the DSG are carried forward to support the future year's school's budget.
- 2.5 The Authority must ensure that DSG is correctly spent and has to report the outturn position to inform the impact upon the following year's budget position. The budget monitoring of the Authority distinguishes between how services are funded, namely by DSG or by the Local Authority.
- 2.6 The LA receives its DSG allocation gross (including allocations relating to academies and post 16 provision), and then the Education & Skills Funding Agency (ESFA) recoups the actual budget for these settings to pay them direct, leaving a net or LA allocation.

3. DSG Allocation 2021/22

- 3.1. The DSG allocation received by the LA will change during the year. Table 1 shows the original estimate made by the LA and the current position, as last notified by the ESFA in January 2022. Further details are contained in Appendix 1. Changes to the allocation could impact on the overall budget position.
- 3.2. The allocations shown in the table are prior to any transfers between blocks. For the 2021/22 budget the Schools' Forum has agreed a transfer of £484k from the schools' block to the high needs block.
- 3.3. Overall there has been a reduction of £1.2m to the current year allocation, which relates to the High Needs Block import / export adjustment (-18k) and the Early Years Block reduction

in 3- and 4-year old numbers (-£1.2m). The Early Years Block final settlement will happen July 2022.

Table 1: RBC's original and revised (current) DSG allocations for 2021-22

BLOCK	ORIGINAL ESTIMATED DSG ALLOCATION 2021/22			REVISED DSG ALLOCATION 2021/22			CHANGE (£m)
	Gross DSG Allocations (£m)	Less Recoupment relating to Academies/ Post 16 (£m)	Total LA DSG Allocations (£m)	Gross DSG Allocations (£m)	Less Recoupment relating to Academies/ Post 16 (£m)	Total LA DSG Allocations (£m)	Total DSG (£m) Available
Schools Block	103.481	-54.703	48.778	103.481	-54.703	48.778	0
Central Schools Block	1.167		1.167	1.167		1.167	0
Early Years Block	12.980		12.980	11.782		11.782	-1.197
High Needs Block	24.658	-4.168	20.481	24.640	-4.177	20.463	-0.018
Total	142.286	-58.871	83.406	141.071	-58.880	82.190	-1.215

- 3.4. The main changes that may occur and need to be monitored during the year are as follows:
- Reductions in the schools' block funding due to any academy conversions. This is because funding is paid direct to these schools by the ESFA, though this has no impact on the LA budget, as expenditure is reduced accordingly. Currently, there are no mainstream academy conversions in process, so the budget remains the same.
 - High needs block funding was adjusted in July 2021 due to the import/export adjustment: this is where there has been a change to the number of Reading pupils placed in settings outside Reading or a change in the number of pupils from other LAs attending settings in Reading. This is because the LA where the setting is located is responsible for the place funding, so this adjustment ensures any changes in pupil numbers transferring between LAs are properly funded. Overall, this has resulted in a reduction in funding of £18k, as the number of pupils placed outside of Reading has increased by 3. There should not be any further changes to this block this year.

4. DSG Budget 2021/22 Month 10 Overall Position

- 4.1. Appendix 2 contains the 2021/22 budget and current (month 10) forecasts. This is split between the four funding blocks, and broken down by the main reporting lines for the DSG. Appendix 3 contains brief notes on what is included in each line of the budget report.
- 4.2. Table 2 summarises the current budget and forecast per block. Note that the DSG allocation includes an additional net £0.776m which is ring fenced surpluses brought forward from 2020/21 and being utilised in 2021/22 and 2022/23 (for growth fund and early years).

Table 2: Summary Budget and Forecast 2021/22

	ORIGINAL BUDGET (£m)	CHANGES £m	CURRENT BUDGET (£m)	FORECAST as at MONTH 10 (£m)	VARIANCE as at MONTH 10 (£m)
Schools Block	48.294	0.622	48.916	47.841	-1.075
Central Schools Block	1.167	0	1.167	1.160	-0.007
Early Years Block	11.507	0.154	11.662	11.785	0.124
High Needs Block	21.205	0	21.205	21.838	0.633
Repayment of Deficit	2.189	-0.058	2.132	2.132	0
Sub Total – Net Expenditure	84.362	0.718	85.081	84.756	-0.325
DSG Allocation	81.934	0.776	82.710	82.813*	0.103
Balance Over/(Under) Allocated	2.429	-0.058	2.371	1.943	-0.428

*includes £0.622 carry forward from growth funding 20/21

Note: The above forecast was taken at month 10. Since then we have started to update period 11, which in part is reflected in the deficit recovery plan. There is a potential +£200k increase estimated.

- 4.3. The deficit forecast for the end of the financial year is now £2.068m, an increase of £0.383m from that reported at month 8. This is still a decrease of £0.366m compared to the revised budget of £2.371m. The variances from the original budget are summarised as follows:

Growth fund - No bulge classes required in 2020/21 or 2021/22	-£1,074,735
Underspend in Contribution to Central services	-£6,535
Early years - difference between funding (including contingency) and forecast payments to providers	£2,266
Early Years - Resource Provision	-£63,803
Place funding	-£100,168
Top Up funding - overspend	£764,221
Reduction in High Needs Block funding due to Import / Export Adjustment	£18,047
Overspend in Sensory Consortium Joint Arrangement	£33,000
Total	-£427,707

- 4.4. The change from month 8 is mostly associated to top-up funding in the High Needs Block due to the increase in EHCPs and the potential outcomes of the college High Needs matter that is still under negotiations.
- 4.4. Note that because many of these underspends are ringfenced and required for future commitments, this does not mean that the overall deficit has reduced by this amount. The following paragraphs provide more details on the variances.

5. Variances, Current Risks & Emerging Issues

- 5.1. Repayment of Deficit
The end of year position in 2020/21 was more favourable than when the current year budget was planned and set, so the deficit to be repaid has reduced by £126k to £2.006m.

5.2. Schools Block

- The Growth Fund budget will underspend (partly planned), with the surplus funding currently estimated at £1.075m required to be carried forward towards paying for additional secondary bulge classes in 2022/23 and beyond. The current budget allowed for bulge classes in 2021/22 has not been required.

5.3. Central Schools Services Block

- Most of the central school services budgets are agreed contributions towards the full cost of a service and the majority will not usually have a variance. This year there is a small variance of £6.5k underspend. There will be no variance on copyright licences, as this is a national contract agreed in advance.

5.4. Early Years Block

- The majority of Early Years Funding (95%) is relating to the free early year's entitlements for 2, 3 and 4 year olds. The budget is based on the hours funded in the previous financial year at the set hourly rates. The DSG funding which we would normally expect to receive, would be based on 5/12 of the January 2021 census and 7/12 2022 census numbers, so in theory, as expenditure is based on the actual uptake of entitlement for each term, any increase or decrease in numbers during the year should be funded if the January census represents the average for the year. Funding is increased or clawed back (by the ESFA) in the following year if there has been an under or over allocation.
- However, for 2021/22, funding is to be based on each termly census (split 5/12, 4/12, 3/12). The uncertainty of numbers gives more strain on the budget this year as other budgets that pay for central spend (mainly contributions as agreed at budget setting) are not likely to reduce and costs are still needing to be met.
- The forecast for this year has been based on the actual Summer and Autumn 2021 terms along with draft census data for the Spring term.
- The DfE announced local authorities would be eligible for some additional top up funding for Spring term if the January 2021 census numbers were lower than 85% of January 2020 census, and if the take-up has then increased over the course of the term. The latest allocations show we received an additional £64k. Due to the upcoming changes in which local authorities will be funded termly in 2021-22, The DfE anticipate that local authorities will retain this funding as contingency to contribute to later demands and shortfalls should they arise.
- The contingency budget brought forward from 2020/21 is £154k (original budget set at zero) and based on the current forecast there will be £127k of contingency remaining at the end of the financial year.
- We received an update to the Early Years Block in January 2021 which represented a funding reduction of £1.2m which related to drops in pupil numbers of 3- and 4-year

olds universal and additional entitlements. We will receive the final allocation in July 2022.

5.5. High Needs Block

- Approximately 83% of the high needs block budget is payments for statutory top up fees for pupils/students with Education Health and Care Plans (EHCPs). This is the area of highest risk due to the unpredictability of the number and level (cost) of plans. It is the continued growth in both the number and cost of these plans that has led to the DSG deficit. Table 3 shows the rising trend in the number of EHCPs. Data as at January in each year is used being mid-way through an academic year and is what the ESFA use for data comparisons. The current number of EHCPs (January 2022) is 1,592, an increase of 152 since January 2021. Out of the new plans finalised this year to date, 33% relate to mainstream pupils and another 33% in independent, resource and special.

Table 3: Numbers of EHCPs

Date	Mainstream	Further Education	Independent, Resource, Special	Other (PRU, Alternative, Home Education)	Actual Total Number	Annual Yr on Yr Increase
15/16: January 2016	353	62	550	37	1,002	43
16/17: January 2017	361	115	531	59	1,066	64
17/18: January 2018	363	209	567	36	1,175	109
18/19: January 2019	398	244	580	54	1,276	101
19/20: January 2020	444	296	585	66	1,391	115
20/21: January 2021	514	235	589	102	1,440	49
21/22: January 2022	564	269	630	129	1,592	152
Latest Annual Increase	+50	+34	+41	+77	+152	

- The top up budget for 2021/22 was set based on the number and cost of top ups as at February 2021 and predicted increase (note that not all EHCPs result in a top up payment which is why the top up numbers are lower). The budget and the current top up forecasts (cost and number of placements) are shown in Table 4. The current forecast is £18.252k, which is £764k over budget (4.4%), and some individual variances by type of placement are quite large.

Table 4: Top Up Budgets and Current Forecasts 2021/22

Placement Type	Budget £'000	Forecast £'000	Variance £'000	Budget No.	Current No.	Variance No.	Average Budget/ place £	Average Forecast/ Place £
Special Schools	9,136	9,092	-44	460	445	-15	19,861	20,431
Resource Units	778	733	-44	111	87	-24	7,009	8,425
Mainstream	2,736	2,856	+120	500	499	-1	5,472	5,723
Nursery	43	64	+21	5	6	+1	8,600	10,667
Independent/NMSS	2,477	3,153	+676	59	67	+8	41,983	47,060
Further Education (GTC)	953	1,079	+126	128	133	+5	7,445	8,113
PRU * (cranbury)	911	1,007	+96	13	23	n/a	n/a	n/a
Hospital *	199	199	0	n/a	n/a	n/a	n/a	n/a
Other Alternative	256	257	1	24	22	-2	10,667	11,682
Total	17,489	18,439	+950	1,300	1,283	-18		

* PRU/Hospital costs will relate to all pupils placed in these provisions (e.g. costs include excluded pupils without an EHCP who are not included in the numbers above).

The above budgets are calculated off period 11 draft data

- The above forecasts take into the account the increase in top up fees to Reading Schools which has been agreed at a rate of 4% and was effective from September 2021. Other increases in the forecast are mainly due to other LA top ups coming into effect from September 2021.
- The Inclusion Fund provides additional funding to mainstream schools with a high percentage of pupils with EHCPs compared to our statistical neighbour average. £484,000 has been transferred from the Schools Block to the High Needs block to pay for this. Based on the current numbers of EHCPs in mainstream, the increase since the Spring term would have meant a significant overspend using the original criteria. Therefore, the qualifying percentage has been increased by 0.6% above our statistical neighbour in order to keep within budget. As a result some schools have received lower payments from this fund than would have been expected. This will be reviewed once the Autumn census data is available.

6. Maintained School Balances 2021/22

- 6.1 In January 2022 all maintained schools were asked to report their current forecast to 31 March 2022. The expected carry forward balance outturn has increased from £1.298m surplus balance to £2.042m surplus or an increase of £743k compared to when the budget was set (at the same stage last year the outturn for 2020-2021 was an increase of £405k). Schools have been particularly impacted by staff absences due to Covid since Christmas and

incurring extra costs to maintain staff cover. But these increases in costs are offset by forecasts reflecting more funding than expected through SEN funding and additional grants.

