



## TO: ALL MEMBERS OF THE SCHOOLS' FORUM

October 7, 2022

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### Notice of Meeting – Schools' Forum

A meeting of the Schools' Forum will be held on **October 13, 2022 at 5pm. This will be held virtually using Microsoft Teams, the link will be sent via email.** The Agenda for the meeting is set out below.

AGENDA	
1.	Welcome and apologies <i>Chair</i>
2.	Minutes of the meeting held on June 16, 2022 including matters arising <i>Chair</i>
3.	Schools' Forum Membership Update <i>Chair</i>
4.	DSG Budget Setting for 2023/24 <i>Strategic Finance Business Partner</i>
5.	Schools Formula 2023/24 Initial Proposals <i>Strategic Finance Business Partner</i>
6.	DSG Budget Monitoring 2022/23 – Month 6 <i>DSG Finance Business Partner</i>
7.	Maintained schools forecasted outturn 2022/23 <i>Schools Finance Business Partner</i>
8.	Delivering Better Value in SEND (DBV) Programme and SEND Strategy 2022-2027
9.	Agenda items for next meeting <ul style="list-style-type: none"><li>• Final proposals for school funding formula for 2023/24</li><li>• Agree growth fund for 2023/24</li><li>• Agree falling rolls fund 2023/24</li><li>• Agree De-Delegations 2023/24</li><li>• Budget Monitoring Summary 22/23</li></ul>
10.	Any other business

Next Meeting: December 8, 2022 at 5pm – To be held virtually via Teams

## Minutes of Schools' Forum Meeting

16 June 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; Karen Edwards – Head Teacher of The Heights; John Salberg – Principal of The Wren School; Annal Nayyar – Finance Director of Baylis Trust (Reading Girls); Dani Hall - Co-Chair of the Federation between Oxford Road Community School & Wilson School; 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

### In attendance

Clare Warren – School Support Lead; Steven Davies – Strategic Finance Business Partner; Brian Grady - Director of Education; Kit Lam – Executive Director of Finance & Resources; Gill Dunlop – Pupil & School Service Manager; Siobhan Egan – Performance & Data Intelligence Service Manager; Corinne Dishington – Service Manager Under 5s; Hester Collicutt – SEND Team Manager; Vanessa Hurdle – minute taker.

	Item	Notes
1	Welcome and apologies - Chair	<p>The Chair welcomed everyone to the meeting.</p> <p>Brian Grady introduced himself as the new Director of Education and said that he was happy to have joined Reading.</p> <p>Steve Davies read out the protocol for the virtual meeting and confirmed that votes would be required for the following items:</p> <p>3 – Schools' Forum Constitution (all members)            7 – Falling Rolls (primary &amp; secondary members only)            8 – Scheme for Financing Schools (all members)</p> <p>Recording of the meeting commenced. The recording will be retained until the minutes have been approved.</p> <p>Steve mentioned that Kit Lam, the new Executive Director of Finance &amp; Resources was observing the meeting.</p>

<p>2</p>	<p>Schools' Forum Membership Update – including confirmation of representation - Chair</p>	<p>Richard noted that quite a few members of the Forum have now reached 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>It needs to be established whether these Heads/Business Managers wish to continue. Richard explained that he had emailed all of the above earlier that day for confirmation on their continuing membership for a further three years.</p> <p>Peter Kayes announced that this would be his last Schools' Forum, meaning that from September there will be a vacancy for a maintained Primary Governor. Richard confirmed that he would make this vacancy known to Governor Services plus the RGA in order to recruit a replacement member.</p> <p>Richard thanked Peter for his many years of hard work as a Governor and as a member of the Forum.</p>
<p>3</p>	<p>Schools' Forum Constitution/Terms of Reference for 22/23 – Strategic Finance Business Partner</p>	<p>A vote from all members is required for this item.</p> <p>Members need to agree the Constitution for 22/23. Steve confirmed that there were no changes from the previous year's constitution. The balance between maintained primaries and secondary academies has been retained, with the membership percentages reflecting the educational establishment make-up within Reading.</p> <p><b>As no changes were proposed or issues raised, it was deemed that the Constitution was formally accepted for 22/23.</b></p>
<p>4</p>	<p>DSG Outturn 21/22 – Strategic Finance Business Partner</p>	<p>Steve Davies presented.</p> <p>The DSG deficit has increased by £808k over 21/22, meaning that it has increased from £1.3m to £2.2m. This is due to an overspend in the High Needs Block, which for 21/22 stood at £1.3m, with the majority of this relating to top-up funding. A big factor is the fact that the number of EHCPs is increasing at a significant rate and these EHCPs are for pupils in</p>

		<p>mainstream schools, requiring more funding in the mainstream schools.</p> <p>This all comes through the SEN Strategy Group and now means that the plans that were in place regarding the DSG deficit will have to be revised. Steve and Brian Grady will work together to find a replacement Deficit Recovery Plan, and will probably need to have discussions with the DfE and may even need to ask the DfE for help. For this year, the DfE has invited 55 LAs to take up their support. Reading is in Group 2 for this.</p> <p>This all means that next year's budget will be under a great deal of pressure and a great deal of consideration will need to be made in bringing the DSG back on track. There is £1m in the Growth Fund, which is ring-fenced and can be made available for future use. There is also some funding left in Early Years. This has been committed to the increase in the hourly rates. Early Years currently appears to be on a sustainable path as numbers on roll increase.</p> <p>Justine McMinn made the point that for the number of pupils in mainstream schools, who are receiving additional top-ups, the cost is lower than if they were in Special Schools. However, the amount that has been agreed to fund these places is not enough.</p> <p>Brian agreed that the top-ups within mainstream schools is meeting a difficult amount of need. An SEN Strategy update and a revised Deficit Recovery Plan will be brought to the next Schools' Forum.</p>
5	<p>Maintained School Balances 21/22 and Budgets 2022/23 – School Support Lead</p>	<p>Clare Warren presented.</p> <p>The Maintained Schools' balances ended the year at £3m. This is just slightly lower than where they were at the end of the previous year. The year ended with eight schools in deficit, with balances now totalling £1.4m. These eight schools are required to submit a Licensed Deficit Application to the Director of Education. The School Support Team will work together with the Director of Education and these schools on the next steps going forward.</p> <p>It should be noted that the impact of covid has had an effect on the School balances, especially in the early part of the financial year and particularly in the Early Years sector.</p>

		<p>The balances for 22/23 are budgeted to decrease by £2.5m to £0.5m. This was based on the data in March for admissions. Further information is now known on admissions, plus the fact that the Recovery Premium has been extended for the next two academic years. This means that there will be additional funding available to schools but they are ring-fenced grants.</p> <p>Richard concluded that deficits are a growing concern, particularly in the Primary Sector. This is mainly due to the low numbers on roll – Discussed in Item 7.</p>
6	<p>DSG Budget and Deficit Recovery Plan – Strategic Finance Business Partner</p>	<p>Steve Davies presented</p> <p>Table 1 shows the DSG Allocation for Reading. The figures will change if any schools convert to an Academy during the year. The figures include the import/export adjustments, as Reading sends quite a lot of pupils out of borough. Money is taken off of Reading’s budget to pay to West Berkshire, to schools such as Brookfields Special School.</p> <p>Table 2 – There has been some movement. In January 22, the Schools’ Forum approved the transfer of £484k from the Schools Block to the High Needs Block to fund those schools with a higher number of pupils with EHCPs than the average.</p> <p>The figures for the Early Years Block have now been calculated using the January 22 Census figures. The original allocation was based on January 21’s figures. Using the more recent figure has increased the Early Years Block by just over £1.1m. If numbers continue to increase in this area, then it is hoped that there will be a surplus, which will hopefully be used to increase the hourly rate in 23/24.</p> <p>High Needs Block – The Government supplied Supplementary Grant Funding for the High Needs Block, which amounted to an extra £1m for Reading. Due to the High Needs block overspending by £1.3m, this £1m has now been put into the budget.</p> <p>Inflation – There is currently no news on how the inflation crisis/element of the budget will be dealt with. However, it is still intended that the bandings within the High Needs Block will be increased by a percentage. This will be reported on at the October Forum.</p>

<p>7</p>	<p>Falling Rolls Fund - Strategic Finance Business Partner</p>	<p>Steve Davies presented</p> <p>A vote from primary and secondary members is required for this item.</p> <p>Members were referred to approximately 10 years ago when the numbers on roll were declining in secondary schools. At that time, the Falling Rolls Fund was used by Reading Girls' School. A school could use the fund, if their numbers were low for a particular year, but it was known that numbers would eventually start to rise. This meant that the school would not be required to make any redundancies.</p> <p>The situation has now changed and it's the Primary Schools which are seeing a decrease in numbers. The suggestion is to introduce a Falling Rolls Fund to help these schools, following the same criteria that were used for secondary schools, such as:</p> <ul style="list-style-type: none"> <li>• School needs to be rated 'good' or 'outstanding'.</li> <li>• School will not make redundancies if granted the funding</li> <li>• Evidence of what the numbers are likely to be in 3-5 years is required.</li> <li>• Decrease should be at least 5% for two years running</li> </ul> <p>If schools meet this criteria, then 75% of the 'missing' pupil amount will be funded up to a maximum of £100k. The criteria have come from Hampshire, which has been cited as a model.</p> <p>Appendix 2 details the current situation for Reading's schools. Currently, Caversham Park Primary is the only school in a position to qualify for the funding and would receive it this year. Schools that are highlighted in green could potentially need the funding in 23/24.</p> <p>It was felt that the criteria should remain as proposed and not altered in any way, so that more schools could be included to receive funding. As there is £1m Growth Funding, it is planned that £200k should be ring-fenced to be used for the Falling Rolls Funding. This will then be reviewed in March 23 to see if any further schools required funding.</p> <p>Richard queried where the 5% threshold had come from. It is from the Hampshire Model but it was confirmed that this percentage could be amended if required.</p>
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		<p>Jo Budge agreed that it was a good idea to support schools to ensure that they did not lose good staff, but wondered if the Falling Rolls Fund could be applied to Nursery Schools, especially as their numbers are lower at the beginning of the academic year and this is the time when staff need to be retained.</p> <p>Steve confirmed that currently the funding is only available for primary and secondary schools. As far as is known, no other authority has funded Early Years in this way. Primary and Secondary schools only have the October Census date, whilst Nurseries have three census dates. However, it was felt that the situation for Nurseries could be reviewed.</p> <p>Brian stressed that now he is in post policy-related questions should be addressed to him. Places in maintained Nursery Schools is a big priority and is currently being looked at by Brian, Kit Lam and Vicky Rhodes, Director for Early Help. A report will be brought to the Schools Forum on this matter.</p> <p>The complexities that primary schools are facing is also being reviewed, such as falling rolls and high mobility. It is expected that papers on these issues and others will be presented at future School Forums.</p> <p>Nikki McVeigh asked if any work would be done to predict the numbers on roll in the future. Brian confirmed that this is being looked at.</p> <p>Richard wondered why only one school currently meets the Falling Rolls Funding criteria and queried if other schools could actually qualify for support. Brian stated that the Forum had the discretion to ask that schools are reviewed on a case by case basis.</p> <p>It was agreed that there should be a double vote: a) to approve the Falling Rolls Fund in principle and b) to also give BFFC the discretion to look at schools in particular need and fund those schools if required.</p> <p><b>12 members voted and all approved both the Falling Roll Policy and the giving of discretion to BFFC to review schools in need of further help</b></p>
8	Update to Scheme for Financing Schools – School Support Lead	<p>Clare Warren presented</p> <p>A vote is required from all members</p>

		<p>The Forum is required to review the Scheme of Financing for Schools annually. A draft of the document was attached to the agenda.</p> <p>The DfE requires that reference to the Salix Loan Scheme is removed as this has now closed. The values in the Schools' Financial Value Standard have also been updated as well as the submission date. The Standard also includes a new item, which is the Related-Party Transactions Reporting. These are the only changes.</p> <p><b>12 members voted and all approved the Scheme for 22/23</b></p>
9	Agenda Items for Next Meeting	<p>The next meeting will be held on <b>13 October 2022 at 5pm</b> as a virtual meeting</p> <ul style="list-style-type: none"> <li>• DSG budget setting strategy 2023/24</li> <li>• Budget monitoring 2022/23 month 6</li> </ul>
10	Any Other Business	<p>There were no other items, except to say farewell to Peter.</p> <p>The meeting finished at 5.50pm.</p>

## Summary of Actions Outstanding

SF Date & Item no.	Action Required	Responsible Person
16/6/22 – Item 3	<p>Membership – Do the following wish to remain members?</p> <p>Robert Howell - Alfred Sutton Primary  Tonia Crossman – Emmer Green Primary  David Littlemore – Kings Academy Prospect  Rachel Cave – Highdown School  Isabelle Sandy – Kendrick School</p> <p>Also with Peter Kayes' resignation, a new Maintained Primary Governor to be recruited.</p>	Richard Rolfe
16/6/22 – Item 4	Update on SEN Strategy and a revised Deficit Recovery Plan	Brian Grady/Steve Davies
16/6/22	Maintained Nursery School Places	Brian Grady
16/6/22	Suggestions for future School Forum papers	All members



### Agenda Item 3

<b>SCHOOLS' FORUM MEMBERSHIP</b>	<b>Oct-22</b>
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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
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**School Members:**

Nursery (2)	1	Head teacher	Jo Budge	Reading EY Schools Federation	Jan-17	Jun-22	3 yrs	Jun-25		
	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	TBC	
	4	Head teacher	Justine McMin	EP Collier	Nov-13	Jun-22	3 yrs	Jun-25		
	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	TBC	
	7	Governor					3 yrs		VACANT	
	8	<b>Governor *</b>	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	Jun-22	3 Yrs	Jun-25		
	14	Academy Member	David Littlemore	Prospect	Feb-12	Mar-19	3 Yrs	Mar-22	TBC	
	15	Academy Member	Rachel Cave	Highdown	Feb-12	Jun-22	3 Yrs	Jun-25		
	16	Academy Member	Annal Nayyar	Reading Girls	Dec-17	Jun-22	3 Yrs	Jun-25		
	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	TBC	
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 McGullion	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 Learnin	Oct-20	Oct-20	3 yrs	Oct-23	

**Non Members**

Observer	-	RBC	Cllr Lead Member for Education
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\* Chair

\*\* Vice chair

Elected October 2020





# Reading Schools' Forum

October 13, 2022

Agenda Item 4

DSG Budget Setting for 2023/24

For decision

For discussion

For information

## SUMMARY

This report sets out the information we know so far about DSG funding for 2023/24, and the timetable for setting the DSG budget.

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## VERSION

Version 1

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6<sup>th</sup> October 2022

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## Recommendations

- NOTE: The funding announced so far for 2023/24.
- NOTE: The tasks and timetable for completing the 2023/24 budget (Appendix 1)
- NOTE: Updates for 2023-2024 National Schools funding Formula and DSG
- NOTE: Early Years consultation and 2023/24 assumptions.

## Background

- 1 School Funding is received through the Dedicated Schools Grant (DSG), and is split into four blocks, each with its own formula to calculate the funding to be distributed to each local authority.
  - Schools Block – funds mainstream primary and secondary schools through the school formula, and growth funding for new growing schools/bulge classes.
  - High Needs Block – funds places in special schools, resource units and alternative provision, and top up funding for pupils with EHCPs in all settings including non-maintained, independent, and further education colleges.
  - Early Years Block – funds nursery schools, nursery classes in mainstream schools, and early year’s settings in the private, voluntary and independent (PVI) sector through the free entitlement for 2, 3 & 4 year olds.
  - Central Schools Services Block – funds services provided by the local authority centrally for all schools, such as the admissions service.
- 2 2023/24 will be the **sixth year of National Funding Formula (NFF)** within the Dedicated Schools Grant (DSG). Details from the DfE’s announcement of 2023/24 DSG arrangements that was made on the 19<sup>th</sup> July 2022 will be highlighted within this report.
- 3 The DSG must be deployed in accordance with the conditions of grant and the latest School and Early Years Finance (England) Regulations. Detailed guidance is contained within various operational guidance documents issued by the Education Funding & Skills Agency (EFSA).
- 4 This report sets out the funding expected for 2023/24, specific considerations, and the tasks required and timetable for setting the budget.

## Schools Block Operational Guide 2023/24

- 5 Within the Schools Block, the DfE records that progress continues to be made by local authorities towards mirroring the NFF in their formula funding arrangements at local level. In 2022/23, 74 (out of 152) authorities directly (or closely within 1%) mirrored the NFF within the Schools Block at local level. We were one of these.
- 6 The further ‘directed’ movement, towards the fuller adoption of the ‘hard’ NFF in the Schools Block, is confirmed for 2023/24. For mainstream primary and secondary formula funding, all authorities must use all NFF factors (and only these factors), and authorities that do not currently mirror the NFF must move 10% closer. Authorities that currently mirror the NFF (Reading being one of them) must stay within **2.5%** of the NFF formula factor variable values.
- 7 As Reading directly mirror the NFF, and have done since 2018/19, this new direction requires minimal response within our arrangements for 2023/24. We expect to continue to directly

mirror the NFF. We are now formally required however, to add the NFF sparsity factor into our local formula. This is a 'tick box' exercise only, as none of our schools and academies qualify for sparsity funding.

- 8 Authorities continue to be permitted to adopt Targeted SEND (EHCP) support funding arrangements for mainstream schools and academies in 2023/24. The DfE has re-iterated the expectation that funding support of this kind be allocated only to a minority of schools that have exceptionally higher levels of SEND (no's of EHCPs). Only 31 authorities declared some form of SEND Funding Floor / Targeted Additional SEND funding arrangement in 2022/23. Reading is one of them through the Inclusion process.
- 9 The DfE has proposed that split sites funding, the Growth and Falling Rolls Funds, be brought into the 'hard' NFF within the Schools Block. However, the positions of these factors outside the NFF for 2023/24 is unchanged. Split sites funding, and Growth and Falling Rolls Fund, are currently proposed to be brought into the NFF in 2024/25. On this basis, we expect to continue our current local arrangements for these factors and funds in 2023/24. 133 authorities retained a Growth Fund in 2022/23. Only 23 authorities declared a Falling Rolls Fund in 2022/23. Reading is one of these.
- 10 The Schools Supplementary Grant, which was introduced in 2022/23, is continued in 2023/24 but has been amalgamated into the Schools Block. This means that the NFF will allocate this grant and primary and secondary schools and academies should no longer budget for a separate allocation (otherwise they will double count this funding).
- 11 No changes for 2023/34 that appear to affect
  - Consultation, approval processes and timescales.
  - Restriction on cross-block movements
  - School Forum role and statutory powers
  - De-delegation from maintained schools
- 12 The DfE has indicated, in recent consultations, that changes will be made to the **Central Block** (including the possible merger of this Block into the main local government financial settlement), in response to the DfE's Schools White Paper and the changing roles of local authorities in the context of the movement to a full academy system. However, there are no technical changes implemented for 2023/24. There is also no increase in CSSB funding specifically in response to the new statutory attendance responsibilities that are being placed on local authorities in September 2023. The absence of additional monies here is a particular point of concern.
- 13 Central Block funding per pupil has increased by **5.8% in 2023/24**. In terms of our overall cash budget however, this per pupil increase is offset our funding for historic commitments has reduced by a further 20%, and so our allocation through this factor has reduced by £0.069m to £0.279m. We expect this funding to continue to reduce in future years (at the same rate) until this allocation has ceased.
- 14 The national Schools Block settlement for 2023/24 provides a 1.9% overall (as well as per pupil) increase on 2022/23, before the Schools Supplementary Grant is transferred into the NFF. The headline per pupil increases in the NFF in 2022/23 was higher, at 3%.

15 The national Schools Block NFF per pupil increase in 2023/24 of 1.9% is aggregated as follows:

- The core NFF factors (AWPU and lump sum) are increasing by 2.4%.
- The deprivation NFF factors (FSM6 and IDACI) are increasing by 4.3%.
- All other NFF factors are increasing between broadly 2.1% and 2.6% (after the variable values have been rounded to the nearest £5).
- The mandatory Minimum Levels of Funding Per Pupil (MFLs) are increasing by 0.5%.
- The Minimum Funding Guarantee (MFG) can be set at a maximum 0.5%. The DfE has funded a 0.5% minimum floor increase for all schools and academies

16. To highlight the following aspects of this 2023/24 NFF settlement:

- Unlike in recent years, rather than a single percentage increase that is applied to all NFF factors, the FSM6 and IDACI factors have been additionally uplifted. This weights the settlement towards schools and academies with higher levels of deprivation, as measured by FSM6 and IDACI. As a result, schools and academies that are funded above the levels of the MFG will typically see per pupil funding increases in the region of 2.6% in 2023/24
- The Minimum Funding Guarantee can be set between 0% and positive 0.5%. The MFG range in 2023/24 is much smaller than in 2022/23, and the maximum of 0.5% is also much lower than the maximum 2.0% that could be set in both 2021/22 and 2022/23. Schools and academies that are funded on the MFG will only receive a 0.5% increase in their funding per pupil in 2023/24.

## Funding Announced for 2023/24

17. Table 1 sets out the DSG funding Reading receives for the schools, central, and high needs blocks for 2022/23 and compares to the current information on allocations known for 2023/24. The units of funding for these blocks have been confirmed for 2023/24, but the actual funding will be based mainly on the October 2022 census to be confirmed in December. The table therefore shows the funding allocations if there were the same number of pupils.