7. Deficit Recovery Plan for 2021/22

- 7.1. The DSG deficit is now totally separate from local authority funding and reserves. This means that the deficit must not be funded by the local authority's general reserves and that DSG deficits will over time be recovered from DSG allocations. The carry forward of a deficit no longer requires the consent of Schools' Forum.
- 7.2. The local authority must however be able to present a plan to the DfE for managing their future DSG spend. The plan should be shown to the local Schools' Forum and should be kept regularly updated throughout the year to reflect the most recent forecast position and be viewed as an on-going live document. We are due to meet with the DfE early 2022-23.
- 7.3. The current (February 2022) budget monitoring forecast shows the overall deficit across all blocks will increase by £0.131m (vs. budget) by the end of 2021/22 with £2.502m to be carried forward at the end of the current financial year. However of this £2.502m, £1.370m is ringfenced within each block for use in future years therefore the high needs block deficit to be repaid is £3.260m, an increase of £1.129m vs 20/21 outturn. This is £0.907m more than budgeted for 2021/22.
- 7.4. The SEND strategy is still key in supporting the recovery of the deficit and keeping costs down to ensure future sustainability. The basis of the plan is a continuation of the following strategies:
 - Maximise local provision. This includes increasing the number of places in local resource units and the building of a new special school.
 - Inclusion in mainstream – help schools in providing the right support for their EHCP pupils and provide additional funding through the inclusion fund (with £484k transferred from the schools' block in 2021/22 and 2022/23 for this purpose).
 - Minimise placements in the most expensive independent/non maintained specialist provisions by providing good local provision.
 - SEN panel is robust and consistent in its decision making; EHCPs are necessary and set at the right level and are reviewed annually.
 - Ensure out of county top up costs/annual reviews are negotiated at the right level through the commissioning team, and inflation is contained to a reasonable realistic level.
 - Ensure other contracts in the HNB do not increase more than inflation, negotiated by the commissioning team.
- 7.5. The assumptions made in estimating the budgets for next year and the following three years are as follows:
 - The annual increase in the HNB DSG allocation for 2023/24 and 2024/25 is at 8%
 - £484k transfer from the schools' block to the high needs block for inclusion funding continues until the deficit is repaid.
 - All other funding blocks balance in year or carry forward their balances; under spends in other blocks will not offset the high needs deficit.

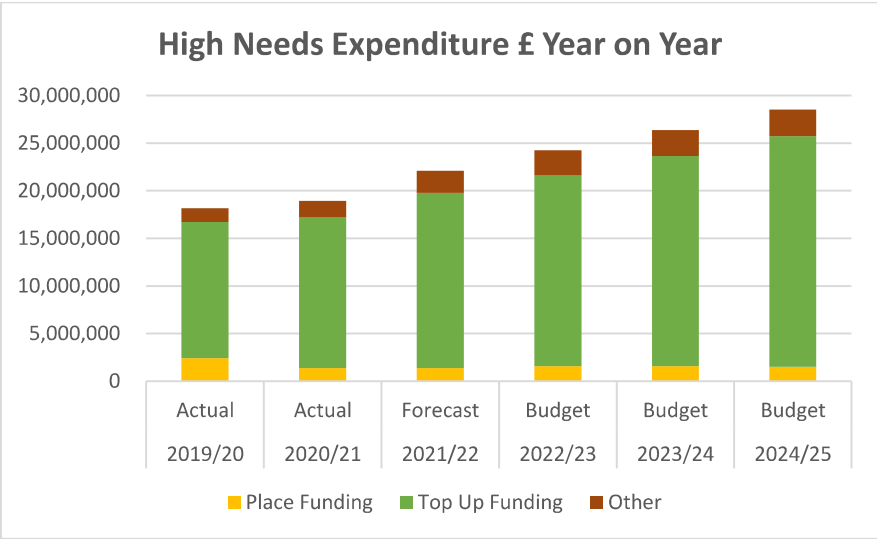
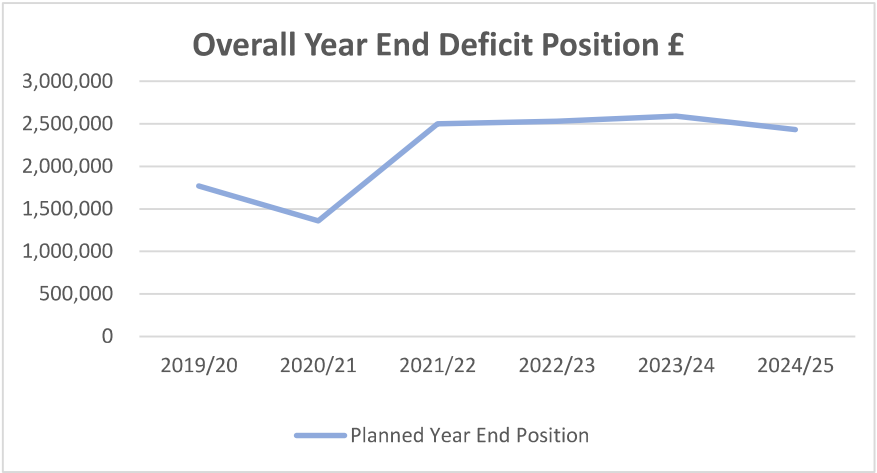
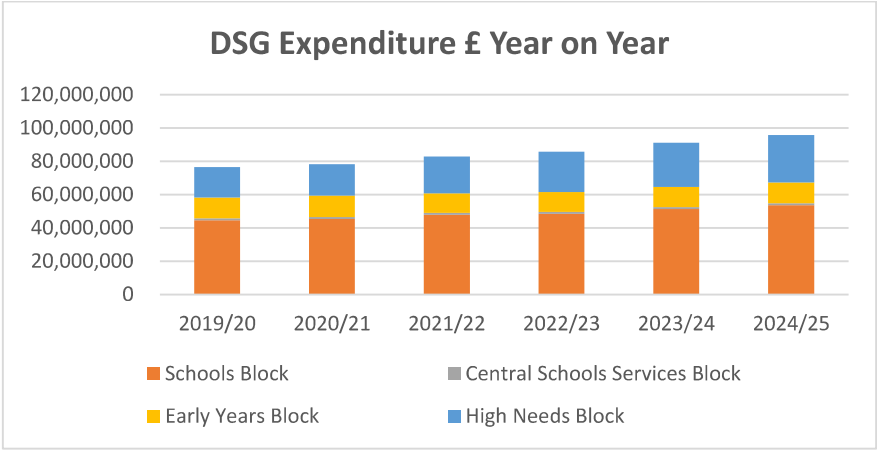
- The number of places to be funded for new resources and the new special school are factored in.
- Average costs of top ups inflated annually by 4% from 2022/23.
- The number of top ups overall continue to increase year on year at current trend/known changes in each type of provision and at the average cost for each type of provision.

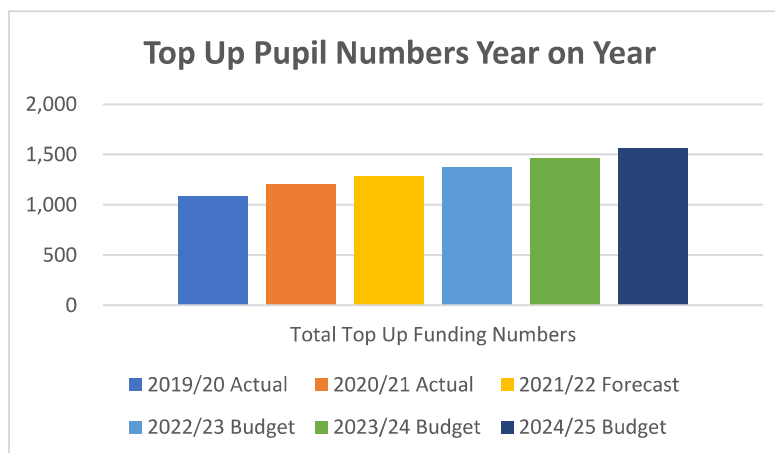
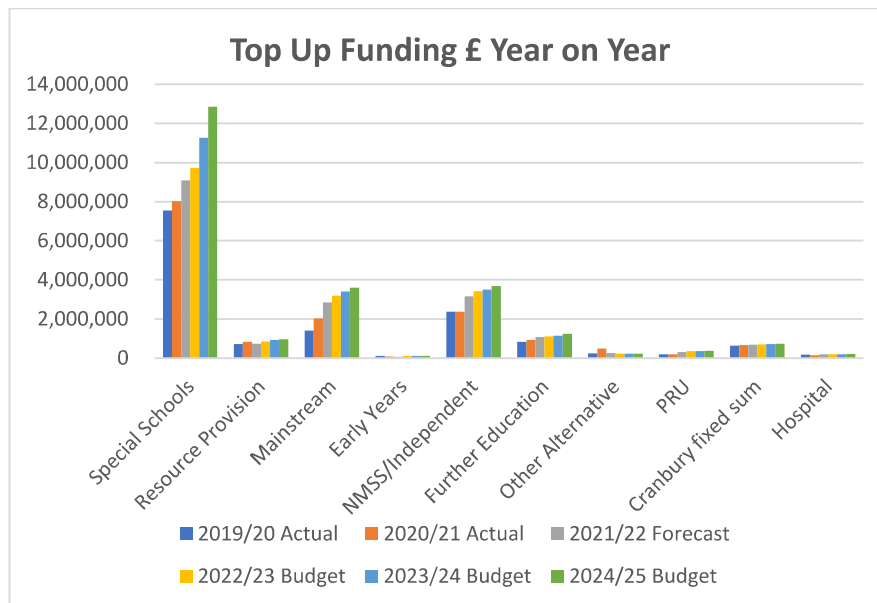
7.6. Table 5 summarises the 2021/22 financial plan using the above basis and assumptions. This does not repay the deficit within the 3-year timeframe previously anticipated. The picture currently shows that due to the rising cost of placements in high needs against the estimated increases of income each year, that leaves us in a net position; with a static deficit.

Table 5: Deficit Recovery Plan 2021/22 – 2024/25

Overall DSG Position (Net of recoupment)	2019/20 Actual	2020/21 Actual	2021/22 Budget	2021/22 Forecast	2022/23 Budget	2023/24 Budget	2024/25 Budget
Expenditure							
Schools Block	44,593,880	45,302,134	48,916,050	47,841,301	48,446,881	51,296,784	53,637,216
Central Schools Services Block	1,290,736	1,257,064	1,167,046	1,160,467	1,134,000	1,156,680	1,179,814
Early Years Block	12,462,006	12,750,981	11,661,627	11,785,186	11,963,051	12,202,312	12,446,358
High Needs Block	18,167,356	18,956,974	21,204,500	22,093,193	24,227,910	26,337,884	28,496,555
Total Expenditure	76,513,978	78,267,153	82,949,224	82,880,147	85,771,843	90,993,660	95,759,943
DSG Income							
Schools Block	-44,496,700	-45,923,814	-48,916,050	-48,916,037	-49,816,910	-52,183,276	-54,113,433
Central Schools Services Block	-1,330,000	-1,257,110	-1,167,046	-1,167,046	-1,134,000	-1,156,680	-1,179,814
Early Years Block	-12,842,060	-12,905,309	-11,661,628	-11,782,920	-11,963,051	-12,202,312	-12,446,358
High Needs Block	-18,322,000	-18,915,613	-20,965,100	-20,947,053	-24,199,263	-26,276,651	-28,658,129
Total Income	-76,990,760	-79,001,846	-82,709,824	-82,813,056	-87,113,225	-91,818,918	-96,397,734
In Year Net Position - Deficit/(surplus)							
Schools Block	97,180	-621,680	-0	-1,074,736	-1,370,029	-886,492	-476,217
Central Schools Services Block	-39,264	-46	0	-6,579	0	0	0
Early Years Block	-380,054	-154,328	-0	2,266	0	0	0
High Needs Block	-154,644	41,361	239,400	1,146,139	28,647	61,233	-161,574
Total Net	-476,782	-734,693	239,400	67,090	-1,341,382	-825,258	-637,791
Add brought forward deficit (net)	2,245,003	1,768,221	1,355,666	1,355,666	2,501,806	2,530,453	2,591,686
Ringfenced (not part of HNB deficit)		322,138	776,053	1,079,049	1,370,029	886,492	476,217
Planned Year End Position	1,768,221	1,355,666	2,371,120	2,501,806	2,530,453	2,591,686	2,430,112

High Needs Budget (Net of Recoupment for Academy Place Funding)	2019/20 Actual	2020/21 Actual	2021/22 Budget	2021/22 Forecast	2022/23 Budget	2023/24 Budget	2024/25 Budget
Expenditure							
Place Funding	2,429,700	1,372,366	1,507,333	1,331,733	1,563,547	1,572,916	1,490,866
Top Up Funding	14,283,909	15,792,169	17,487,888	18,439,279	20,001,104	22,065,707	24,220,429
Other	1,453,749	1,792,439	2,209,140	2,322,180	2,663,260	2,699,260	2,785,260
Total High Needs Block Expenditure	18,167,358	18,956,974	21,204,361	22,093,193	24,227,910	26,337,884	28,496,555
DSG High Needs Block Funding	-18,322,000	-18,915,613	-20,982,612	-20,964,612	-24,199,263	-26,276,651	-28,658,129
In Year High Needs Block	-154,642	41,361	221,749	1,128,581	28,647	61,233	-161,574
Add brought forward deficit / (surplus)	2,245,003	2,090,360	2,131,721	2,131,721	3,260,302	3,288,949	3,350,182
Planned Year End Position	2,090,361	2,131,721	2,353,470	3,260,302	3,288,949	3,350,182	3,188,608





- 7.7. The high needs budget and deficit recovery plan will continue to be regularly monitored and an update will be provided to Schools' Forum on a regular basis.
- 7.8. We will be providing the DfE with an update post year end, using a new DfE strategic/financial template. Once approved by the DfE, we will then present this version going forwards.