**Table 1: DSG Allocations 2022/23 and 2023/24**

	2022/23 ACTUAL		2023/24 ESTIMATE		YEAR ON YEAR CHANGE		
		Funding £'000		Funding £'000	£'000	%	Notes
<b>Schools Block (SB):</b>							
Primary Unit of Funding (PUF)	£4,632		£4,882				Now includes Supplementary Grant
<i>Primary Pupil numbers &amp; funding</i>	13,092	£60,638	13,092	£63,909	+£3,271	+5.4%	Will be based on Oct 22 census

Secondary Unit of Funding (SUF)	£6,077		£6,428				Now includes Supplementary Grant
<i>Secondary Pupil numbers &amp; funding</i>	7,488	£45,502	7,488	£48,126	+£2,624	+5.8%	Will be based on Oct 22 census
Premises		£1,300		£1,300			
Schools Supplementary Grant		£3,196		£0	(£3,196)	(100%)	Merged into formula
<b>Total Schools Block</b>		<b>£110,636</b>		<b>£113,336</b>	<b>+2,699</b>	<b>+2.4%</b>	
Growth Funding Factor		£933		N/A			Not yet known
<b>Central School Services Block (CSSB):</b>							
Unit of Funding	£38.21		£40.45		+£2.24	+5.8%	
<i>Pupil Numbers</i>	20,580	£786	20,580	£832	+£46	+5.8%	Will be based on Oct 22 census
Historic Commitments		£348		£279	(£69)	(20%)	Planned reduction by ESFA (20% / Yr)
<b>Total Central Block</b>		<b>£1,134</b>		<b>£1,111</b>	<b>(£23)</b>	<b>(2%)</b>	

## Specific Considerations for 2023/24 Budget Setting

18. A key decision to be made is whether to make a transfer of funding from the Schools Block to the High Needs Block. As in previous years, this is subject to a maximum of 0.5% of the total schools block allocation with Schools' Forum approval and following a consultation with all schools. The maximum transfer permissible in 2022/23 totalled £526k; the current amount being transferred is £484k and specifically funds the inclusion fund – additional funding for schools with a disproportionate number of pupils with EHCPs. All schools will be consulted on the continuation of this fund and the transfer of funding to support this.
19. To highlight the following aspects of this 2023/24 NFF settlement:
- a. Unlike in recent years, rather than a single % increase that is applied to all NFF factors, the FSM6 and IDACI factors have been additionally uplifted. This weights the settlement towards schools and academies with higher levels of deprivation, as measured by FSM6 and IDACI. As a result, schools and academies that are funded above the levels of the MFL / MFG will typically see per pupil funding increases in the region of 2.6% in 2023/24

## Early Years Update

20. The DfE published a consultation on 2023/24 Early Years Block arrangements on 4 July 2022.

This consultation can be found here: <https://www.gov.uk/government/consultations/early-years-funding-formulae>

21. The deadline for responses is 16 September. We submitted a response, which is presented at Appendix 1.

22. This consultation included many technical items, which does not present proposals at the level of operational guidance for local authorities to follow in 2023/24. This guidance is still to be published in the autumn term. The DfE has indicated however, that no significant changes in 'local rules' are currently planned for 2023/24.

23. The consultation focuses instead on

- the national distribution of Early Years Block funding (including the distribution of the Maintained Nursery School Supplement) between local authorities
- on the merger of the school-led Teacher Pay and Pensions Grants into the Early Years Single Funding Formula.

24. As such, this is a consultation perhaps more for local authority officers than for early years providers. However, what the DfE proposes will have direct implications for provider-level funding in Reading in 2023/24.

25. The consultation's main focus is that the underlying data that forms the basis of the current national distribution of Early Years Block funding between local authorities – the proxy measures of additional need: Free School Meals, English as an Additional Language and Disability Living Allowance - has not been updated for some time and therefore, the national distribution of funding does not now accurately reflect the relative distribution of additional needs between authority areas.

26. The DfE proposes to correct this in (and from) 2023/24; to use the latest datasets that are available now and then to update these annually thereafter. Updating the data will produce significant swings in funding levels, with some local authorities gaining and some losing substantial amounts of early years funding compared with 2022/23.

27. The DfE proposes to manage this by using 'floors and ceilings' in 2023/24: a floor of 1% (meaning that no local authority's funding rates, both for the 2-year-old entitlement as well as for the 3&4-year-old entitlement, will increase by lower than 1% in 2023/24; ceilings of 4.5% (3&4 year olds) and 8.6% (2 year olds), meaning that no local authority's funding rates will increase by more than 4.5% (3&4 year olds) and by 8.6% (2 year olds) in 2023/24.

28. DfE are proposing to introduce a minimum funding floor for the MNS supplementary funding hourly rate. For 2023-24 the DfE current illustrative modelling suggests that this minimum

funding floor rate can be set at c£3.80. This means that all local authorities would attract a minimum of c£3.80 per hour on top of their EYNFF allocation for universal 15 hours delivered in maintained nursery schools. Currently Reading Rate is c£1.

29. We do not know at this stage what the 2 year old or 3&4 year old funding hourly rate will be for 2023-2024. The DfE has confirmed that no LA will have less than 1% increase or gain more than 4.5%. Based on this info, we can provide a range.

#### Reading DSG funding formula

	2022/23	2023/24 1%	2023/24 4.5%	Range
2 year olds	£6.11	£6.17	£6.38	6p to 27p
3&4 year olds	£5.45	£5.50	£5.70	5p to 25p

#### Reading Funding rates to Providers

	2022/23	2023/24 1%	2023/24 4.5%	Range
2 year olds	£5.90	£5.96	£6.16	6p to 26p
3&4 year olds	£5.06	£5.11	£5.29	5p to 23p

30. These rates will be reviewed in accordance with the funding guidance set out, whereby the LA has to passport 95% of the overall funding with a maximum of 5% for central retained services. The 5% amount relates to the overall early years block budget that changes with every updated January census data. The LA will not be able to confirm hourly rates to providers for 2023/24 until February 2023 at the earliest.



## Timetable for Setting 2023/24 Budget

Table 2 sets out the tasks and timetable for setting the 2023/24 DSG budget.

**Table 2: DSG Budget Timetable**

TASK	DATE
<ul style="list-style-type: none"> <li>BFFC inform all schools on proposals for 2023/24 school formula, and to consult with all schools on the transfer of funding from the school's block to high needs block</li> </ul>	Send to schools 21 October 2022. Comments due back by 18 November 2022
<ul style="list-style-type: none"> <li>BFFC complete High Needs Place Review</li> </ul>	Submission due to ESFA 11 November 2022
<ul style="list-style-type: none"> <li>Confirm school formula for 2023/24,</li> <li>Agree growth and falling rolls funding for 2023/24</li> <li>Agree transfer of funding from Schools Block to High Needs Block.</li> <li>Approve de-delegations</li> </ul>	8 December 2022
<ul style="list-style-type: none"> <li>BFFC work on Schools formula and central school services budgets</li> </ul>	December 2022 – January 2023
<ul style="list-style-type: none"> <li>Final funding allocations received from ESFA for schools, high needs (part), central services block and Early Years. Final data received from ESFA for school formula based on October 2022 census.</li> </ul>	Due from ESFA mid December 2022
<ul style="list-style-type: none"> <li>BFFC finalise the school formula based on final funding allocation</li> </ul>	Early January 2023
<ul style="list-style-type: none"> <li>Schools' Forum informed on final school formula,</li> <li>Approval of central school services budget.</li> <li>Schools' Forum review first draft of high needs budget in light of funding available/deficit position.</li> </ul>	19 January 2023
<ul style="list-style-type: none"> <li>Local Authority agrees school formula for 2023/24 and BFFC submits APT to ESFA</li> </ul>	Submission Due to ESFA by 20 January 2023
<ul style="list-style-type: none"> <li>BFFC Inform mainstream maintained schools of their budget shares for 2023/24</li> </ul>	By 28 February 2023 (statutory date) BFFC likely to send out by end of January 2023)
<ul style="list-style-type: none"> <li>BFFC work on final high needs and early years budgets</li> <li>This will include confirmation of Early Years Funding rates</li> </ul>	January to end of February 2023
<ul style="list-style-type: none"> <li>Schools' Forum review/agree final budgets for high needs and early years</li> </ul>	9 March 2023
<ul style="list-style-type: none"> <li>ESFA confirm to academies their general annual grant (budget shares) for 2023/24</li> </ul>	31 March 2023
<ul style="list-style-type: none"> <li>High Needs place numbers at institution level published by ESFA</li> </ul>	31 March 2023

## Appendix 1

### Early Years Funding Consultation July to September 2022

#### **EYNFF additional needs factor**

1. Do you agree with our proposal to update the underlying data in the additional needs factor in the EYNFF?
  - A. Yes - Up to date source data should always be used to present the reality within each area of the country. Updating the EYNFF with the most reliable data a must in any funding mechanism.
2. Do you agree with our proposal to move to using the free school meals headline measure?
  - A. Yes - Aligning the FSM data set with other DSG blocks is logical and will make estimates more reliable for forecasting
3. Do you agree with our proposal to update the way in which the Disability Living Allowance data is used?
  - A. Yes - This seems a logical step to fairness and more consideration over DLA payments for 2 Year olds would be welcomed.

#### **EYNFF area cost adjustment**

4. Do you agree with our proposal to update the underlying data used in the area cost adjustment in the EYNFF, in particular the rateable values data and the GLM data, when available?
  - A. Yes - Agreed that the GLM is the best proxy for staff related costs and should be updated as quick as possible. disagree in implementing in 2024-2025, can 2023-2024 use a previous data set after 2013-2014 and before 2019-2020. This would see a stepped approach.
5. Do you agree with our proposed amendments to the proxy measure for premises related costs in the EYNFF, including introducing schools' rateable values data?
  - A. Yes - Agreed, Early Years is not just private, voluntary, and independent settings. Infant and Primary schools do have rates paid via the school's formula, but this element will show the other premises related costs to be more linked to the area.

#### **Teachers' pay and pensions grants**

6. Do you agree with our proposed approach to mainstreaming the early years element of the teachers' pay and pensions grants?
  - A. Yes - This follows the process of other grants "through the years" merging into the formula from a separate grant. Risks and opportunities can arise from this action as seen in other merging grants, but the impact should be low.
7. Do you agree with our proposal to update the operational guide to encourage local authorities to take account of additional pressures that some providers might face using the existing quality supplement?
  - A. Yes - This will need to include the detail on how local authorities can implement a new supplement when it has never been used in the past. Adding in recommended examples from other LAs would be ideal. Confirmations on the need for local consultations are needed to start using this supplement.

#### **2-year-old funding formula**

8. Do you agree with our proposal to update the underlying data in the area cost adjustment in the 2-year-old formula?

- A. Yes - Agreed to move towards the same formula for 3 & 4 years and to introduce the premises related proxy.
9. Do you agree with our proposal to introduce a proxy for premises related costs into the 2-year-old formula?
- A. Yes – apart from ratios, picked up in a different consultation, the cost of the majority of things do not change due to the age of the child.

### **Protections**

10. Do you agree with our proposed approach to protections in the EYNFF for 2023-24?
- A. Unsure  
Yes - in regard to the MFG being set at +1%.  
No - In regard to a gains cap of +4.5%  
Agreed that a gains cap needs to be implemented, but the rate should be the same for all ages and set at the CPIH rate.
11. Do you agree with our proposed approach to protections in the 2-year-old formula for 2023-24?
- A. Unsure  
Yes - in regard to the MFG being set at +1%.  
No - In regard to a gains cap of +8.6%  
Agreed that a gains cap needs to be implemented, but the rate should be the same for all ages and set at the CPIH rate.

### **Reform of maintained nursery school supplementary funding**

12. Do you agree with our proposal to introduce a minimum hourly funding rate and a cap on the hourly funding rate for MNS supplementary funding?
- A. Yes - When the formula was introduced in 2017, some LAs clearly made the most of the change and seen huge amounts of funding for over 6 years. This minimum funding should move forward the fairness for all MNS settings.
13. Do you agree with our proposed approach to rolling the teachers' pay and pensions grants into MNS supplementary funding?
- A. Yes - Agreed - MNS has teachers, and this was always predicted due to the historic results of other grants rolling into formulas.