8. Appendices

Appendix 1 – DSG Allocation 2021/22

Appendix 2 – Summary DSG Budget and Forecast 2021/22 as at January 2022

Appendix 3 – Additional Information per Service for Appendix 2 table



Appendix 1 – DSG Allocation 2021/22

	DSG Allocation 2020/21 and 2021/22 Estimates			
	Estimated Allocation 2021/22		from DSG update	from DSG update
	December 2020 Notification	LA Estimate for Budget	July update	Jan-22 update
Schools Block				
Pupil Numbers Primary	13,013.0	13,013.0	13,013.0	13,013.0
Rate	£4,500.65	£4,500.65	£4,500.65	£4,500.65
Allocation		£58,566,958	£58,566,958	£58,566,958
Pupil Numbers Secondary	7,202.5	7,202.5	7,202.5	7,202.5
Rate	£5,924.46	£5,924.46	£5,924.46	£5,924.46
Allocation		£42,670,923	£42,670,923	£42,670,923
Growth Funding		£844,449	£844,449	£844,449
Premises Funding		£1,398,982	£1,398,982	£1,398,982
actual funding rounding adjustment				
Gross Allocation		£103,481,313	£103,481,313	£103,481,313
Academy Recoupment		-£54,702,956	-£54,702,956	-£54,702,956
Schools Block Net Total		£103,481,313	£48,778,357	£48,778,357
Central School Services Block				
Pupil Numbers	20,215.5	20,215.5	20,215.5	20,215.5
Rate	£36.20	£36.20	£36.20	£36.20
Allocation		£731,801	£731,801	£731,801
Historic Commitments		£435,200	£435,200	£435,200
actual funding rounding adjustment				
Central School Services Block Net Total		£1,167,001	£1,167,001	£1,167,001
High Needs Block				
Formula		£24,687,713	£24,687,713	£24,687,713
Hospital Funding		£213,230	£213,230	£213,230
AP Teachers pay/pension grant		£65,995	£65,995	£65,995
Pupil Numbers - Special Schools	298.0	298.0	298.0	298.0
Pupil Numbers - Alternative Provision	34.0	34.0	34.0	34.0
Rate (includes grants)	£4,907.98	£4,907.98	£4,907.98	£4,907.98
Allocation		£1,629,449	£1,629,449	£1,629,449
Import/Export Adjustment	-323	-323	-326	-326
Rate	£6,000.00	£6,000.00	£6,000.00	£6,000.00
Allocation		-£1,938,000	-£1,956,000	-£1,956,000
Additional funding for Special Free Schools				
actual funding rounding adjustment				
Gross Allocation		£24,658,387	£24,640,387	£24,640,387
Recoupment - academy high needs places		-£4,168,000	-£4,177,330	-£4,177,330
High Needs Block Net Total		£20,490,387	£20,463,057	£20,463,053
Early Years Block	(Jan '20 census)	(Jan '21 census)	(Jan '21 census)	(Jan '21 census)
3 & 4 year olds Universal - Schools	1,369.2	1,125.0	1,125.0	
3 & 4 year olds Universal - PVI	1,550.2	1,392.0	1,392.0	2,539.1
3 & 4 year olds Additional - Schools	262.6	206.4	206.4	
3 & 4 year olds Additional - PVI	603.9	637.0	637.0	849.3
Total	3,786	3,360	3,360	3,388
Rate	£5.28	£5.28	£5.28	£5.28
Allocation		£11,393,984	£10,113,460	£10,197,548
2 year olds - schools	72.0	64.0	64.0	
2 year olds - PVI	279.7	246.0	246.0	365.3
Total	351.73	310.0	310.0	365.3
Rate	£5.90	£5.90	£5.90	£5.90
Allocation		£1,182,868	£1,042,530	£1,228,369
PPG - schools	205.6	205.6	205.6	
PPG - PVI	135.8	135.8	135.8	379.6
Total	341.36	341.4	341.4	379.6
Rate	£0.53	£0.53	£0.53	£0.53
Allocation		£103,125	£103,125	£114,678
DAF - eligible pupils	66.0	66.0	66.0	66.0
Rate	£615.00	£615.00	£615.00	£615.00
Allocation		£40,590	£40,590	£40,590
Maintained Nursery Grant		£207,580	£207,580	£201,733
actual funding rounding adjustment				
Early Years Block Net Total		£12,980,843	£11,507,285	£11,782,918
SUMMARY GROSS IN YEAR ALLOCATION				
Schools Block		103,481,313	103,481,313	103,481,313
Central School Services Block		1,167,001	1,167,001	1,167,001
High Needs Block		24,658,387	24,640,387	24,640,387
Early Years Block		12,980,843	11,507,285	11,782,918
TOTAL GROSS DSG ALLOCATION IN YEAR		£142,287,544	£140,813,986	£141,071,620
SUMMARY NET IN YEAR ALLOCATION				
Schools Block		£48,778,357	£48,778,357	£48,778,357
Central School Services Block		£1,167,001	£1,167,001	£1,167,001
High Needs Block		£20,490,387	£20,463,057	£20,463,053
Early Years Block		£12,980,843	£11,507,285	£11,782,918
TOTAL NET DSG ALLOCATION IN YEAR		£81,915,700	£81,915,700	£81,915,700

Appendix 2 – Summary DSG Budget and Forecast 2021/22

Line Ref.	Description	Original Budget £m	Change	Current Budget £m	Forecast £m	Variance £m
Schools Block						
1	Individual Schools Budget - Maintained Schools	47.210	0.000	47.210	47.210	-0.000
2	Growth Fund	0.657	0.622	1.279	0.204	-1.075
3	Behaviour Support Services (de-delegation)	0.176	0.000	0.176	0.176	-0.000
4	Staff costs supply cover (trade unions) (de-delegation)	0.043	0.000	0.043	0.043	0.000
5	School Improvement (de-delegation)	0.128	0.000	0.128	0.128	0.000
6	Statutory/regulatory Duties (ESG) (de-delegation)	0.080	0.000	0.080	0.080	-0.000
7	Sub Total Schools Block Net Expenditure	48.294	0.622	48.916	47.841	-1.075
8	Schools Block DSG Allocation	48.294	0.622	48.916	48.916	-0.000
9	Balance Over / (Under) Allocated	0.000	0.000	0.000	-1.075	-1.075
Central Schools Services Block						
10	Contribution to combined budgets	0.430	0.000	0.430	0.423	-0.007
11	School admissions	0.220	0.000	0.220	0.220	0.000
12	Servicing of schools forum	0.020	0.000	0.020	0.020	0.000
13	Prudential borrowing costs	0.040	0.000	0.040	0.040	0.000
14	Other Items (copyright licences)	0.119	0.000	0.119	0.118	-0.000
15	Statutory/regulatory Duties (ESG)	0.339	0.000	0.339	0.339	0.001
16	Sub Total Central School Services Block Net Expenditure	1.167	0.000	1.167	1.160	-0.007
17	Central School Services Block DSG Allocation	1.167	0.000	1.167	1.167	-0.000
18	Balance Over / (Under) Allocated	0.000	0.000	0.000	-0.007	-0.007
Early Years Block						
19	Early Years Funding (free entitlement)	10.772	0.154	10.926	11.050	0.124
20	Support for inclusion	0.100	0.000	0.100	0.100	0.000
21	SEN support services (Portage/Dingley)	0.238	0.000	0.238	0.238	0.000
22	Central expenditure on early years entitlement	0.397	0.000	0.397	0.397	0.000
23	Sub Total Early Years Block Net Expenditure	11.507	0.154	11.662	11.785	0.124
24	Early Years Block DSG Allocation	11.507	0.154	11.662	11.783	0.121
25	Balance Over / (Under) Allocated	0.000	-0.000	-0.000	0.002	0.002
High Needs Block						
26	SEN placements - Maintained Schools (first £10k/£6k place funding)	1.507	0.000	1.507	1.343	-0.164
27	Top up funding - Special Schools	9.136	0.000	9.136	9.055	-0.081
28	Top up funding - Resource Units	0.778	0.000	0.778	0.668	-0.110
29	Top up funding - Mainstream	2.735	0.000	2.735	2.693	-0.043
30	Top up funding - Nursery	0.043	0.000	0.043	0.035	-0.008
31	Top up funding - FE Colleges	0.953	0.000	0.953	1.303	0.350
32	Top up funding - Alternative Provision	1.166	0.000	1.166	1.087	-0.079
33	Top up and other funding - non maintained & independent schools	2.478	0.000	2.478	3.212	0.734
34	Additional high needs targeted funding (Inclusion Fund)	0.484	0.000	0.484	0.484	0.000
35	SEN support services	0.576	0.000	0.576	0.609	0.033
36	Hospital education services	0.199	0.000	0.199	0.199	-0.000
37	Support for inclusion	0.340	0.000	0.340	0.340	0.000
38	Therapies and other health related services	0.413	0.000	0.413	0.413	0.000
39	SEN Transport	0.100	0.000	0.100	0.100	0.000
40	Teachers pay & pension grants to special schools/PRU	0.297	0.000	0.297	0.297	0.000
	sub sub-total (before deficit repayment)	21.205	0.000	21.205	21.838	0.633
41	Repayment of DSG deficit from previous year	2.189	-0.058	2.132	2.132	0.000
42	Sub Total High Needs Block Net Expenditure	23.394	-0.058	23.336	23.969	0.633
43	High Needs Block DSG Allocation	20.965	0.000	20.965	20.947	-0.018
44	Balance Over / (Under) Allocated	2.429	-0.058	2.371	3.022	0.651
45	Total All Blocks Net Expenditure	84.362	0.718	85.081	84.756	-0.325
46	Total DSG Allocation Available	81.934	0.776	82.710	82.813	0.103
47	Balance - Deficit / (surplus) In Year	2.429	-0.058	2.371	1.943	-0.428
Memorandum - Budgets Recouped from Gross DSG Allocation						
48	Individual Schools Budget - Academies	49.450	0.000	49.450	0.000	0.000
49	SEN placements - Academies	3.829	0.000	3.829	0.000	0.000
50	Total DSG Recouped	53.279	0.000	53.279	0.000	0.000
51	Gross DSG Expenditure including Recoupment	137.641	0.718	138.360	84.756	-0.325

Appendix 3 – Additional Information for Appendix 2 Table

SCHOOLS BLOCK

Line 1 - Individual School Budget – Schools formula budget for maintained Primary's and Secondary's.

Line 2 - Growth fund - The growth fund budget is for new/growing schools or bulge classes in response to basic need and is allocated to schools from the autumn term based on the criteria set by Schools' Forum.

DE-DELEGATIONS – Maintained Primary or/and Secondary Schools Only:

Line 3 - Behaviour Support Services – Passported to Cranbury College to supply this service.

Line 4 - Staff Costs to Supply Union Cover – Pays for Union support and supply cover for staff engaging in union duties.

Line 5 - School Improvement – To fund staff and Projects within the service.