### **Equalities Impact Assessment**

14. Do you have any comments about the potential impact, both positive and negative, of our proposals on individuals on the basis of their protected characteristics? Where any negative impacts have been identified, do you know how these might be mitigated?
- A. No, Funding changes need to support the sector, but this consultation is not about how much funding rather than fairness and using updated data sets. Other issues regarding impact are relating to national shortage of nursery staff and potentially higher payroll inflation than funding increases in the future.

### **Any other comments**

15. Are there any other comments that you would like to make about our proposed reforms?  
Comment: Dedicated Schools Grant is set-out in 3 blocks, and we believe that early year's funding should be ringfenced and any deficit or surplus to be accounted for separately. This also includes the High Needs Block. The Schools Block and central block should not be allowed to be overspent unless with secretary of state agreement. This will then promote the variances on each block that will give more evidence to the DSG on the position nationally.



# Reading Schools' Forum

October 13, 2022

Agenda Item 5

School Funding Formula 2023/24 –  
Proposals

For decision

For discussion

For information

## SUMMARY

This report summarises the school funding formula arrangements for 2023/24

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## VERSION

Version 1

## DATE

06 October 2022

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## Recommendations

NOTE: The basis of the school funding formula for 2023/24.

AGREE: The approach to setting the school formula for 2023/24.

### Introduction

1. The move towards all primary and secondary schools receiving their formula funding through the National Funding Formula (NFF) will continue in 2022/23, which will be the sixth year of transition.
2. In 2022/23 Reading was almost mirroring the NFF, using **all** the NFF factors at the base value, the same minimum funding guarantee, and the same minimum per pupil funding levels. Reading also receives an area cost adjustment added to each factor value, and all the formula factors except the lump sum were increased to this higher value.
3. The “Schools revenue funding 2023 to 2024 operational guide”<sup>1</sup> was published in July 2022. This details the funding formula and requirements for 2023/24
4. This report summarises the arrangements for 2023/24 and sets out a proposed strategy for setting the schools funding formula for 2023/24.

### Schools Block Funding Allocation

5. The schools block allocation is based on Primary Units of Funding (PUFs) and Secondary Units of Funding (SUFs). These units are calculated for each local authority by adding together the total formula allocations for each school in each phase using the NFF and dividing by the previous year’s pupil numbers for each phase. These units are then fixed and will be multiplied by the October 2022 census pupil numbers to give the final funding allocation in December.
6. The schools block allocation will also need to fund any shortfall in the growth funding element of the grant, if this formula does not deliver enough, though for 2023/24 the allocation plus carry forward of under spend from 2022/23 should be enough.
7. There may also be a decision to transfer funding from the schools’ block to the high needs block to continue the Inclusion Fund arrangements, which reduces the funding available for the school formula. Local Authorities may continue to transfer up to 0.5% of its school’s block funding to other blocks with Schools’ Forum approval, therefore the maximum transfer allowed in **2023/24 is £566k**. As in previous years all schools must be consulted on such transfers. The table below assumes that the same amount as in 2021/22 will be transferred to the High Needs block, but this is subject to the consultation.

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<sup>1</sup> <https://www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2023-to-2024/schools-operational-guide-2023-to-2024#school-improvement>

8. The calculation of funding that was available for the school formula in 2022/23 (excluding growth funding which will come through as a separate allocation) is shown in Table 1, compared to an estimate for 2023/24 based on the same pupil numbers.

**Table 1: Schools Block DSG Allocation**

	2022/23 Actual Funding (July 2022) £'000	2023/24 Estimated Funding £'000
Primary	£60,638	£63,909
Secondary	£45,502	£48,126
Premises	£1,300	£1,300
Supplementary Grant	£3,196	£0
<b>TOTAL SCHOOLS BLOCK ALLOCATION</b>	<b>£110,636</b>	<b>£113,336</b>
Less: transfer to high needs block	(£484)	(£484)**
<b>FUNDING AVAILABLE FOR SCHOOLS FORMULA</b>	<b>£110,152</b>	<b>£112,852</b>

\*\* This will be agreed in December 2022 Schools Forum following a School Consultation

## School Formula for 2023/24

9. There will be no change to the National Funding Formula factors in 2023/24. These are detailed in Appendix 1.
10. The main change shows many factors becoming compulsory rather than optional. This limits what each LA can do as the DfE are forcing LAs to get closer to the national funding formula. For 23-24 each LA has to be at least 10% closer to the NFF values than their baseline values. Reading have followed the NFF and made the changes in 2018-2020.
11. Appendix 2 shows the national funding formula values for 2023/24 alongside recent years.
12. Local authorities remain responsible for setting the formula, by choosing values to apply as long as this complies with the guidelines (see Appendix 1). This must be done in consultation with the Schools' Forum.
13. As shown in Appendix 2, in 2022/23, Reading was able to set its local formula very close to the national formula; only the lump sum was below the national value by 13%, and this was due to the agreement of using £484k for the Inclusion fund.
14. It is hoped that funding received will allow this position to be replicated in 2023/24. The following strategy is therefore proposed in setting the school formula:
- Start with all factors and values mirroring the national factors and values.
  - If a major shortfall in funding remains, reduce all the main formula factors by the same percentage and use lump sum as balancing figure.

- If a minor shortfall in funding remains, an adjustment will be made to the lump sum amount if this is required to balance the budget (this could be upwards or downwards).

15. Appendix 3 provides an exemplification per school of what the base model looks like, assuming the same pupil numbers and characteristics used in the 2022/23 formula.

## Next Steps

16. As there is minimal change and the proposal is to continue to keep to the NFF as close as is possible, a formal consultation is not required, but this report and appendices will be sent to all schools inviting them to make comments. Schools will be consulted on transfer of funding to the high needs block on similar lines to last year. The deadline for return of responses will be Friday 18 November 2022.
17. Comments received will be brought back to Schools' Forum in December for discussion. This will be prior to final funding allocations from ESFA being confirmed, but the final formula will be built on the agreed basis and will be brought back to Schools Forum in January to view a few days before the ESFA submission date of 20 January 2023. The local authority is responsible for making the final decision on the formula.

## Appendices

Appendix 1 – Local Authority Allowable Formula Factors for 2023/24

Appendix 2 – Formula Factor Values: 2020/21 to 2023/24

Appendix 3 – 2023/24 Exemplification Using Proposed Values in Appendix 2 (Base Model)

## Appendix 1 – Local Authority Allowable Funding Formula Factors for 2023/24

(Source: ESFA Schools revenue funding 2023 to 2024 operational guide July 2022)

Funding factor	Description and further information
<p><b>Basic entitlement</b> A compulsory factor</p>	<p>This compulsory factor assigns funding based on individual pupils in reception to year 11 who are aged 4 and above at the start of the academic year. The number of pupils for each maintained school or academy is based on the <b>October 2022 pupil census</b>.</p> <p>Funding is allocated according to a basic per-pupil rate.</p> <ul style="list-style-type: none"> <li>• <b>There is a single rate for primary age pupils.</b></li> <li>• <b>For KS3 and KS4, rates can be different.</b></li> </ul> <p>The rates for primary, KS3 and KS4 pupils must be at least 10% closer to NFF values than their respective baseline values, subject to the 2.5% threshold for mirroring the NFF described above.</p> <p>Local authorities are expected to add the rolled-in basic entitlement element of the supplementary amounts to their basic per-pupil rates in 2023 to 2024, and the allowable values for each local authority are calculated on that basis.</p> <p>For 2023 to 2024, local authorities can still choose to increase the pupil number count for schools with higher reception pupil numbers in the January 2022 census, rather than the October 2021 census. However, local authorities should bear in mind that this flexibility will be removed as we move towards the direct NFF.</p>
<p><b>Deprivation</b> A compulsory factor</p>	<p>For <b>Free School Meals</b>, factor values must be at least 10% closer to NFF factor values than their baseline factor values, except where local formulae are already mirroring the NFF values.</p> <p>The department measures eligibility for current FSM using the previous October census.</p> <p><b>Free School Meals – Ever 6</b> factor values must be at least 10% closer to NFF factor values than their baseline factor values, except where local formulae are already mirroring the NFF values.</p> <p>Local authorities are expected to add the rolled-in FSM6 entitlement element of the supplementary amounts to their FSM6 rates in 2023 to 2024, and the allowable values for each local authority are calculated on that basis.</p>



Funding factor	Description and further information																					
	<p>The department measures eligibility for FSM6 using the previous October census.</p> <p>The <b>IDACI</b> measure uses 6 bands. Different values can be attached to each band and different unit values can be used for primary and secondary within each band. The per pupil value for each band must be at least 10% closer to the NFF than the baseline values, except where local formulae are already mirroring the NFF values.</p> <p>The 2023 to 2024 NFF, as in the previous year, uses IDACI 2019 ranks to group each lower super output area (LSOA), an area with typically about 1,500 residents) into one of 6 bands of decreasing deprivation.</p> <table border="1" data-bbox="512 748 1383 992"> <thead> <tr> <th>IDACI data</th> <th>Ranks</th> <th>Band</th> </tr> </thead> <tbody> <tr> <td>Pupils in the most deprived 2.5% of LSOAs</td> <td>1 to 821</td> <td>A</td> </tr> <tr> <td>Pupils in the next 5% most deprived LSOAs</td> <td>822 to 2463</td> <td>B</td> </tr> <tr> <td>Pupils in the next 5% most deprived LSOAs</td> <td>2464 to 4105</td> <td>C</td> </tr> <tr> <td>Pupils in the next 5% most deprived LSOAs</td> <td>4106 to 5747</td> <td>D</td> </tr> <tr> <td>Pupils in the next 10% most deprived LSOAs</td> <td>5748 to 9032</td> <td>E</td> </tr> <tr> <td>Pupils in the next 10% most deprived LSOAs</td> <td>9033 to 12316</td> <td>F</td> </tr> </tbody> </table>	IDACI data	Ranks	Band	Pupils in the most deprived 2.5% of LSOAs	1 to 821	A	Pupils in the next 5% most deprived LSOAs	822 to 2463	B	Pupils in the next 5% most deprived LSOAs	2464 to 4105	C	Pupils in the next 5% most deprived LSOAs	4106 to 5747	D	Pupils in the next 10% most deprived LSOAs	5748 to 9032	E	Pupils in the next 10% most deprived LSOAs	9033 to 12316	F
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<p><b>Low Prior attainment</b> A compulsory factor</p>	<p>Local authorities must apply this factor for:</p> <ul style="list-style-type: none"> <li>• <b>primary pupils identified as not achieving the expected level of development in the early years foundation stage profile (EYFSP)</b></li> <li>• <b>secondary pupils not reaching the expected standard in KS2 at either reading or writing or maths</b></li> </ul> <p>Since 2017 to 2018, the department has weighted the LPA factor for some secondary year groups so that year-on-year fluctuations in pass-rates, following the introduction of the more challenging KS2 tests in the 2015 to 2016 academic year, do not disproportionately affect the distribution of funding through the LPA factor in the mainstream formula.</p> <p>In 2023 to 2024, the department has carried forward the weightings it used in 2022 to 2023 for the year 7 to year 10 cohorts, so they will apply to the year 8 to year 11 cohorts respectively.</p> <p>For the financial year 2023 to 2024, the weightings are:</p> <ul style="list-style-type: none"> <li>• pupils in year 7 in October 2022: [will be calculated in autumn 2022]</li> <li>• pupils in years 8 to 10 in October 2022: 65%</li> <li>• pupils in year 11 in October 2022: 64%</li> </ul> <p>The weightings will operate in the same way as in 2022: the number of pupils identified as having LPA in the data will be multiplied by the</p>																					