Line 6 – Statutory/regulatory duties - formally known as the Education Services Grant, for statutory duties carried out by the LA on behalf of all maintained schools such as internal audit, year-end accounts, central reporting, monitoring compliance with scheme for financing schools.

CENTRAL SCHOOLS SERVICES BLOCK

Line 10 - Combined Budgets - covers contribution towards Commissioning, school improvement advisors, MASH (Multi Agency Safeguarding Hub), virtual school for looked after children, Early Help – children action teams that covers family workers, Welfare, CAMHs and Education Psychology.

Line 11 - School Admissions – contribution towards the statutory admissions service for all Reading Schools.

Line 12 - Servicing of Schools Forum – contribution towards officer time for preparation of reports and attendance at meetings; cost of room hire; arranging meetings, minute taking, web site.

Line 13 - Prudential Borrowing costs – Borrowing costs for schools capital programme has historically been and will be funded by borrowing over many years. This is a small contribution to the overall borrowing costs.

Line 14 – Other Items – Copyright licences – national contract, purchased on behalf of all schools.

Line 15 – Statutory/regulatory duties - formally known as the Education Services Grant, for duties carried out by the LA for all schools, including academies. Includes DSG budgets, school funding formula, payments to schools, statutory returns, education welfare, asset management.

EARLY YEARS BLOCK

Line 19 - Early Years formula funding – 2, 3 & 4 year old free entitlement funding including deprivation and early Years pupil premium and other early years grants relating to maintained nurseries and disability.

Line 20 - Support for Inclusion – Early Years Cluster funding and central staffing in Education department. Supports inclusion of children in early year's settings, supporting inclusive practices and resources that enable young children with SEND to have their needs met in these settings. There is also a contribution from the high needs block (in line 37).

Line 21 - SEN Support Services – portage and contribution to Dingley.

Line 22 - Central Expenditure on Children under 5 – Early Years Team Staff including compliance, data, sufficiency and performance.

HIGH NEEDS BLOCK

Line 26 - SEN Placements – Place funding for pre 16 maintained Resource units (first £6k), maintained special Schools (first £10k), and Cranbury College up to the date they became an academy.

Line 27 to 30 - Top-up funding for schools - EHCP top-ups for nursery, primary, secondary, special and alternative provisions within any LA that has a Reading financial responsibility for the EHCP. This also includes Pupils without EHCPs in Pupil referral units

Line 31 - Top-up funding for FE Colleges - EHCP top-ups for students in further education colleges.

Line 32 - 33 - Top-up funding and other funding – non maintained and Independents - EHCP Top-ups for Independent and non-maintained special schools, and placements in other alternative private provision for pupils with or without a EHCP.

Line 34 – Additional High Needs Targeted Funding (Inclusion Fund) – financial support to schools with a higher than average number of pupils with EHCPs.

Line 35 - SEN Support Services – This includes Sensory Consortium (joint arrangement with other Berkshire LAs), virtual school, and ASD Outreach commissioned to Christ The King School.

Line 36 - Hospital Education Services – This includes Hospital Education unit at Royal Berkshire Hospital and Education for Pupils in Tier 4 CAMHs specialist independent mental health hospital provision which is commissioned by NHS England

Line 37 - Support for Inclusion – Funding for hard to place pupils (through Inclusion panel & Therapeutic Thinking approach), and central staffing (2 posts) in Education department, one for statutory functions including monitoring exclusions and one for ASD advisory support. The final year's payment to Manor School for the inclusion project, a contribution to the early years inclusion panel, plus early years place funding at Snowflakes.

Line 38 - Therapies and other Health Related services – Contribution towards Speech and Language, Occupational and Physio therapy. Jointly funded with the Clinical Commissioning Group.

Line 39 - SEN Transport – Contributions to SEN School Travel

Line 40 – Teachers Pay and Pension grants to special schools/PRU

Line 41 – Repayment of deficit – All of the 2019/20 deficit related to the high needs block, and this is a first call on the 2020/21 resources.

RECOUPMENT

Line 48 – Individual School Budget – School formula budgets recouped for academies.

Line 49 - SEN Placements – Placement funding recouped for academy resource unit places (£6k) and special school places (£10k), and Cranbury College from the date they became an academy.



Reading Schools' Forum

March 10, 2022

Agenda Item 5

Early Years Budget 2022/23

☒ For decision

☐ For discussion

☒ For information

SUMMARY

This report sets out the early years DSG block funding and budget proposed for 2022/23.

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1. Recommendations

- 1.1 NOTE: The basis used to determine the funding allocation for 2022/23 (paragraphs 3.3 & 3.5).
- 1.2 NOTE: The early years funding rates to be paid to providers in 2022/23 (paragraphs 8.3).
- 1.3 NOTE: The centrally retained early year's budget for 2022/23 (as set out in section 7).

2. Background

- 2.1 The Early Years Block of the Dedicated Schools Grant (DSG) provides funding to support delivery of the early years entitlements in all early year's settings, including private, voluntary & independent settings (PVI), maintained nursery schools, and nursery classes in infant and primary schools. The early years entitlements are:
 - 15 hours entitlement for disadvantaged two year olds
 - Universal 15 hours entitlements for all three and four year olds
 - Additional 15 hours entitlements for eligible working parents of three and four year olds.
 - Early Years Pupil Premium for eligible three and four year olds
 - Disability Access Fund – for children in receipt of the Disability Living Allowance - to support disabled children's access to the entitlements for three- and four year olds, e.g. to support providers making adjustments to their settings.
 - Maintained nursery school supplementary funding
- 2.2 A new formula for distributing the funding to local authorities was introduced in 2017/18 which established new funding rates, alongside new regulations for allocating this funding to providers. This single early year's national funding formula (EYNFF) requires all settings, irrelevant of type, to be funded on the same basis i.e. same hourly rate. The first two years were transitional, but since 2019/20 all providers are paid on the same rate.
- 2.3 The Early Years arrangements for 2022/23 were published by the ESFA in December 2021 and can be found on the webpage [Early years funding: 2022 to 2023 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/early-years-funding-2022-to-2023).
- 2.4 This report sets out the funding assumptions for 2022/23 and the overall early year's budget based on the funding likely to be available. Schools' Forum agreement was obtained in January 2022 for the centrally retained budget.

3. Early Year's Block Funding 2022/23

- 3.1. Early year's funding is mainly based on the numbers of two-, three-, and four-year olds recorded in the January census – 5/12 from the January falling in the previous financial year (January 2022), and 7/12 in the January falling in the current financial year (January 2023). The overall assumption is therefore that January numbers reflect the average position for the year, with lower numbers in the autumn, building up to the highest numbers in the summer term; this is because the free entitlement commences the term following the child's birthday. Providers receive funding based on their actual take up each term, so it is unlikely that the DSG funding received will ever match the actual spend, and this needs to be carefully managed. Pressure on this block will occur if the January census data is lower than the actual take up for the whole year. The same method applies to early years pupil premium grant (EYPPG) funding and the disability access fund (DAF).

- 3.2. As 2021/22 has been an unusual year as a result of COVID-19, funding allocations were split on a termly basis. The government announced in November 2021 that the funding allocation methodology will return to the normal funding process for 2022 to 2023 using the January censuses: 5/12 (January 22 Census) and 7/12 (January 23 Census) for 2022/23.
- 3.3. The technical note 2022-2023 updated on 1 February 2022 stated that the current indicative DSG Early Years Block Allocation is based on the number of part-time equivalents (PTEs) taking up the entitlements as recorded on the January **2021** schools, early years and AP censuses multiplied by 15 hours × 38 weeks × local authority's hourly funding rate.
- 3.4. ESFA will update these initial allocations in:
- July 2022 based on January 2022 PTE census numbers
 - July 2023, based on five-twelfths of the January 2022 PTE census numbers (to cover the April 2022 to August 2022 period), and seven-twelfths of the January 2023 PTE census numbers (to cover the September 2022 to March 2023 period)
- 3.5. The breakdown of the 2022/23 allocation is shown in Table 1, with the first two columns replicating the notification received from the ESFA in December 2021 which is based on January 2021 census data, and the second two columns based on the January 2022 draft census data – For the purpose of setting the budget, the draft 2022 January census is used at 100%, with the assumption that any significant decrease or increase in take up between now and next January will be replicated by an adjustment to the grant.
- 3.6. The funding rates for 2022/23 have increased by £0.21 for two-year olds and £0.17 for three- and four-year olds compared to 2021/22. The minimum rate allocated to a local authority is £4.61 per hour for three- and four-year olds and £5.36 per hour for two-year olds. Each local authority has an area cost adjustment added if relevant, and for three- and four-year olds an additional needs allowance, both of which Reading benefits from. For Reading, the rates for 2022/23 have increased from £5.28 to £5.45 for three- and four-year olds and from £5.90 to £6.11 for two-year olds. To arrive at the funding allocation these rates are multiplied by the number of part time equivalent (PTE) children (1 PTE = 15 hours attendance) in the relevant census multiplied by 15 hours for each week and multiplied by 38 for the number of funded weeks in the year.

Table 1: Early Year's Block Funding 2022/23

	2022/23 – December '21 Notification		2022/23 – LA Estimate to base budget on	
	PTE NUMBER	FUNDING £	PTE NUMBER (Draft Jan 22 numbers)	FUNDING £
3 & 4 year olds - universal @ £5.45 x 15 hours x 38 weeks	2,415	7,500,986	2,391	7,427,642
3 & 4 year olds – extended entitlement @ £5.45 x 15 hours x 38 weeks	840	2,609,523	867	2,693,336
2 year olds @ £6.11 x 15 hours x 38 weeks	300	1,045,089	377	1,312,978
PPG @ £0.60 x 15 hours x 38 weeks	372	127,296	421	143,982
DAF @ £800	63	50,400	63	50,400
Maintained nursery grant @£1.12ph	239	152,323	239	152,323
Total Allocation		11,485,617		11,780,660

- 3.7. Between actual January 2021 and draft January 2022, total numbers of children are approximately the same although there is a 3% (-83) drop across three- and four-year olds accessing the free universal entitlement, a 2% (+18) increase in three- and four-year olds accessing extended entitlement and a 16% (+52) increase on those receiving the two year old funding.
- 3.8. In addition, there are allocations for pupil premium (EYPPG) and the Disability Access Fund (DAF) for the number of eligible pupils. There has been an increase to the EYPPG (£0.60 (+£0.07) per hour) and DAF rate (£615 (+£175) per eligible child per year).
- 3.9. The Maintained nursery schools supplementary grant will continue in 2022/23 however on a different basis to that of previous years and will now be in two parts. Allocations already given for April to August 2022 are indicative and will be updated according to the latest census in July 2022. The calculation is as before and the hourly rate of £1.12 has increased from £1.08. All allocations will be distributed to schools on the same basis as it is received. Given the reduction in 3 & 4 year olds this grant will also reduce. The remaining part of the grant for September 2021 to March 2022 will be classed as conditional. Conditions are yet to be published and these may be subject to change therefore we must treat them as unconfirmed.
- 3.10. Overall, the initial Early Years block grant has decreased by £0.297m from £11.783m (expected in 2021/22) to £11.486m, this is due to the reduction in numbers.
- 3.11. We are not forecasting any surplus for the current 2021/22 financial year. Should any surplus arise this will be carried forward to 2022/23 and used as contingency.