Funding factor	Description and further information
	<p>relevant weighting to determine the number of pupils eligible for the factor for funding purposes.</p> <p>This is included under schedule 3, paragraph 4 of the school funding regulations.</p> <p>Following the cancellation or incompleteness of both EYFSP and KS2 assessments in summer 2020 and summer 2021 due to coronavirus (COVID-19), local authorities will not be able to use assessment data from these years in the low prior attainment factor in their local funding formulae. Instead, local authorities will use 2019 assessment data as a proxy for assessments which would have taken place in 2020 to 2021. This will be reflected in the APT for both primary and secondary. The same national weighting of 65% for pupils in year 10 should therefore also be used for those who are years 8 and 9 in the academic year 2022 to 2023.</p> <p>For schools which no longer have a cohort which sat the assessments in 2019, the department will use the data from the final 2022 to 2023 APT. This means that any amendments made by local authorities in 2022 to 2023 will be kept in for the 2023 to 2024 APT. Local authorities will be allowed to make amendments to this data where it is not deemed appropriate. For example, local authorities can choose to use local authority average ratios or 2022 assessment data as a proxy for the missing cohort data for these schools instead.</p> <p>LPA funding has been allocated to all pupils identified as not reaching the expected standard at the previous phase, regardless of their year group. It does not only apply to those pupils in their first year of schooling.</p> <p>As with current funding arrangements, pupils who have not undertaken the assessment are given the overall average attainment score of their year group, so are taken into account when calculating a school's LPA rate. For primary LPA the ratio of eligible pupils is calculated from pupils in years 1 to 6. This ratio is then applied to all pupils in years reception to year 6. This ensures that reception pupils also attract LPA funding.</p>
<p><b>English as an additional language (EAL)</b> A compulsory factor</p>	<p>Pupils identified in the October census with a <b>first language other than English attract funding for 3 years</b> after they enter the statutory school system. Local authorities must now use 3 years as an indicator for providing funding to these pupils, in line with the department's methodology.</p>
<p><b>Pupil mobility</b> A compulsory factor</p>	<p><b>The mobility factor allocates funding to schools with a high proportion of pupils who have an entry date in the last 3 years that is not typical.</b> For year groups one to 11, 'typical' means that the first census on which a pupil is recorded as attending the school (or its predecessors) is the</p>

Funding factor	Description and further information
	<p>October census. 'Not typical' means that the first census a pupil is recorded as attending the school is a January or May census. For the reception year, 'typical' means the first census in October or January.</p> <p>This mobility methodology involves tracking individual pupils using their unique pupil ID through censuses from the past 3 years. If the first census when the pupil was in the school was a spring or summer census, they are a mobile pupil. This excludes reception pupils who start in January. This methodology also excludes pupils who joined in the summer term after the May census, or pupils who joined in autumn before the October census.</p> <p>To be eligible for mobility funding, the proportion of mobile pupils in a school must be above the threshold of 6%. The department has allocated a per pupil amount in respect of all mobile pupils above that threshold. The department has published the NFF factor values for mobility as part of the 2023 to 2024 NFF publication.</p> <p>In light of the cancellation of the May 2020 census, pupils who joined a school between January 2020 and May 2020 attract funding for mobility based on their entry date, rather than by virtue of the May 2020 school census being their first census at the current school. This will be reflected in the APT and ensures that the factor continues to operate in as similar a way as possible to what it would have done if the May 2020 census had not been cancelled.</p>
<p><b>Sparsity</b> A compulsory factor</p>	<p>School is eligible for sparsity funding in the NFF if:</p> <ul style="list-style-type: none"> <li>• Its sparsity distance is equal to or above the main distance threshold, or above the tapered distance threshold, and</li> <li>• The average year group size (calculated as the APT-adjusted pupil count divided by number of year groups present at the school) is below the relevant size threshold</li> </ul> <p>The sparsity factor allocates funding to schools that are remote, measured by sparsity distances, and are small, based on average year group size.</p> <p><b>Readings Schools do not qualify for this factor.</b></p> <p>Further details and examples are provided in sparsity section of the Operational Guide.</p>
<p><b>Lump sum</b> A compulsory factor</p>	<p>Local authorities can set a flat lump sum for all phases or differentiate the sums for primary and secondary.</p> <p>The lump sum may be different for primary and secondary schools.</p>

Funding factor	Description and further information
<p><b>Split sites</b> An optional factor</p>	<p>The purpose of this factor is to support schools that have unavoidable extra costs because the school buildings are on separate sites. Allocations must be based on objective criteria for the definition of a split site, and for how much is paid.</p> <p>A local authority's formula can include a factor to provide additional funding to schools that operate on more than one site.</p> <p>Criteria for providing extra funding should be clear and transparent, incorporating clear and objective trigger points, and a clear formula for allocating additional funding. All schools and academies that meet the criteria will be eligible for split site funding.</p> <p>Examples of clear trigger points are:</p> <ul style="list-style-type: none"> <li>• the sites are a minimum distance apart, as the crow flies, and the sites are separated by a public highway</li> <li>• the provision on the additional site does not qualify for an individual school budget share through the DSG</li> <li>• the school has remote playing fields, separated from the school by a minimum distance, and there is no safe walking route for the pupils</li> <li>• a percentage of staff are required to teach on both sites on a daily basis, to support the principle of a whole school policy, and to maintain the integrity of the delivery of the national curriculum</li> <li>• a minimum percentage of pupils are taught on each site on a daily basis</li> </ul> <p>Examples of a clear formula for funding schools with split sites are:</p> <ul style="list-style-type: none"> <li>• a lump sum payment</li> <li>• a per-pupil rate</li> <li>• a rate per square metre of the additional site</li> </ul> <p>Values for primary and secondary schools may be different. There may be one rate of payment for the first additional site, and a separate rate for each additional site. Payment rates may be stepped, for example as the distance between sites increases.</p> <p>Schools sharing facilities, federated schools, and schools with remote sixth forms or remote early years provision are not eligible for split site funding.</p>
<p><b>Rates</b></p>	<p>All local authorities are required to enter the 2022 to 2023 NNDR estimate figure from their 2022 to 2023 APT in the 2023 to 2024 APT. The</p>

Funding factor	Description and further information
<p>An optional factor (used by all local authorities)</p>	<p>2021 to 2022 prior year NNDR adjustment element of the NFF NNDR allocation will not be part of the cash deduction in 2023 to 2024 and will remain with the local authority. We will provide further detail in the 2023 to 2024 APT guidance.</p> <p>Local authorities implementing the new NNDR payment process for April 2023:</p> <ul style="list-style-type: none"> <li>• must upload their schools rates data for April 2023 to March 2024 to the NNDR online portal between 3 April 2023 and 17 May 2023. (These dates are provisional and subject to change)</li> <li>• can submit adjustment claims to schools rates bills for 2023 to 2024 using the NNDR online portal from 3 July 2023 to 31 January 2024. (These dates are provisional and subject to change)</li> </ul> <p>We will ask local authorities to confirm by January 2023 the payment process they will be implementing for April 2023.</p> <p>NNDR payments will be made by the department to billing authorities in June 2023, October 2023 and March 2024.</p> <p><b>Rates should continue to be reflected in the Section 251 outturn statement, and in each school’s accounts.</b></p> <p>All state funded schools will retain liability for their own business rates, except for community and voluntary controlled schools for which liability will continue to rest with the local authority. Liable parties will continue to retain responsibility for the payment of any penalty charges incurred because of late or non-payment in instances where they are at fault, for example, if an academy converter fails to inform their billing authority of their conversion.</p> <p>For those local authorities implementing the new payment process where a late or missed payment arises because of a department error, the responsibility of schools (or local authorities for community or voluntary controlled schools), for payment of any resulting penalty charges is waived and the department will cover any penalty charges incurred. Examples of such cases could include late payment due to processing delays or data upload failure.</p>

Funding factor	Description and further information
	<p>For local authorities that decide they are not implementing the NNDR payment process for April 2023, it means there are no changes to the existing NNDR arrangements.</p> <p>Local authority DSG allocations will include the 2023 to 2024 NFF NNDR amount. Local authorities will include the 2023 to 2024 NFF NNDR amount in schools budgets, further information will be available in the APT 2023 to 2024 guidance.</p> <p>NNDR adjustments due to revaluations for 2022 to 2023 will be submitted in the 2023 to 2024 APT only for local authorities not opting into the new payments system. We will not expect any prior year adjustments for the 2022 to 2023 financial year for local authorities implementing the new payment process as the actual bills would have been paid by the department.</p>
<p><b>Private finance initiative (PFI) contracts</b> An optional factor</p>	<p>The purpose of this factor is to support schools that have unavoidable extra premises costs, because they are a PFI school, and to cover situations where the PFI 'affordability gap' is delegated and paid back to the local authority.</p> <p>More information is in the PFI section of the operational guidance.</p>
<p><b>Exceptional circumstances</b> An optional factor</p>	<p>Local authorities can apply to ESFA to use exceptional circumstances relating to school premises. These may be for rents, or joint-use sports facilities, for example.</p> <ul style="list-style-type: none"> <li>• Exceptional circumstances must relate to premises costs.</li> <li>• Local authorities should only submit applications where the value of the factor is more than 1% of a school's budget, and applies to fewer than 5% of the schools in the authority's area.</li> <li>• Local authorities can use exceptional circumstances used in 2021 to 2022 (for pre-existing, and newly-qualifying schools) in 2022 to 2023, if the qualification criteria are still met.</li> </ul> <p>Further information on the application process can be found in the operational guidance.</p>
<p><b>Minimum level of per pupil funding for primary and secondary schools</b> A compulsory factor</p>	<p>The purpose of this factor is for local authorities to provide the NFF MPPLs to every school. All local authorities must implement the MPPLs by following the same methodology used in the NFF, summarised below and detailed in the NFF technical note.</p> <p>For all schools, the calculation for a school's individual MPPL is:</p>

Funding factor	Description and further information
	<p><b>(number of primary year groups × £4,405) + (number of KS3 year groups × £5,503) + (number of KS4 year groups × £6,033)</b>  <b>divided by</b>  <b>total number of year groups</b></p> <p>This provides per-pupil funding of at least £4,405 for each primary school, and £5,715 for each secondary school with standard structures of 7 and 5 year groups respectively. For middle schools, all-through schools, and other schools with a non-standard year group structure, this will produce a specific minimum per-pupil value that relates to the number of year groups in each phase.</p> <p>When calculating the MPPLs for individual schools, local authorities should take the number of year groups from the APT, which is the approach taken in the NFF. When completing the APT, local authorities should only list the number of year groups in each key stage which have pupils in them at present or will do so in the upcoming year. Where a school will have empty year groups in the upcoming year, for example a school which has recently opened, these should not be included in the APT.</p> <p>The only factors not included in per-pupil funding for the purpose of the MPPL calculation are premises and growth funding. Any prior year adjustments local authorities have made should also be excluded from the calculation.</p> <p>Any capping and scaling cannot take a school's per-pupil funding, defined above, below the MPPLs. The only further calculation that local authorities can make once their formula has provided the minimum levels is, for maintained schools only, to deduct funding for de-delegated central services if the schools forum has agreed this can be taken from their budget shares in 2023 to 2024. It should also be noted the risk protection arrangement (RPA) is also exempt from the MPPLs.</p> <p>Local authorities have the option, as with other aspects of the school funding regulations, to request to disapply the use of the full NFF MPPL values. Such requests should be exceptional and only made on the grounds of affordability, including in relation to the circumstances set out in the final paragraph relating to the tightening of local formulae within methodology underpinning the 10% tightening requirement.</p> <p>Disapplication requests may also be submitted to alter the NFF methodology, for specific schools only, where the local authority can show that the relevant MPPL value for that school is skewed significantly by unusual year group sizes. For example, a local authority may want to</p>

Funding factor	Description and further information
	<p>provide a higher MPPL for an all-through school with significantly larger secondary than primary year group sizes.</p> <p>While the department will consider any individual request on its merits, it expects the commitment to MPPLs to be implemented in full, locally and both local authorities and schools should work on that basis. The department will scrutinise any disapplication requests in this context.</p>
<p><b>Minimum Funding Guarantee</b> A compulsory factor</p>	<p>Local authorities will continue to set a pre-16 MFG in their local formulae, to protect schools from excessive year-on-year changes.</p> <p>Local authorities will be able to set an <b>MFG between +0% and +0.5%</b> per pupil. Any local authorities wanting to set an MFG outside of these parameters must apply for exceptional permission using the disapplication proforma. Applications to set a lower MFG than +0% will only be considered on the grounds of affordability where local authorities have already exhausted the flexibility available from the 2.5% threshold for mirroring the NFF as well as capping and scaling - see final paragraph within methodology underpinning the 10% tightening requirement.</p> <p>Local authorities must include funding representing the funding allocated through the 2022 to 2023 schools supplementary grant (SSG) in respect of their reception to year 11 pupils into the baseline. This includes the grant's basic per-pupil, FSM6 and lump sum components. The required adjustment will be included in the APT when it is made available to each local authority. The funding added to the baseline is based on pupil numbers from the APT itself rather than the pupil numbers underpinning the actual SSG allocations. That is to ensure that changes in pupil numbers do not distort the funding protected through the floor in per pupil terms.</p>
<p><b>Capping and Scaling</b> An optional factor</p>	<p>The department will again allow overall gains for individual schools to be capped as well as scaled back to ensure that local formulae are affordable.</p> <p>Local authorities can continue to choose to cap any gains schools receive through the 2023 to 2024 local formula, unlike the NFF where no gains cap is applied. Capping and scaling must be applied on the same basis to all schools.</p> <p>Local authorities and their schools forums will therefore need, as part of their formula modelling, to determine whether and how to limit gains. This remains a local decision.</p> <p>The department applies caps and scales to academy budgets on the same basis as for maintained schools, although the values may differ from</p>



Funding factor	Description and further information
	<p>those shown in the APT since the actual baseline position for the academy may not be the same as that shown in the dataset.</p> <p>Capping and scaling factors must not be applied to schools that have opened in the last 7 years and have not reached their full number of year groups. This definition of new and growing schools does not include existing schools that are extending to include a new phase and have empty year groups in the new phase.</p> <p>Capping and scaling cannot take a school below the MPPLs.</p> <p>Should local authorities elect to apply a gains cap in 2023 to 2024, the cap must be set at least as high as the MFG threshold. This ensures all schools retain any gains up to the MFG threshold even where a cap is applied. Local authorities and their schools forums will therefore need, as part of their formula modelling, to determine whether and how to limit gains. This remains a local decision.</p> <p>The department applies caps and scales to academy budgets on the same basis as for maintained schools, although the values may differ from those shown in the APT since the actual baseline position for the academy may not be the same as that shown in the dataset.</p> <p>Capping and scaling factors must not be applied to schools that have opened in the last seven years and have not reached their full number of year groups. This definition of new and growing schools does not include existing schools that are extending to include a new phase and have empty year groups in the new phase.</p> <p>Capping and scaling must not take a school below the minimum per-pupil funding levels.</p> <p>Should local authorities elect to apply a gains cap in 2022 to 2023, the cap must be set at least as high as the MFG threshold. This ensures all schools retain any gains up to the MFG threshold even where a cap is applied.</p>

## Appendix 2 – Formula Factor Values: 2021/22 to 2023/24

Formula Values	2021/22			2022/23			2023/24		
	NFF	Reading	Reading	NFF	Reading	Reading	NFF	Reading	Reading
		NFF with ACA	Final		NFF with ACA	Final		NFF with ACA	PROPOSED
<b>Basic Entitlement:</b>									
Primary	£3,123.00	£3,231.31	£3,231.00	£3,217.00	£3,328.79	£3,328.00	£3,394.00	£3,511.94	£3,511.00
Secondary - KS3	£4,404.00	£4,556.73	£4,556.00	£4,536.00	£4,693.63	£4,693.00	£4,785.00	£4,951.28	£4,951.00
Secondary - KS4	£4,963.00	£5,135.12	£5,135.00	£5,112.00	£5,289.64	£5,289.00	£5,393.00	£5,580.41	£5,580.00
<b>Deprivation:</b>									
Free School Meals - Primary	£460.00	£475.95	£475.00	£470.00	£486.33	£486.00	£480.00	£496.68	£496.00
Free School Meals - Secondary	£460.00	£475.95	£475.00	£470.00	£486.33	£486.00	£480.00	£496.68	£496.00
Free School Meals Ever 6 - Primary	£575.00	£594.94	£594.00	£590.00	£610.50	£610.00	£705.00	£729.50	£729.00
Free School Meals Ever 6 - Secondary	£840.00	£869.13	£869.00	£865.00	£895.06	£895.00	£1,030.00	£1,065.79	£1,065.00
IDACI Band A (over 0.6) - Primary	£620.00	£641.50	£641.00	£640.00	£662.24	£662.00	£670.00	£693.28	£693.00
IDACI Band A (over 0.6) - Secondary	£865.00	£895.00	£895.00	£890.00	£920.93	£960.00	£930.00	£962.32	£962.00
IDACI Band B (0.5 - 0.6) - Primary	£475.00	£491.47	£491.00	£490.00	£507.03	£507.00	£510.00	£527.72	£527.00
IDACI Band B (0.5 - 0.6) - Secondary	£680.00	£703.58	£703.00	£700.00	£724.33	£724.00	£730.00	£755.37	£755.00
IDACI Band C (0.4 - 0.5) - Primary	£445.00	£460.43	£460.00	£460.00	£475.99	£476.00	£480.00	£496.68	£496.00
IDACI Band C (0.4 - 0.5) - Secondary	£630.00	£651.85	£651.00	£650.00	£672.59	£672.00	£680.00	£703.63	£703.00
IDACI Band D (0.3 - 0.4) - Primary	£410.00	£424.22	£424.00	£420.00	£434.60	£434.00	£440.00	£455.29	£455.00
IDACI Band D (0.3 - 0.4) - Secondary	£580.00	£600.11	£600.00	£595.00	£615.68	£615.00	£620.00	£641.55	£641.00
IDACI Band E (0.25 - 0.3) - Primary	£260.00	£269.02	£269.00	£270.00	£279.38	£279.00	£280.00	£289.73	£289.00
IDACI Band E (0.25 - 0.3) - Secondary	£415.00	£429.39	£429.00	£425.00	£439.77	£439.00	£445.00	£460.46	£460.00
IDACI Band F (0.2 - 0.25) - Primary	£215.00	£222.46	£222.00	£220.00	£227.65	£227.00	£230.00	£237.99	£238.00
IDACI Band F (0.2 - 0.25) - Secondary	£310.00	£320.75	£320.00	£320.00	£331.12	£331.00	£335.00	£346.64	£346.00
<b>Other Factors</b>									
<b>Prior Attainment: - Primary</b>	£1,095.00	£1,132.97	£1,132.00	£1,130.00	£1,169.27	£1,169.00	£1,155.00	£1,195.14	£1,195.00
<b>Prior Attainment: - Secondary</b>	£1,660.00	£1,717.57	£1,717.00	£1,710.00	£1,769.42	£1,769.00	£1,750.00	£1,810.81	£1,810.00
<b>EAL - Primary</b>	£550.00	£569.07	£569.00	£565.00	£584.63	£584.00	£580.00	£600.16	£600.00
<b>EAL Secondary</b>	£1,485.00	£1,536.50	£1,536.00	£1,530.00	£1,583.17	£1,583.00	£1,565.00	£1,619.38	£1,619.00
<b>Mobility - Primary</b>	£900	£931.21	£931.00	£925	£957.14	£957.00	£945	£977.84	£977.00
<b>Mobility - Secondary</b>	£1,290	£1,334.74	£1,334.00	£1,330	£1,376.22	£1,376.00	£1,360	£1,407.26	£1,407.00
<b>Lump Sum</b>	£117,800.00	£121,885.30	£116,595.00	£121,300.00	£125,515.18	£105,000.00	£128,000.00	£132,448.00	£118,000.00
<b>Business Rates (Actual - locally set)</b>	£1,322,787		£1,283,350	£1,283,350		£1,283,350.00	£1,283,350		£1,283,350.00
<b>Split Site</b>	£17,149		£17,149	£17,149		£17,149.00	£17,149		£17,149.00
<b>Minimum Per Pupil Level</b>									
<b>Primary</b>	£4,180		£4,180	£4,265		£4,265.00	£4,405		£4,405.00
<b>Secondary</b>	£5,415		£5,415	£5,525		£5,525.00	£5,715		£5,715.00
<b>(KS3 only school)</b>	£5,215		£5,215	£5,321		£5,321.00	£5,503		£5,503.00
<b>(KS4 only school)</b>	£5,715		£5,715	£5,831		£5,831.00	£6,033		£6,033.00
<b>Minimum Funding Guarantee</b>	2.00%		2.00%	2.00%		1.75%	0.50%		0.50%

## Appendix 3 – 2023/24 Exemplification Using Proposed Values in Appendix 2 (Base Model)

This assumes same pupil numbers and pupil characteristics. This should NOT be used by schools for 2023/24 budgeting purposes