4. Early Year's National Funding Formula (EYNFF) for 2022/23

- 4.1. New regulations came into force from 1st April 2017 for distributing funding to providers for three and four year olds. There was a two year transitional period, and from April 2019 all types of providers including maintained nursery schools have received a single funding rate (including the same base rate and supplements) for both the universal and additional 15 hours.
- 4.2. Other regulations include:
 - LAs must pass on at least 95% of their three and four year old funding directly to providers.
 - May continue to use lump sums to distribute the additional supplementary funding to maintained nursery schools.
 - Must use a deprivation supplement in the three and four year old formula, and any other supplements must fall within one of the allowable categories (i.e. sparsity, flexibility, quality, English as an additional language).
 - Must not channel more than 10% of funding for three and four year olds through supplements.
 - Must provide a Special Educational Needs Inclusion Fund for three and four year olds.
 - Must pass on Early Years Pupil Premium in full to providers of eligible three and four year olds at the national rate of £0.60 per hour up to a maximum of 570 hours per year (paid on universal hours only).
 - Must fund all settings providing a place for Disability Access Fund eligible three and four year olds at the annual rate of at least £800. It is payable as a lump sum and must not be pro-rated according to hours taken up.
- 4.3. In 2021/22 all Reading providers received a single base formula rate of £4.94 per hour for three and four year olds, and £5.71 per hour for two year olds. When setting the provider funding rates any deficit or surplus from the previous year must be considered (i.e. this could arise if the January census on which the funding is based does not reflect the actual census counts and thus payments during the year). It is assumed there will be no deficit or surplus from 2021/22 to be taken into account when setting the 2022/23 budget.
- 4.4. In order to set the budget, a decision needs to be made on how many hours are to be paid to providers during the year ahead. It is usual to base it on the actual take up during the previous financial year, if the current January census data is not significantly different (as this is what the funding is based on).
- 4.5. We now have January 2022 draft census data and have decided to calculate the budget for 22/23 based on these figures, with the aim to update this as and when we receive updated census data. The funding calculation will return to normal; 5/12 January 2022 census and 7/12 January 23 census.
- 4.6. Using these hours of provision multiplied by the current funding rates plus a proposed additional £0.19 for 2 year olds (£5.90) and £0.12 for 3 & 4 year olds (£5.06) gives an annual budget as shown in Table 2. Appendix 1 gives this breakdown by type of provider.

- 4.7. The only supplement used by Reading is for deprivation, and in 2021/22 this was paid on the same eligibility criteria as the PPG at £0.97 per hour, bringing the total funding through this factor up to £1.57. This is an increase of £0.07 from 2021/22.

Table 2: Early Years Entitlement Budget Calculation for 2022/23

	TOTAL HOURS* Draft Jan22 Census	PAYOUT RATE £	22-23 BUDGET £
3 & 4 year old - universal	1,362,780	£5.06 per hour	6,896,122
3 & 4 year olds – extended	494,190	£5.06 per hour	2,500,601
2 year olds	214,890	£5.90 per hour	1,267,851
Pupil Premium Grant/Deprivation	239,970	£1.57 per hour	376,753
Disabled Access Fund	63 children	£800 per child	50,400
			11,091,728

*Total hours for 22/23 budget based on Jan 2022 draft census

- 4.8. Providers will be paid based on their actual hours of take up each term and at the increased hourly rates.

5. Maintained Nursery School Supplementary Funding

- 5.1. The Government expects the supplementary funding received for maintained nursery schools to be used to protect nursery schools with the funding rate they received in 2016/17 for the universal 15 hours. The lump sum amount received is adjusted if number of hours of provision change (as it is based on £1.12 multiplied by the hours of provision).
- 5.2. The nursery schools will be paid this funding on the same method as received. The first 5/12 will be based on the relevant census (draft January 2022 census but not yet confirmed) i.e. actual hours of provision multiplied by a supplement of £1.12 per hour. The remaining 7/12 allocation basis has not yet been given by ESFA. Further guidance is awaited.

6. Early Years SEN Inclusion Fund

- 6.1. Local authorities are required to have SEN inclusion funds for three and four year olds with lower level or emerging special educational needs who are taking up the free entitlement, regardless of the number of hours taken. Reading took a local decision to extend this offer to two year old funded children. Children with more complex needs and/or in receipt of an Education Health and Care Plan (EHCP) continue to receive funding from the high needs budget.
- 6.2. The fund for 2022/23 will remain at £150,000, which includes £100,000 allocated from the high needs block. Funding is allocated to providers on a case by case basis through a panel which meets termly. Most of the funding is passed directly on to providers, with part going towards the cost of Educational Psychologists who carry out work with providers for children with more complex needs who are likely to need a statutory needs assessment.

- 6.3. After changing the criteria for financial year 2020/21 the fund has been fully utilised. In part, this can be attributed to the lockdown restrictions during the year which has seen an increase in needs for many young children.
- 6.4. Settings can apply for additional funding to support them to meet the child's SEND needs. The requests are made in line with the Early Years Graduated Response Guidance; support is provided to settings to complete SEN audits and paperwork if needed.
- 6.5. Communication and Interaction difficulties are the greatest area of need in settings and two SCD resource units opened in September 2021 at Norcot and Blagdon, each taking 10 fully funded children each. Therefore, a proportion of the Early Years Inclusion Fund is to be used to fund these bases equivalent to the individual funding they would have received through the panel.

7. Centrally Retained Early Year's Budget Proposal

- 7.1. The local authority can retain up to 5% of their three and four year old allocation for central expenditure; this is calculated on the planned (budgeted) spend i.e. the overall average hourly rate to be paid to providers must be at least 95% (the pass through rate) of the funding rate received.
- 7.2. Schools' Forum agreed the proposed amount of £669,000 to be centrally retained in 2022/23. This is an increase of £33,800 in relation to inflationary pay increases and on costs including the additional 1.25% increase in national insurance. It is proposed pay increases will be automatically added to the budget in future years. This budget pays for the following services:
- **Early Years Team** £265,700 – this is the management and administrative costs involved in delivering the free entitlement. It includes the following posts and activities:
 - Early Years Team manager 1 FTE
 - Childcare Compliance Manager 1.0 FTE
 - Early years data, sufficiency and performance officer 0.68 FTE
 - Early Years Development Officer 1.0 FTE
 - Extended Childcare Project Officer 1.0 FTE
 - Early Years Operations and Support Officer 1.0 FTE
 - Training, marketing, and Open objects software
 - **Early Years SEND** support to settings and portage home visiting service £376,700
 - Early Years SEND manager 1.0 FTE
 - Early Years SEND Support Advisor 1.0 FTE
 - SEND Support Worker 0.86 FTE
 - Portage Workers – 4.6 FTE
 - Senior Portage worker – 1.0 FTE
 - Dingley Contract £16,800 (plus £25,000 from high needs block) will provide Family Support Programme, Providers Advisory Support Service (PASS). Dingley's Promise

provide a suitable environment for further assessment and therapy from Social Care, Education and Health professionals to advance the children's prospects.

- Central Establishment Charges £10,000 – contribution to central costs such as finance, office accommodation, ICT.

8. Overall Budget for 2022/23

- 8.1. Table 3 sets out the overall budget for 2022/23, compared to 2021/22 and 2020/21.
- 8.2. The funding does not include any carry forward from 2021/22. If there is any surplus at the end of 2021/22 this will be set aside as a contingency

Table 3: Early Years Block Budget 2021/22 and Proposed Budget for 2022/23

	2021/22 BUDGET £	2021/22 FORECAST £	2022/23 PROPOSED £
Three & Four Year old funding - universal	7,039,516	6,905,384	6,896,122
Three & four Year old funding – extended entitlement	2,236,200	2,361,115	2,500,601
Two Year old funding	1,016,171	1,222,226	1,267,851
Maintained nursery grant	207,580	222,807	152,323
Pupil Premium & Deprivation	256,646	325,539	376,753
Disabled Access Fund	15,990	12,915	50,400
Inclusion Fund	100,000	100,000	50,000
Centrally Retained	635,200	635,200	669,000
Total Expenditure	11,507,285	11,785,186	11,963,051
Total Funding	11,507,285	11,782,920	11,780,660
Over/ (Under)	0	(10,244)	(182,391)

- 8.3. The hourly payout rates in 2022/23 will therefore be set as follows:
- Three and four year olds - £5.06
 - Two year olds - £5.90
 - Deprivation - £0.97 (added to £0.60 for pupil premium)
- 8.4. The current budget states that the early years block will overspend in 2022-2023 by £0.183m. This is due to our forecasted funding currently being based on draft Jan 22 data and will be updated in July 2022 and July 2023 with updated pupil data which will be reported to Schools Forum as and when updates are received.

9. Appendices

Appendix 1 – Breakdown of Early Years Entitlement Budget 2022/23

Appendix 1 – Breakdown of Early Years Entitlement Budget 2022/23

	Hours based on January 2022 Draft Census			
Entitlement By Type of Provider	2022/23			of Children
	TOTAL	Payout Rate	Budget £	PTE
3 & 4 year old UNIVERSAL - maintained nursery schools	197,790	£5.06	£1,000,817	347
3 & 4 year old UNIVERSAL- primary schools Maintained	357,960	£5.06	£1,811,278	628
3 & 4 year old UNIVERSAL- primary schools Academy	0	£5.06	£0	0
3 & 4 year old UNIVERSAL - PVI	807,120	£5.06	£4,084,027	1,416
TOTAL	1,362,870		£6,896,122	2,391
3 & 4 year old EXTENDED - maintained nursery schools	64,410	£5.06	£325,915	113
3 & 4 year old EXTENDED - primary schools	39,330	£5.06	£199,010	69
3 & 4 year old EXTENDED - PVI	390,450	£5.06	£1,975,677	685
TOTAL	494,190		£2,500,601	867
2 year old - maintained nursery schools	44,460	£5.90	£262,314	78
2 year old - primary schools	6,270	£5.90	£36,993	11
2 Year Old Funding - PVI	164,160	£5.90	£968,544	288
TOTAL	214,890		£1,267,851	377
Disability Access Fund - maintained nursery (No. of children)	21	£800.00	£16,800	21
Disability Access Fund - primary schools (No. of children)	21	£800.00	£16,800	21
Disability Access Fund - PVI (No. of children)	21	£800.00	£16,800	21
TOTAL	63		£50,400	63
Early Years Pupil Premium - maintained nursery	58,710	£0.60	£35,226	103
Early Years Deprivation - maintained nursery	58,710	£0.97	£56,949	103
Early Years Pupil Premium - primary schools	67,260	£0.60	£40,356	118
Early Years Deprivation - primary schools	67,260	£0.97	£65,242	118
Early Years Pupil Premium - PVI	114,000	£0.60	£68,400	200
Early Years Deprivation - PVI	114,000	£0.97	£110,580	200
TOTAL	172,710		£376,753	421
			£11,091,728	

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Reading Schools' Forum

March 10, 2022

Agenda Item 6

High Needs Block Budget 2022/23

☐ For decision

☒ For discussion

☐ For information

SUMMARY

This report sets out a breakdown of the high needs block funding allocation and budget for 2022/23, and the latest update on the deficit recovery plan.

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VERSION

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None

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1. Recommendations

- 1.1 NOTE: The high needs block funding for 2022/23 (paragraph 3.3).
- 1.2 NOTE: The proposed budgets for the high needs block in 2022/23 (section 4).
- 1.3 NOTE: The draft deficit recovery plan and assumptions (section 9)

2. Background

- 2.1 The High Needs Block (HNB) supports the delivery of the Council's Special Educational Needs and Disability (SEND) Strategy (2017 – 2022). The Strand 1 work stream which includes representative members of Schools Forum incorporates the analysis of data and information, including financial information, to inform future provision and joint commissioning.
- 2.2 The HNB is currently in deficit, and the monitoring of this position is updated in the budget monitoring report brought to each meeting of the Schools' Forum. The Forum also receives regular reports on the progress of the strategy. As the current year budget monitoring shows, the number of pupils receiving EHCPs which the Council is legally obliged to fund continues to grow, and the inflationary increases applied by external providers continue to rise, with both at a greater cost than the increase in funding received in each year.
- 2.3 In 2021/22, there was a much larger increase in the HNB DSG allocation than in recent years, and a similar increase is being received for 2022/23. There is the expectation from the ESFA that this additional funding will help reduce the deficits that many local authorities have been accumulating in their HNB. However, a realistic estimate of continuing increases in the numbers of pupils eligible for top up funding must be budgeted bearing in mind in which types of provision these increases will be in accordance with the strategy (i.e. in reducing the average costs per placement).
- 2.4 The local authority decides the high needs budget, but welcomes comments and suggestions from the Schools' Forum.

3. High Needs Block Funding 2022/23

- 3.1. The HNB element of the Dedicated Schools Grant (DSG) for 2022/23 was announced on 16th December 2021 and further information on the funding arrangements can be found in ESFAs High Needs Operational Guide <https://www.gov.uk/government/publications/high-needs-funding-arrangements-2021-to-2022>.
- 3.2. All local authorities are to receive a minimum increase of 8% per head of the age 2 to 18 population based on their 2021/22 allocation. For Reading, the high needs block is increasing by £3.321m (13%) to £28.464m.
- 3.3. At the December 2021 meeting of the Schools' Forum, it was agreed to transfer £484,000 of funding from the schools' block to the high needs block, in order to financially support schools with disproportionate numbers of pupils with EHCPs.
- 3.4. The allocation for 2022/23 is broken down as shown in Table 1 (also comparing to the 2021/22 allocation).

Table 1: High Needs Block Funding Allocation 2021/22 and 2022/23

HIGH NEEDS BLOCK	2021/22 ALLOCATION	2022/23 ALLOCATION
High Needs formula	£24,687,713	£26,665,843
Special School census pupil numbers allocation (2022/23 includes pay and pension grants added)	£1,629,449	£1,874,114
AP Provision with AP Pay and Pension	£279,225	£296,283
Import/Export adjustment	-£1,938,000	-£1,956,000
Gross High Needs Allocation	£24,658,837	£26,880,241
Add transfer from schools' block	£484,000	£484,000
Supplementary Grant	£0	£1,099,853
High Needs Funding Available	£25,142,387	£28,464,094
Academies place funding top slice (recoupment) for ESFA to pay academies direct	-£4,177,300	-£4,264,830
Net High Needs Block Funding	£20,965,057	£24,199,264

- 3.5. The import/export adjustment for 2022/23 is £1,956,000 and will be re-confirmed by July 2022. This is based on the high needs' places provided in Reading to other LAs pupils less high needs places accessed by Reading pupils in other LAs (for Reading this is a deduction in funding as we are a net exporter).

4. High Needs Block Budget 2022/23

- 4.1. Table 2 sets out the current budget and forecast for 2022/23 and the proposed budget for 2022/2023. The paragraphs that follow set out further information for each budget line.

Table 2: High Needs Budget 2021/22 and 2022/23

REF to PARAGRAPH BELOW	DESCRIPTION	BUDGET 2021/22 £	FORECAST 2021/22 £	PROPOSED BUDGET 2022/23 £
5	Centrally Retained Budgets	2,209,140	2,359,280	2,663,300
5.1	Inclusion support posts	240,000	240,000	273,100
5.2	Inclusion support – schools with higher proportion of pupils with EHCPs	484,000	484,000	484,000
5.3	Inclusion Support – Therapeutic Thinking	50,000	50,000	50,000
5.4	Inclusion Support – ASC outreach	40,000	40,000	41,000
5.5	Early years inclusion funding	50,000	50,000	100,000
5.6	Dingley Contribution	25,000	25,000	25,000
5.7	Contract - Sensory consortium	312,000	335,000	360,000

REF to PARAGRAPH BELOW	DESCRIPTION	BUDGET 2021/22 £	FORECAST 2021/22 £	PROPOSED BUDGET 2022/23 £
5.8	Contract - Speech/language & occupational	412,860	460,000	520,000
5.9	Virtual School – Children looked after	119,500	119,500	214,500
5.10	Transport contribution	100,000	100,000	100,000
5.11	Central overheads	79,000	79,000	85,000
5.12	Teachers Pay & Pension grants	296,780	296,780	310,700
5.13	Commissioning	0	80,000	100,000
6.1	Place Funding	5,684,664	5,595,862	5,828,300
6.2	Maintained Schools	1,112,332	1,003,529	1,101,800
	EP Collier RU (12 places)	76,000	76,000	76,000
	Christ The King RU (21 places)	158,000	158,000	142,000
	Southcote RU (8 to 12 Places)	55,332	55,332	81,300
	NEW Resource Provision (4 places Sept 22)	33,333	0	23,300
	Blessed Hugh Farringdon RU (25 places)	158,000	158,000	148,000
	Holybrook special school (32 places)	331,667	320,000	320,000
	Snowflakes (Early Years)	100,000	100,000	110,200
	Early Years resources	200,000	136,197	201,000
6.3	Academy Schools (top sliced)	4,572,332	4,592,333	4,726,500
	Prospect RU (30 places)	210,999	211,000	211,000
	Highdown RU (5 places)	36,333	36,333	36,333
	The Avenue special school (190 Places)	1,925,000	1,925,000	1,837,500
	Hamilton (56 Pre-16 and 8 Post-16)	560,000	560,000	560,000
	Hamilton post 16 (8 places)	80,000	80,000	80,000
	Cranbury College PRU pre 16 (100 places)	1,000,000	1,000,000	1,000,000
	Cranbury College PRU post 16 (32 places, £80k met from Post 16 grant)	220,000	240,000	240,000
	Thames Valley special Free (54 places)	540,000	540,000	540,000
	Additional Special Schools Places (Avenue and Hamilton)	0	0	221,667
7	EHCP Top Ups	17,288,929	18,240,320	19,797,900
7.1	Mainstream schools	2,748,900	2,856,110	3,194,400
7.2	Special Schools	9,135,866	9,092,048	9,730,300

REF to PARAGRAPH BELOW	DESCRIPTION	BUDGET 2021/22 £	FORECAST 2021/22 £	PROPOSED BUDGET 2022/23 £
7.3	Resource units	777,797	733,085	842,300
7.4	Independent & non maintained special	2,507,272	3,071,975	3,322,700
7.5	Further Education Colleges	952,633	1,158,666	1,217,300
7.6	PRU including Cranbury College	910,747	1,007,119	1,061,600
7.7	Other independent alternative placements	255,714	234,004	340,200
7.8	Personal Budgets	0	87,313	89,100
8	Hospital & Medical	198,959	198,959	203,100
8.1	Cranbury hospital funding	153,459	153,459	158,100
8.2	Medical hospital tuition (Tier 4)	45,500	45,000	45,000
	TOTAL HIGH NEEDS BLOCK	25,381,692	26,394,421	28,492,600

- 4.2. The budget proposed for **2022/23 is £28.493m**, which is £0.029m (0.01%) above the in-year HNB DSG allocation of **£28.464m**, which will mean a small increase to the deficit.
- 4.3. The additional new funding in 2022/23 is required to fund new place funding and additional top ups; the increase in numbers above the original 2021/22 budget (for which there was no funding in 2021/22); there is also the assumed on-going increase in numbers in 2022/23; and an assumed average **2% inflationary** increase to the fees. There are also increases to the number of local places and inflationary increases to other high needs budgets. None of the deficit can therefore be repaid in 2022/23.

5. Centrally Retained Costs

- 5.1. **Inclusion support posts (£273,100)** – this budget includes the cost of three posts retained by the Local Authority. They carry out a range of statutory functions relating to monitoring exclusions, part time timetables and other issues relating to vulnerable pupils, and ASC advisory support/outreach.
- 5.2. **Inclusion support (£484,000)** – This is funding to support schools with a higher percentage of pupils with EHCPs than the statistical neighbour average in order to support inclusion in mainstream schools. The method for its allocation was agreed at the July 2018 meeting of the Schools' Forum following the recommendation of a SEND working group and was reviewed (via a consultation with all schools) during Autumn 2019. Following a further consultation with all schools on the funding of this support, Schools' Forum agreed to transfer £484,000 from the schools' block to the high needs block to pay for this support, and this funding is ringfenced specifically for this purpose.

- 5.3. **School Inclusion Panel (Therapeutic Thinking Approach) (£50,000)**
- 5.4. **ASC Outreach (£41,000)** is provided by Christ the King School.
- 5.5. **Early Years Inclusion Fund (£100,000)** - this is a contribution to a larger budget funded from the Early Years DSG Block (£150k in total). It supports inclusion of children in early years' settings. Work has been undertaken to move away from 1:1 funding to identify and support inclusive practices and resources that enable young children with SEND to have their needs met in these settings.
- 5.6. **Dingley's Promise SEND Provision (£25,000)** - The total cost of the provision is £41.5k, with £16.5k contributed from the Early Years DSG block.
- 5.7. **Sensory Consortium (£360,000)** – This is a joint arrangement with Windsor and Maidenhead and other Berkshire Local Authorities. Inflated for 2022/23 with an increase in support sessions.
- 5.8. **Speech and Language (SALT) and Occupational Therapy (OT) Contract (£520,000)** - The contract value has now been adjusted to include all academies, as some were originally excluded. Inflated for 2022/23 with an additional contract created for the early years resource units.
- 5.9. **Virtual School Children Looked After (£214,500)** - This contribution towards the Virtual school for Children Looked After. This has increased from 2021-2022 due to the funding reduction within the central block and following a benchmarking exercise this service is funded from the High Needs Block in the majority (if not all) LAs.
- 5.10. **SEND transport contribution (£100,000)** - This contributes to the total SEND Transport spend of £2.23m.
- 5.11. **Central overheads (£85,000)** - This contributes towards the cost of council overheads. The amount has not increased for several years.
- 5.12. **Teachers Pay & Pension Grants (£310,700)** – This amount has been added to the HNB DSG for the local authority to pay over to special schools and alternative provision these grants based on the actual number of pupils recorded in the October 2021 census.
- 5.13. **Commissioning (£100,000)** – SEN Placement costs are the main driver of spend within the High Needs Block and BfFC are focusing on the procurement of high cost placements to see better arrangements, contracts and partnership working can bring down the average costs of placements. This will focus on independent settings for 22-23 that includes colleges.

6. Place Funding

- 6.1. This funds the agreed number of places in special schools, resource provision/units in mainstream schools, and alternative provision (pupil referral units). The funding is fixed for the year regardless of how many pupils are on roll. Resource provisions receive £6k per place plus the school formula funding for the actual number of pupils in the unit on the previous October census day (or post 16 formula funding); Pre 16 vacant places as on October census day are funded at £10k per place. The mix between filled/vacant places changes annually and has an impact on the budget (if there are more vacant places, it costs the HNB more). Special schools and pupil referral units receive £10k per place.
- 6.2. **Maintained school place funding (£1,101,800)** – In addition to The Snowflake Centre (based at New Bridge Nursery School), there are new Early Years resource provisions in Blagdon and Norcot which opened in September 2021. These settings are now accepting up to 10 fully funded children.
- 6.3. **Academies place funding (£4,726,500)** – This is top sliced by the ESFA from the Local Authority HNB allocation to fund places in Academies based on the LA HNB place return which is submitted in November of the previous year. From 2019/20 this has included Free Special Schools, so the budget includes the places at Thames Valley School. The 2022/23 budget includes 30 additional places at The Avenue which are being considered as satellite classes from September 2021. The funding for this is being held centrally and is not included in the recoupment.

7. EHCP Top Ups

- 7.1. **Mainstream schools Top Up (£3,194,400)** – this is based on the actual number of top ups as at February 2022, increased by an additional 50. This supports the inclusion strategy and reflects the current trend of increase. The top up bandings are currently under review as part of the overall Top Up review. The rates were uplifted in September 2020. The budget has built in an overall 2% increase to the rates.
- 7.2. **Special School Top Up (£9,730,300)** – this is based on the actual number of top ups as at March 2022, increased by 30 places. As above, top up rates are currently under review. The budget has assumed an overall average increase in rates of 2%, though we have no control on increases in other local authorities.
- 7.3. **Resource Unit Top Ups (£842,300)** - this is based on the actual number of top ups as at February 2022, increased by an additional 20 places as we are opening a number of additional new places. The review of the top up rates has recently taken place with a view to an increase being implemented from April 2022. The budget has assumed an overall average increase in rates of 2%, though we have no control on increases in other local authorities.
- 7.4. **Out of Authority (OOA) Independent and Non-Maintained Special Schools (NMSS) (£3,322,700)** – this is based on the actual number of top ups as at February 2022, decreased by a total of 5 placements as pupils leave. The budget assumes inflation at 2%.

- 7.5. **Further Education Colleges (£1,217,300)** – this is based on the actual number of top ups as at February 2022, with no change to the actual number as the demand for college placements appears to have remained static. The budget assumes inflation at 2%. Strand 4 of the SEND Strategy are looking at integrating the transition into adulthood work for young people with SEND, and working with key partners to align this with other post 16 pathways into FE, employment, apprenticeships etc.
- 7.6. **Pupil Referral Units top up funding (1,061,600)** – Cranbury College receive a sum of £710k for PRU placements. The additional amount is for EHCP placements at Cranbury and top up fees in other PRUs. No increase in numbers has been assumed for 2022/23 and assumed 2% inflation. Funding removed from schools for permanent exclusions are credited against this budget if the pupil is subsequently placed in a PRU.
- 7.7. **Other independent alternative placements (AP) (£340,200)** – there has been a reduction in the number of pupils attracting additional support for AP on short term alternative packages either through their school or through the Council. Where schools place pupils who are already receiving top up, they are now responsible for this payment to avoid double funding. This budget is based on the actual number of top ups as at February 2022 with an increase for inflation.