School Name	2022/23 Total Allocations				2023/24 Indicative Allocations			Overall Change		
	Formula Allocation	Supplementary	Oct 2021 NoR	Per Pupil Funding	Formula Allocation	Oct 2021 NoR	Per Pupil Funding	Total	%	Per Pupil
Alfred Sutton Primary	£2,716,907	£79,686	627	£4,460	£2,823,342	627	£4,503	£26,749	0.96%	£43
Caversham Primary	£1,797,111	£46,869	415	£4,443	£1,855,211	415	£4,470	£11,231	0.61%	£27
Coley Primary	£992,289	£29,244	196	£5,212	£1,051,915	196	£5,367	£30,382	2.97%	£155
E P Collier Primary	£1,459,117	£40,724	305	£4,918	£1,542,803	305	£5,058	£42,962	2.86%	£141
Geoffrey Field Junior	£1,725,174	£51,325	356	£4,990	£1,828,934	356	£5,137	£52,435	2.95%	£147
Geoffrey Field Infant	£1,350,839	£39,462	267	£5,207	£1,427,064	267	£5,345	£36,762	2.64%	£138
Oxford Road Community	£1,049,499	£30,753	211	£5,120	£1,112,842	211	£5,274	£32,590	3.02%	£154
Redlands Primary School	£976,559	£28,335	207	£4,855	£1,035,190	207	£5,001	£30,295	3.01%	£146
The Hill Primary School	£1,731,092	£45,489	396	£4,486	£1,786,532	396	£4,511	£9,951	0.56%	£25
The Ridgeway Primary School	£2,093,938	£59,173	419	£5,139	£2,212,551	419	£5,281	£59,440	2.76%	£142
Park Lane Primary School	£1,777,684	£51,833	404	£4,529	£1,854,561	404	£4,590	£25,044	1.37%	£62
Wilson Primary School	£1,821,592	£53,589	412	£4,551	£1,926,753	412	£4,677	£51,572	2.75%	£125
Emmer Green Primary	£1,781,331	£46,467	411	£4,447	£1,838,871	411	£4,474	£11,073	0.61%	£27
Southcote Primary	£2,625,048	£71,594	600	£4,494	£2,728,988	600	£4,548	£32,346	1.20%	£54
St Michael's Primary	£1,858,310	£55,000	397	£4,819	£1,968,230	397	£4,958	£54,919	2.87%	£138
Moorlands Primary	£1,658,827	£51,624	335	£5,106	£1,760,584	335	£5,255	£50,132	2.93%	£150
Thameside Primary	£1,766,844	£50,868	390	£4,661	£1,869,069	390	£4,792	£51,357	2.83%	£132
Katesgrove Primary	£2,781,389	£74,312	605	£4,720	£2,930,071	605	£4,843	£74,370	2.60%	£123
Caversham Park Primary	£693,346	£20,158	148	£4,821	£737,266	148	£4,982	£23,762	3.33%	£161
Micklands Primary	£1,649,720	£48,143	376	£4,516	£1,740,474	376	£4,629	£42,611	2.51%	£113
Manor Primary	£1,266,435	£39,696	252	£5,183	£1,345,322	252	£5,339	£39,191	3.00%	£156
All Saints Infant	£362,092	£10,094	60	£6,203	£373,453	60	£6,224	£1,267	0.34%	£21
St Anne's Catholic Primary	£849,774	£25,890	181	£4,838	£904,084	181	£4,995	£28,420	3.25%	£157
English Martyrs' Catholic Primary	£1,789,850	£51,347	402	£4,580	£1,893,482	402	£4,710	£52,285	2.84%	£130
Christ The King Catholic Primary	£1,489,966	£42,821	297	£5,161	£1,578,746	297	£5,316	£45,958	3.00%	£155
St Martin's Catholic Primary	£706,532	£20,232	154	£4,719	£749,931	154	£4,870	£23,168	3.19%	£150
Whitley Park Primary	£2,662,250	£77,156	529	£5,178	£2,815,716	529	£5,323	£76,310	2.79%	£144
Blessed Hugh Faringdon Catholic	£5,275,500	£156,511	868	£6,258	£5,572,807	868	£6,420	£140,796	2.59%	£162
All Saints Junior	£474,262	£14,210	94	£5,197	£507,303	94	£5,397	£18,831	3.86%	£200

School Name	Formula Allocation	Supplementary	Oct 2021 NoR	Per Pupil Funding	Formula Allocation	Oct 2021 NoR	Per Pupil Funding	Total	%	Per Pupil
Meadow Park Academy	£1,605,013	£50,166	334	£4,956	£1,703,684	334	£5,101	£48,505	2.93%	£145
Battle Primary Academy	£1,861,016	£54,170	400	£4,788	£1,969,006	400	£4,923	£53,820	2.81%	£135
The Palmer Primary Academy	£1,842,329	£53,930	385	£4,925	£1,950,764	385	£5,067	£54,505	2.87%	£142
Civitas Academy	£1,603,557	£42,268	342	£4,812	£1,693,223	342	£4,951	£47,398	2.88%	£139
The Heights Primary	£1,497,102	£39,993	350	£4,392	£1,546,102	350	£4,417	£9,007	0.59%	£26
Ranikhet Academy	£930,422	£30,622	173	£5,555	£991,726	173	£5,733	£30,682	3.19%	£177
New Town Primary	£1,583,106	£46,017	338	£4,820	£1,675,662	338	£4,958	£46,539	2.86%	£138
Churchend Primary Academy	£1,890,057	£55,138	424	£4,588	£1,992,236	424	£4,699	£47,041	2.42%	£111
St Mary & All Saints	£1,377,586	£42,055	279	£5,088	£1,461,286	279	£5,238	£41,645	2.93%	£149
Green Park Village Primary Academy * <b>Growing</b>	£535,158	£14,511	62	£8,866	£570,361	62	£6,567	£20,692	3.76%	<b>-£2,299</b>
New Christ Church	£908,156	£26,573	183	£5,108	£961,928	183	£5,256	£27,199	2.91%	£149
St John's Church of England	£1,696,231	£48,633	377	£4,628	£1,793,770	377	£4,758	£48,906	2.80%	£130
UTC Reading	£1,682,871	£59,458	248	£7,026	£1,782,375	248	£7,187	£40,046	2.30%	£161
Maiden Erlegh School in Reading	£5,504,694	£168,066	887	£6,395	£5,823,771	887	£6,566	£151,011	2.66%	£170
The WREN School	£5,347,958	£162,831	850	£6,483	£5,651,824	850	£6,649	£141,035	2.56%	£166
Reading Girls' School	£4,391,005	£129,917	686	£6,590	£4,634,090	686	£6,755	£113,168	2.50%	£165
Highdown School	£7,008,958	£217,331	1257	£5,749	£7,398,576	1257	£5,886	£172,287	2.38%	£137
Reading School	£4,168,596	£132,740	748	£5,750	£4,310,716	748	£5,763	£9,380	0.22%	£13
King's Academy Prospect	£5,633,014	£176,476	855	£6,795	£5,959,905	855	£6,971	£150,415	2.59%	£176
Kendrick School	£3,069,154	£100,220	552	£5,742	£3,174,282	552	£5,751	£4,908	0.15%	£9
John Madejski Academy	£3,792,647	£122,158	541	£7,236	£4,015,328	541	£7,422	£100,523	2.57%	£186
Total / Average	£107,111,908	£3,185,878	20,585	£5,358	£112,832,710	20,585	£5,481	£2,534,925	2.30%	£123



# Reading Schools' Forum

October 13, 2022

Agenda Item 6

Dedicated Schools Grant (DSG)  
Budget Monitoring 2022/23

For decision

For discussion

For information

## SUMMARY

This report sets out the current position (month 6) of the DSG budget for 2022/23 and outlines the variances.

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## Recommendations

- NOTE: The current overall DSG allocation and budget position for 2022/23.
- NOTE: The current position within each funding block and impact on the deficit recovery plan.

## Background

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. 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.
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.
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.
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.
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.

## DSG Allocation 2022/23

7. 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 July 2022. Further details are contained in Appendix 1.
8. The allocations shown in the table are prior to any transfers between blocks. For the 2022/23 budget the Schools' Forum has agreed a transfer of £0.484m from the schools' block to the high needs block.

9. Overall there has been an increase of £0.505m to the current year allocation, which relates to the increase in Early Years Numbers and the increase within the High Needs Block import / export adjustment.

**Table 1: RBC's original and revised (current) DSG allocations for 2022-23**

BLOCK	ORIGINAL (March 2022) DSG ALLOCATION 2022/23			REVISED (July 2022) DSG ALLOCATION 2022/23			CHANGE (£m)
	Gross DSG Allocations (£m)	Less Recoupment relating to Academies (£m)	Total LA DSG Allocations (£m)	Gross DSG Allocations (£m)	Less Recoupment relating to Academies (£m)	Total LA DSG Allocations (£m)	Total DSG (£m)
Schools Block	108.373	(58.335)	50.037	108.373	(58.335)	50.037	0
Central Schools Block	1.134	0	1.134	1.134	0	1.134	0
Early Years Block	11.486	0	11.486	12.272	0	12.272	0.786
High Needs Block	29.936	(6.225)	23.711	29.936	(6.507)	23.429	(0.282)
<b>Total</b>	<b>150.929</b>	<b>(64.560)</b>	<b>86.369</b>	<b>151.715</b>	<b>(64.842)</b>	<b>86.873</b>	<b>0.505</b>

10. 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 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 £0.282m**, as the number of pupils placed outside of Reading has **increased by 47**. There should not be any further changes to this block this year.
- The July update revises the Early Years Bloc from the **January 2022 Census**. As the numbers in Early Years have increased since January 2021 then Reading has received an **additional £0.786m**. We are also expecting the numbers to continue to increase in January 2023 census.

## DSG Budget 2022/23 Month 6 Overall Position

11. Appendix 2 contains the 2022/23 budget and current (month 6) forecasts. This is split between the four funding blocks, 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.
12. Table 2 summarises the current budget and forecast per block. Note that the DSG allocation includes the deficit as at the 31<sup>st</sup> March 2022 as this deficit includes ringfenced surpluses brought forward from 2021/22 and being utilised in 2022/23 and 2023/24 (for growth fund and early years).

**Table 2: Summary Budget and Forecast 2022/23**

	CURRENT BUDGET (£m)	2021-2022 C/Fwd (£m)	TOTAL SPENDING POWER (£m)	FORECAST as at MONTH 6 (£m)	IN YEAR VARIANCE as at MONTH 6 (£m)	TOTAL VARIANCE as at MONTH 6 (£m)
	A	B	A+B=C	D	D-A	D-C
Schools Block	50.037	1.069	51.106	49.587	(0.450)	(1.520)
Central Schools Block	1.134	0.006	1.140	1.140	0.006	0
Early Years Block	12.272	0.172	12.444	12.444	0.172	0
High Needs Block	23.429	(3.412)	20.017	24.596	1.167	4.579
<b>Total – Net Expenditure</b>	<b>86.872</b>	<b>(2.165)</b>	<b>84.707</b>	<b>87.767</b>	<b>0.895</b>	<b>3.059</b>
DSG Allocation	(86.872)	2.165	(84.707)	(86.872)	0	
<b>Balance Over/(Under) Allocated</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.895</b>	<b>0.895</b>	

13. The deficit forecast for the end of the financial year has increased in year by £0.895m to £3.059m
14. The main concern is over the High Needs Block where the starting deficit totalled **£3.412m** and this has arisen to **£4.579m**.
15. The variances relating to the High Needs Block are summarised as follows:

High Needs Deficit as at the 31 <sup>st</sup> March 2022	£3,412,000
Updated Import and export – July 2022	£282,000
Top Up funding - overspend	£343,500
Placement – Base funding	£10,000
Central Budgets (Inclusion Activities)	£31,500
<b>Contingency – Unknown top-ups/change of placements</b>	<b>£500,000</b>
<b>Forecasted High Needs Deficit as at 31<sup>st</sup> March 2023</b>	<b>£4,579,000</b>

## Variances, Current Risks & Emerging Issues

16. **Schools Block** - The Growth Fund budget will underspend (partly planned), with the surplus funding currently estimated at £1.520m required to be carried forward towards paying for



New secondary school and possible bulge classes in 2023/24 and beyond. The current budget allowed for bulge classes in 2022/23 has not been required this year.