8. Hospital and Medical

- 8.1. **Hospital Education (£158,100)** - This budget funds a teaching team at the Royal Berkshire Hospital and is hosted by Cranbury College. It is required to support pupils from any Local Authority area who are in hospital in Reading. The budget has been increased by 3% for inflation but will be waiting on 22-23 pay award to review the final allocation.
- 8.2. **Other hospital funding (£45,000)** - This budget funds the cost of pupils' education while they attend tier 4 specialist independent mental health hospital provision which is commissioned by NHS England. This is demand led and cannot be predicted. Annual costs in recent years have averaged £45,000.

9. Draft Deficit Recovery Plan for 2022/23

- 9.1. The DSG deficit is now totally separate from local authority funding and reserves. This means that the deficit must not be funded by the local authority's general reserves and that DSG deficits will over time be recovered from DSG allocations. The carry forward of a deficit no longer requires the consent of Schools' Forum.
- 9.2. The local authority must however be able to present a plan to the DfE for managing their future DSG spend. The plan should be shown to the local Schools' Forum and should be kept regularly updated throughout the year to reflect the most recent forecast position and be viewed as an on-going live document.
- 9.3. The current (February 2022) budget monitoring forecast shows the deficit will increase by £0.131m by the end of 2021/22 with £2.502m to be carried forward at the end of the current financial year.

- 9.4. The SEND strategy is still key in supporting the recovery of the deficit and keeping costs down to ensure future sustainability. The basis of the plan is a continuation of the following strategies:
- Maximise local provision. This includes increasing the number of places in local resource units and the building of a new special school.
 - Inclusion in mainstream – help schools in providing the right support for their EHCP pupils and provide additional funding through the inclusion fund (with £484k transferred from the schools’ block in 2022/23 for this purpose).
 - Minimise placements in the most expensive independent/non maintained specialist provisions by providing good local provision.
 - SEN panel is robust and consistent in its decision making; EHCPs are necessary and set at the right level and are reviewed annually.
 - Ensure out of county top up costs/annual reviews are negotiated at the right level through the commissioning team, and inflation is contained to a reasonable realistic level.
 - Ensure other contracts in the HNB do not increase more than inflation, negotiated by the commissioning team.
- 9.5. The assumptions made in estimating the budgets for next year and the following three years are as follows:
- The annual increase in the HNB DSG allocation for 2022/23 and 2022/23 is at 8%, and 5% thereafter.
 - £484k transfer from the schools’ block to the high needs block for inclusion funding continues until the deficit is repaid.
 - All other funding blocks balance in year or carry forward their balances; under spends in other blocks will not offset the high needs deficit.
 - The number of places to be funded for new resources and the new special school are factored in.
 - Average costs of top ups inflated annually by 4%.
 - The number of top ups overall continue to increase year on year (150 per year) at current trend/known changes in each type of provision and at the average cost for each type of provision.
- 9.6. Table 3 summarises the 2022/23 draft financial plan using the above basis and assumptions. This does not repay the deficit but it maintains it. One of the reasons for the increase in costs is due to higher demand for places and the costs associated with these places which is net off against DSG income increase estimates.

Table 3: High Needs Block Deficit Recovery – Draft Plan 2022/23

High Needs Budget (Net of Recoupment for Academy Place Funding)	2019/20 Actual	2020/21 Actual	2021/22 Budget	2021/22 Forecast	2022/23 Budget	2023/24 Budget	2024/25 Budget
Expenditure							
Place Funding	2,429,700	1,372,366	1,507,333	1,331,733	1,563,547	1,572,916	1,490,866
Top Up Funding	14,283,909	15,792,169	17,487,888	18,439,279	20,001,104	22,065,707	24,220,429
Other	1,453,749	1,792,439	2,209,140	2,322,180	2,663,260	2,699,260	2,785,260
Total High Needs Block Expenditure	18,167,358	18,956,974	21,204,361	22,093,193	24,227,910	26,337,884	28,496,555
DSG High Needs Block Funding	-18,322,000	-18,915,613	-20,982,612	-20,964,612	-24,199,263	-26,276,651	-28,658,129
In Year High Needs Block	-154,642	41,361	221,749	1,128,581	28,647	61,233	-161,574
Add brought forward deficit / (surplus)	2,245,003	2,090,360	2,131,721	2,131,721	3,260,302	3,288,949	3,350,182
Planned Year End Position	2,090,361	2,131,721	2,353,470	3,260,302	3,288,949	3,350,182	3,188,608

9.7. The plan shows the deficit will increase by £0.028m to £3.289m in 2022/23. When the plan is finalised in June, the actual brought forward deficit is likely to be a different amount which may impact on the figures. Assumptions about increases in places for the 2022/23 academic year will also be firmed up.

9.8. The final more detailed plan will be shared at the next meeting of the Schools' Forum.



Reading Schools' Forum

March 10, 2022

Agenda Item 7

Falling Rolls

☒ For decision

☒ For discussion

☒ For information

SUMMARY

This report sets out information regarding a Falling Rolls Policy.

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VERSION

Version number 1

DATE

March 10, 2022

REVIEW DATE

None

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1. Recommendations

- 1.1 NOTE: To understand the current guidance on Fallings Rolls Fund (section 2).
- 1.2 REVIEW: To review other LA policy and RBCs previous policy on Falling Rolls.
- 1.3 AGREE: To proceed on working out a falling rolls allocated budget (£0.2m) and proposed criteria

2. Background

- 2.1 Local authorities may set aside schools block funding 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 three financial years.
- 2.2 The schools' forum should agree both the value of the fund and the criteria for allocation, and the local authority should regularly update the school's forum on the use of the funding. As with the growth fund, the falling rolls fund is also within the NFF schools block. Any in-year reduction to the falling rolls fund needs to be agreed with the school's forum or Secretary of State if appropriate.
- 2.3 Criteria for allocating falling rolls funding should contain clear objective trigger points for qualification, and a clear formula for calculating allocations. Differences in allocation methodology are permitted between phases
- 2.4 Compliant criteria would generally contain some of the features set out below:
 - support is available only for schools judged good or outstanding at their last Ofsted inspection (this is a mandatory requirement)
 - 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 Methodologies for distributing funding could include:
 - a rate per vacant place, up to a specified maximum number of places (place value likely to be based on basic per pupil funding)
 - a lump sum payment with clear parameters for calculation (for example, the estimated cost of providing an appropriate curriculum, or estimated salary costs equivalent to the number of staff who would otherwise be made redundant)
- 2.6 Where falling rolls funding is payable to academies, the local authority should fund the increase for the period from the additional September intake through until the following August
- 2.7 Local authorities should report any falling rolls funds remaining at the end of the financial year to the Schools Forum.

- 2.8 Funding may be carried forward to the following funding period, as with any other centrally retained budget, and local authorities can choose to use it specifically for falling rolls.

3. An Example of Hampshire Falling Rolls Policy

- 3.1 The below example is based on the policy for Falling Rolls in Hampshire (Criteria shown in Extract 1 and methodology shown in Extract 2).

Extract 1

Schools must meet all the following criteria to be eligible for falling rolls funding:

- Falling rolls funding applies to primary, secondary and all-through schools.
- Had a falling number on roll for a minimum of 2 years based on the autumn term census.
- Falling number on roll cannot be as a result of a bulge class leaving the school.
- Number on roll must have fallen by more than 5% in both years.
- Must have an Ofsted rating of good or outstanding. The Ofsted ratings will be taken as at census day in October.
- The forecast pupil data must show the school is expected to have an increase in pupil numbers by the end of the 3 years (e.g. years 2 to 3).
- Forecast pupil numbers must also show the school is increasing numbers in future years 4 and 5 to ensure sustained growth.
- Schools are not eligible if they are deemed to have an excess balance.
- Schools cannot receive more than 5% of their budget share or £100,000 whichever is the larger.

Extract 2

Methodology

Where a school's number on roll has fallen by more than 5% from the previous year, they will be funded for the percentage reduction above this. For example, a school has dropped 50 pupils, which is a 10% reduction, so they will receive funding for 25 pupils, which is the amount over and above the 5%.

Funding is provided based on the pupil-led funding unit for each school, which includes the basic entitlement plus other pupil led factors such as deprivation, prior attainment, mobility and English as an additional language. Based on the example above and a pupil-led funding unit of £2,900, the school would receive £72,500 (25 pupils x £2,900).

4. RBC Falling Rolls Policy in 2014

- 4.1 A falling rolls policy including allocated amount and criteria was agreed at Schools Forum back in January 2014.
- 4.2 Schools Forum were presented with 3 options for a falling rolls policy (see Appendix A for Paper presented at Schools Forum).

- 4.3 Schools Forum went with the LA recommendation of option A based on its relative simplicity.
- 4.4 The policy consisted of the following criteria:
- Judged Good or Outstanding at their last Ofsted inspection (this is a mandatory requirement).
 - Surplus capacity exceeds 30 pupils or 20% of the published admission number
 - Local planning data shows a requirement for at least 50% of the surplus places within the next 2 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
 - It does not have a surplus balance in excess of 5% of its school budget share as at 31st March 2021 and 31st March 2022 (or the relevant academic years in the case of academies)

5. Current Proposal and Next Steps

- 5.1 To replicate the policy of 2014 and to include all mandatory criteria as set out in section 2.4
- 5.2 Schools who meet the above criteria in 2022/23 will be able to prepare a Business case that, after checking by officers, will be submitted to Schools Forum for a decision, taking into account the funding available in the falling pupils fund. Any agreed funding will be for a specified number of surplus places (within the planned admissions number) at 75% of the relevant basic entitlement rate.
- 5.3 Currently Reading have been carrying over surplus funds relating to the growth funding element of the budget. It is recommended that we reserve £200k for the falling rolls funds for 2022-2023 and will be reviewed during the year via potential business cases from the schools pass the agreed criteria and then sent to School's Forum for final approval.
- 5.3 The current data analysis (Section 6 of this report) shows that the only eligible school to submit a business case for a 22-23 falling rolls fund would be Caversham Park Primary School. The business case would need to state the criteria with supporting information.
- 5.4 The falling rolls fund that would apply to Caversham Park Primary School would follow: (Planned Admission Number - # current number) 2022/23 x £4,265 x 75%
- 5.5 To utilise £200k of surplus growth funding to fund falling rolls fund. This fund will roll forwards if surplus remains.

6. Current Analysis of Reading Schools

- 5.1 Please refer to Appendix 2 to find the current analysis of Reading schools and their potential eligibility status.

6. Appendices

Appendix 1 – 2014 School Forum Agenda Item: Falling Rolls

Appendix 1 – 2014 School Forum Agenda Item: Falling Rolls

READING BOROUGH COUNCIL

REPORT BY FINANCIAL SERVICES

TO:	READING SCHOOLS FORUM		
DATE:	16 JANUARY 2014	AGENDA ITEM:	5
SUBJECT:	FALLING ROLLS SCHEME		
SERVICE:	EDUCATION, ADULTS AND CHILDRENS SERVICES	WARDS:	All
AUTHOR:	RUSSELL DYER	TEL:	0118 937 2398
JOB TITLE:	HEAD OF FINANCE	E-MAIL:	russell.dyer@reading.gov.uk

1 PURPOSE OF REPORT

- 1.1 At the last meeting of Schools Forum we agreed to bring forward criteria proposals as to how to allocate the £78k set aside for falling rolls in schools. Within the regulations the LA should propose the criteria for the falling rolls fund and Schools Forum should approve this.

2. RECOMMENDED ACTION

- 2.1 **FOR DECISION: To consult with and approve a criteria for allocating the funding for schools with falling rolls.**

3. BACKGROUND

- 3.1 At the last meeting of the Forum we set aside £78k of provision for schools with falling rolls, with a larger contingency of £167k, as funding can be retained centrally for falling rolls where a population bulge is expected in the future but where a good and necessary school or academy currently has surplus places and faces an unmanageable funding shortfall in the short term. The falling rolls fund should be restricted to population increases expected in 2-3 years in necessary schools which are classed by OFSTED as good or outstanding. It must not be used to prop up unpopular or failing schools.

4 POSSIBLE OPTIONS

- 4.1 At the last meeting we agreed to work up proposals for such a scheme within the allocation set aside and bring those back to Schools Forum for approval.
- 4.2 We have obtained from the EFA three good practice examples of schemes approved by other local authorities (attached as Appendix 1 to the report) and Schools Forum is asked for its views on a preference for these or whether there is a variation on these schemes which would be acceptable. Having considered these good practices examples, the LA would have a preference for the Authority A option, given its relative simplicity.
- 4.3 Schools Forum, having considered these options, is asked for its views on the options or any variations with a view to approving such criteria for the scheme.

Appendix 1: Good Practice Examples Provided by the EFA.

AUTHORITY A

Support will be available **only** for schools:

- Judged Good or Outstanding at their last Ofsted inspection (this is a mandatory requirement).
- Surplus capacity exceeds 30 pupils or 20% of the published admission number
- Local planning data shows a requirement for at least 50% of the surplus places within the next 2 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
- It does not have a surplus balance in excess of 5% of its school budget share as at 31st March 2013 and 31st March 2014 (or the relevant academic years in the case of academies)

Schools who meet the above criteria in 2014/15 will be able to prepare a Business case that, after checking by officers, will be submitted to Schools Forum for a decision taking into account the funding available in the falling pupils fund. Any agreed funding will be for a specified number of surplus places (within the planned admissions number) at 75% of the relevant AWPU rate.

AUTHORITY B

Support is available only for schools judged Good or Outstanding at their last Ofsted inspection (this is a mandatory requirement).

Surplus capacity as the October count date exceeds 15% of the published admission number in the following year groups:

Financial Year	2014/15	2015/16	2016/17	2017/18	2018/19
Year Group	7	7 & 8	7, 8 & 9	7, 8, 9 & 10	7, 8, 9, 10 & 11

Local planning data shows a requirement for at least 90% of the surplus places within the next 5 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.

Formula for distributing funding:

85% of the appropriate AWPU x per vacant place below 85% of the PAN. e.g.

First Year of Funding - PAN: 192; 85%: 163

Year 7 NOR October 2013: 70

Difference between 85% of PAN and Yr7 NOR: 93

$93 \times \text{KS3 AWPU} \times 85\% (\pounds4,551.86 \times 85\% = \pounds3,869) = \pounds359,824$

Second Year of Funding - PAN: 192; 85%: 163

Year 7 NOR October 2014: 120

Year 8 NOR October 2014: 70

Difference between 85% of PAN and Yr7 NOR: 72

Difference between 85% of PAN and Yr8 NOR: 93

Total difference = 165

$165 \times \text{KS3 AWPU} \times 85\% (\pounds4,551.86 \times 85\% = \pounds3,869) = \pounds638,398$

AUTHORITY C

The Fund has the following eligibility criteria:

- i) The school/academy has fewer than 550 pupils (excluding sixth form) in the October census prior to the start of the financial year
- ii) The number of places offered by the school across year groups 7 to 11, if full, is greater than 550.
- iii) The authority has forecast that at least 110 places will be required from the school in year 7 (year 9 for upper schools) by Autumn Term 2017, otherwise there will be an absolute shortfall of capacity in the relevant planning area.
- iv) The school is Good or Outstanding. The date at which Ofsted category data will be taken will be 31st August prior to the start of the financial year to which funding relates, except that a school which becomes Good or Outstanding during

the subsequent Autumn term prior to the start of the financial year shall also be eligible.

Formula for Allocation:

The allocation formula takes account of the size of the school but also incorporates a ceiling on allocations. It also takes into account any MFG protection funding the school receives in its budget share to avoid duplicating it.

The formula for determining an allocation to an eligible schools is:

- i) KS3 calculation: $330 - \text{actual number of KS3 pupils on roll} \times \text{KS3 AWPU} \times 50\%$
- ii) KS4 calculation: $220 - \text{actual number of KS4 pupils on roll} \times \text{KS4 AWPU} \times 50\%$
- iii) Sum of the result of lines i) and ii) capped at £250,000
- iv) Deduct any MFG protection funded received by the school
- v) Equals the allocation from the Fund

Appendix 2 – Analysis of Reading Schools (Table 1: Statistics, Table 2: School Pupil Trend Forecasts)

Table 1

LEA/Estab	School Name	Area of Reading	OFSTED ratings	Oct 19 NOR	Oct 20 NOR	Oct 21 NOR	19-20 to 20-21	20-21 to 21-22	Bulge Class?	School Max Level	Vacancy	21-22 Formula Budget	Balance as at 31st December 2021	total funding/income	5% of total income	Excess Balances over 5%
8702000	Alfred Sutton Primary School	East		613	619	627	0.98%	1.29%	-	630	3	£2,855,450	147,072	£3,265,549	163,277	No
8702003	Caversham Primary School	North		419	414	415	-1.19%	0.24%	-	420	5	£1,746,162	-12,889	£2,048,084	102,404	No
8702005	Coley Primary School	Central		216	222	196	2.78%	-11.71%	Bulge	210	14	£1,206,018	28,005	£1,336,334	66,817	No
8702006	E P Collier Primary School	Central		336	298	305	-11.31%	2.35%	-	420	115	£1,523,942	67,999	£1,771,569	88,578	No
8702007	Geoffrey Field Junior School	South		353	348	356	-1.42%	2.30%	-	360	4	£1,634,381	295,415	£2,006,220	100,311	Yes
8702008	Geoffrey Field Infant School	South		267	265	267	-0.75%	0.75%	-	270	3	£1,461,484	292,998	£1,771,963	88,598	Yes
8702016	Oxford Road Community School	West		205	208	211	1.46%	1.44%	-	210	-1	£1,139,155	113,535	£1,438,803	71,940	Yes
8702018	Redlands Primary School	East		202	206	207	1.98%	0.49%	-	210	3	£1,049,866	4,668	£1,184,721	59,236	No
8702019	The Hill Primary School	North		447	406	396	-9.17%	-2.46%	Bulge	420	24	£1,727,434	174,588	£1,990,801	99,540	Yes
8702020	The Ridgeway Primary School	South		409	421	419	2.93%	-0.48%	-	630	211	£2,148,684	75,773	£2,593,534	129,677	No
8702021	Park Lane Primary School	West		411	406	404	-1.22%	-0.49%	-	420	16	£1,733,876	117,883	£2,008,078	100,404	Yes
8702024	Wilson Primary School	West		417	408	412	-2.16%	0.98%	-	420	8	£1,899,371	176,365	£2,295,771	114,789	Yes
8702026	Emmer Green Primary School	North		416	406	411	-2.40%	1.23%	-	420	9	£1,714,000	-122,673	£2,137,814	106,891	No
8702027	Southcote Primary School	West		617	597	600	-3.24%	0.50%	-	630	30	£2,595,572	149,530	£3,073,481	153,674	No
8702029	St Michael's Primary School	West		409	412	397	0.73%	-3.64%	-	420	23	£1,829,068	347,206	£2,123,226	106,161	Yes
8702034	Moorlands Primary School	West		381	363	335	-4.72%	-7.71%	-	420	85	£1,823,125	113,653	£2,182,718	109,136	Yes
8702036	Thameside Primary School	North		392	393	390	0.26%	-0.76%	-	420	30	£1,716,522	264	£2,461,579	123,079	No
8702226	Katesgrove Primary School	Central		601	588	605	-2.16%	2.89%	-	630	25	£2,806,035	254,678	£3,192,088	159,604	Yes
8702233	Caversham Park Primary School	North		198	185	148	-6.57%	-20.00%	-	210	62	£808,055	2,137	£955,976	47,799	No
8702234	Micklands Primary School	North		382	372	376	-2.62%	1.08%	-	420	44	£1,585,765	-105,370	£1,892,833	94,642	No
8702253	Manor Primary School	West		278	267	252	-3.96%	-5.62%	-	315	63	£1,427,052	79,162	£1,766,755	88,338	No
8703000	All Saints Church of England Aided Infant School	Central		62	60	60	-3.23%	0.00%	-	60	0	£355,990	36,719	£410,098	20,505	Yes
8703302	St Anne's Catholic Primary School	North		181	181	181	0.00%	0.00%	-	210	29	£870,215	-501,642	£1,047,311	52,366	No
8703304	English Martyrs' Catholic Primary School	West		414	404	402	-2.42%	-0.50%	-	420	18	£1,900,976	246,986	£2,310,242	115,512	Yes
8703305	Christ The King Catholic Primary School	South		318	308	297	-3.14%	-3.57%	-	315	18	£1,711,335	73,102	£2,205,194	110,260	No
8703360	St Martin's Catholic Primary School	North		155	156	154	0.65%	-1.28%	-	210	56	£699,198	-179,654	£803,233	40,162	No
8703361	Whitley Park Primary and Nursery School	South		516	519	529	0.58%	1.93%	-	630	101	£2,715,894	137,769	£3,339,523	166,976	No
8705411	Blessed Hugh Faringdon Catholic School	West		800	829	868	3.63%	4.70%	-	922	54	£5,004,053	330,443	£5,788,857	289,443	Yes

All Areas in Reading are forecast to decline for the next 2 years, then stabilise and increase.



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Reading Schools' Forum

March 10, 2022

Agenda Item 7

Schools' Forum Meeting Dates
2022/23

☒ For decision

☐ For discussion

☒ For information

SUMMARY

This report proposes the dates and agenda items for the 2022/23 financial year.

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1. Recommendations

- 1.1 AGREE: The Schools' Forum dates and agenda items for the 2021/22 financial year

2. Proposed Dates

- 2.1 The Schools' Forum is a statutory and public meeting, which is required to meet as a minimum four times a year. In Reading, the Forum met five times in the last financial year. This worked well, and it is proposed that the same number of meetings are held in the coming year. We are not aware of any additional items of business that may need to be reviewed/discussed in the Summer term to warrant two meetings.
- 2.2 The meetings need to be scheduled at appropriate points in the year to tie in with decision making deadlines in relation to the setting of the School budget, and release of key data and information from the Education & Skills Funding Agency (ESFA). The frequency and timing of meetings need to be agreed in advance of each financial or academic year.
- 2.3 In 2021/22 the dates worked with the ESFA deadlines and It is proposed to keep to similar dates in 2022/23. The meetings will continue to be held on Thursdays at 5pm with location to be confirmed (either virtually or in the Civic Centre) and scheduled for two hours.
- 2.4 The dates proposed are set out in Table 1. The agenda and papers need to be dispatched one week in advance and published on the website so that all interested parties can access the papers and can make representations to Schools' Forum Members.

Table 1: Proposed Schools' Forum Dates 2022/23 Financial Year

MEETING DATE	DISPATCH OF AGENDA
June 16, 2022	June 9, 2022
October 13, 2022	October 6, 2022
December 8, 2022	December 1, 2022
January 19, 2023*	January 12, 2023*
March 9, 2023	March 2, 2023

**depending on APT submission date*

3. Agenda Items

- 3.1. The key agenda items for each meeting are set out below. Other ad hoc reports will be added as and when, for example to discuss school funding based national announcements or consultations launched by the ESFA.
- 3.2. June meeting agenda items:
- DSG outturn 2021/22
 - Maintained school balances 2021/22 and budgets 2022/23
 - Review of the Schools' Forum constitution
 - DSG Budget 2022/23 and update on deficit recovery plan

- SEND Top-up report
- SEND Strategy Annual report

3.3. October meeting agenda items:

- DSG budget setting strategy for 2023/24
- Initial proposals for school funding formula for 2023/24
- Budget monitoring 2022/23 month 6

3.4. December meeting agenda items:

- DSG budget overview for 2023/24
- Final proposals for school funding formula for 2023/24
- Agree growth fund for 2023/24
- Budget monitoring 2022/23 month 8

3.5. January meeting agenda items:

- DSG actual funding settlement for 2022/23
- Final school funding formula for 2023/24
- Agree de-delegations for 2023/24
- Agree central school services budget for 2023/24
- Budget monitoring 2022/23 month 9

3.6. March meeting agenda items:

- Agree high needs budget for 2023/24
- Agree early years budget for 2023/24
- Budget monitoring 2022/23 month 11
- Agree Schools' Forum meeting dates for 2023/24

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