17. **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.
18. **Early Years Block** - The majority of Early Years Funding (95%) is relating to the free early year's entitlement 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 an average of the January 2022 and 2023 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.
19. The Early Years contingency budget bought forward from 2021/22 is £0.172m and based on the current forecast there will be £0.162m pressure and so the contingency will be automatically earmarked for this eventuality. January 2023 census will give us a clear view on the outturn of the Early Years Block.
20. High Needs Block - Approximately 86% (83% in 21-22) 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 4 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 (September 2022) is 1,711, an increase of 119 since January 2022.

**Table 4: 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	631	128	1,592	152
22/23 Sept 2022	583	331	628	169	1,711	119
<b>Latest Increase (Jan to Sept)</b>	<b>19</b>	<b>62</b>	<b>(3)</b>	<b>41</b>	<b>119</b>	

21. The top up budget for 2022/23 was set based on the number and cost of top ups as at February 2022 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 £19.931m, which is £0.846m over budget

**Table 4: Top Up Budgets and Current Forecasts 2022/23**

Placement Type	Budget £'000	Forecast £'000	Variance £'000	Budget No.	Current No.	Variance No.
Special Schools	9,730	9,695	(35)	465	473	8
Resource Units	842	807	(35)	98	96	(2)
Mainstream	3,194	3,154	(40)	549	560	11
Nursery	111	44	(67)	10	9	(1)
Independent/NMSS	3,423	3,678	255	72	73	1
Further Education	1,116	1,329	213	135	131	(4)
Other Alternative	669	724	55	53	52	(1)
Contingency (unknown)	0	500	500	0	0	0
<b>Total</b>	<b>19,085</b>	<b>19,931</b>	<b>846</b>	<b>1,382</b>	<b>1,394</b>	<b>12</b>

22. This does not yet consider the increases in top up fees to be paid to Reading schools within 2022-23 financial year. Due to external contributing factors (inflation, funding, and possible government decisions in November) the decision on rate increase has been delayed and a report will be brought to the December schools forum.


23. 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. Due to vacancies in the Finance team, summer term funding has been delayed and will be paid out shortly.

### Draft Deficit Recovery Plan for 2022/23

24. 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.

25. 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.

26. The DfE has introduced a new programme, called Delivering Better Value in SEND, to provide dedicated support and funding to help local authorities reform their high needs systems. Brighter Futures for Children on behalf of Reading Borough Council have been invited to participate in this programme, with a planned commencement date of January 2023. More details are to follow within this school's forum meeting.

- 
27. The current (September 2022) budget monitoring forecast shows the deficit will increase by £1.167m by the end of 2022/23 with £4.579m to be carried forward at the end of the current financial year.
28. 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.
29. 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 5%.
  - £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.
  - All centrally retained costs in the high needs block remain static beyond 2022/23.
  - 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 3-5%.
  - 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.
30. Over the last decade, Reading with tremendous support from schools have tried to limit the High-Needs Deficit and together we have slowed the pace of the deficit increase, especially compared to other local authorities in the country. This has had its consequences, not increasing the banding rates for 6 years for Reading Schools and many schools going over and above for inclusion of EHCPs. Also, in regard to funding clearly not keeping up with the level of need and the increasing numbers of EHCPs. A new strategy for dealing with the deficit recovery plan has to be credible and for it not to impact on children and schools will be difficult. These are just a few reasons why we have accepted DfEs support through the delivering better value project.
31. We are hopeful that funding will follow the support to start using on improving the Reading system and support. More details to follow in the new calendar year.

## Appendices

Appendix 1 – DSG Allocation 2022/23

Appendix 2 – Summary DSG Budget and Forecast 2022/23 as at 30 September 2022

Appendix 3 – Additional Information per Service for Appendix 2 table

### Appendix 1 – DSG Allocation 2022/23

	Dec-21	LA Estimate	Jul-22
<b>Schools Block</b>			
Pupil Numbers Primary			
Rate	£4,631.68	£4,631.68	£4,631.68
Allocation	£60,637,955	£60,637,955	£60,637,955
Pupil Numbers Secondary			
Rate	£6,077.00	£6,077.00	£6,077.00
Allocation	£45,501,538	£45,501,538	£45,501,538
Growth Funding	£933,061	£933,061	£933,061
Premises Funding	£1,300,499	£1,300,499	£1,300,499
actual funding rounding adjustment			
<b>Gross Allocation</b>	<b>£108,373,052</b>	<b>£108,373,052</b>	<b>£108,373,052</b>
Academy Recoupment		-£58,335,204	-£58,335,204
<b>Schools Block Net Total</b>	<b>£108,373,052</b>	<b>£50,037,848</b>	<b>£50,037,848</b>
<b>Central School Services Block</b>			
Pupil Numbers			
Rate	£38.21	£38.21	£38.21
Allocation	£786,343	£786,343	£786,343
Historic Commitments	£348,160	£348,160	£348,160
<b>Central School Services Block Net Total</b>	<b>£1,134,503</b>	<b>£1,134,503</b>	<b>£1,134,503</b>
<b>High Needs Block</b>			
Formula	£26,665,843	£26,665,843	£26,665,843
Hospital Funding	£296,283	£296,283	£296,283
AP Teachers pay/pension grant			
Pupil Numbers - Special Schools	381.5	381.5	381.5
Pupil Numbers - Alternative Provision	381.5	381.5	381.5
Rate (includes grants)	£4,912.49	£4,912.49	£4,912.49
Allocation	£1,874,115	£1,874,115	£1,874,115
Import/Export Adjustment	0	-326	-373
Rate	£6,000.00	£6,000.00	£6,000.00
Allocation		-£1,956,000	-£2,238,000
Additional funding for Special Free Schools			
<b>Allocation</b>	<b>£28,836,241</b>	<b>£26,880,241</b>	<b>£26,598,241</b>

Additional Funding	£1,099,853	£1,099,853	£1,099,853
Gross Allocation		£27,980,094	£27,698,094
Recoupment - academy high needs places		-£4,269,167	-£4,269,167
<b>High Needs Block Net Total</b>	<b>£29,936,094</b>	<b>£23,710,927</b>	<b>£23,428,927</b>
	<b>Dec-21</b>	<b>LA Estimate</b>	<b>Jul-22</b>
<b>Early Years Block</b>	(Jan '21 census)	Jan 22 Estimated	(Jan '22 census)
3 & 4 year olds Universal - Schools			
3 & 4 year olds Universal - PVI	2,414.61		2,560.55
3 & 4 year olds Extended - Schools			
3 & 4 year olds Extended - PVI	840.02		840.71
Total			
Rate	£5.45	£5.45	£5.45
Allocation	£10,110,508	£11,066,975	£10,566,014
2 year olds - schools			
2 year olds - PVI	300.08		368.97
Total			
Rate	£6.11	£6.11	£6.11
Allocation	£1,045,089	£1,209,879	£1,285,012
PPG - schools			
PPG - PVI	421.37		495.00
Total			
Rate	£0.53	£0.53	£0.53
Allocation	£127,296	£103,886	£149,540
DAF - eligible pupils			
Rate	£800.00	£800.00	£800.00
Allocation	£50,400	£39,558	£50,400
Maintained Nursery Grant	£152,323	£221,270	£221,270
<b>Early Years Block Net Total</b>	<b>£11,485,616</b>	<b>£12,641,567</b>	<b>£12,272,236</b>
<b>SUMMARY GROSS IN YEAR ALLOCATION</b>			
Schools Block	108,373,052	108,373,052	108,373,052
Central School Services Block	1,134,503	1,134,503	1,134,503
High Needs Block	29,936,094	27,980,094	29,936,094
Early Years Block	11,485,616	12,641,567	12,272,236
<b>TOTAL GROSS DSG ALLOCATION IN YEAR</b>	<b>£150,929,264</b>	<b>£150,129,216</b>	<b>£151,715,884</b>
<b>SUMMARY NET IN YEAR ALLOCATION</b>			
Schools Block	£108,373,052	£50,037,848	£50,037,848
Central School Services Block	£1,134,503	£1,134,503	£1,134,503
High Needs Block	£29,936,094	£23,710,927	£23,428,927
Early Years Block	£11,485,616	£12,641,567	£12,272,236
<b>TOTAL NET DSG ALLOCATION IN YEAR</b>	<b>£150,929,264</b>	<b>£87,524,845</b>	<b>£86,873,513</b>

## Appendix 2 – Summary DSG Budget and Forecast 2022/23

Line Ref.	Description	Current Budget (£m)	2021-2022 C/Fwd (£m)	Total Spending Power (£m)	Forecast (£m)	In Year Variance (£m)	Total Variance (£m)
<b>Schools Block</b>							
1	Individual Schools Budget - Maintained	47.376	0.000	47.376	47.376	0.000	0.000
2	Growth Fund	0.845	1.069	1.914	0.285	-0.560	-1.629
	Business Rates	0.900	0.000	0.900	1.010	0.110	0.110
3	Behaviour Support Services	0.182	0.000	0.182	0.182	0.000	0.000
4	Staff costs supply cover	0.043	0.000	0.043	0.043	0.000	0.000
5	School Improvement	0.128	0.000	0.128	0.128	0.000	0.000
6	Statutory/regulatory Duties (ESG)	0.080	0.000	0.080	0.080	0.000	0.000
7	Inclusion Fund	0.484	0.000	0.484	0.484	0.000	0.000
<b>7</b>	<b>Total Schools Block Net Expenditure</b>	<b>50.038</b>	<b>1.069</b>	<b>51.107</b>	<b>49.587</b>	<b>-0.450</b>	<b>-1.519</b>
8	Schools Block DSG Allocation	50.038	1.069	51.107			
<b>9</b>	<b>Balance Over / (Under) Allocated</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>			
<b>Central Schools Services Block</b>							
10	Contribution to combined budgets	0.316	0.000	0.316	0.316	0.000	0.000
11	School admissions	0.229	0.000	0.229	0.229	0.000	0.000
12	Servicing of schools forum	0.020	0.000	0.020	0.020	0.000	0.000
13	Prudential borrowing costs	0.032	0.000	0.032	0.032	0.000	0.000
14	Other Items (copyright licences)	0.120	0.000	0.120	0.120	0.000	0.000
15	Statutory/regulatory Duties (ESG)	0.417	0.006	0.423	0.423	0.006	0.000
<b>16</b>	<b>Total Central School Services Block Net Expenditure</b>	<b>1.134</b>	<b>0.006</b>	<b>1.140</b>	<b>1.140</b>	<b>0.006</b>	<b>0.000</b>
17	Central School Services Block DSG Allocation	1.134	0.006	1.140			
<b>18</b>	<b>Balance Over / (Under) Allocated</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>			
<b>Early Years Block</b>							
19	Early Years Funding (free entitlement)	11.554	0.172	11.726	11.726	0.172	0.000
20	Support for inclusion	0.050	0.000	0.050	0.050	0.000	0.000
21	SEN support services (Portage/Dingley)	0.251	0.000	0.251	0.251	0.000	0.000
22	Central expenditure on early years	0.418	0.000	0.418	0.418	0.000	0.000
<b>23</b>	<b>Total Early Years Block Net Expenditure</b>	<b>12.273</b>	<b>0.172</b>	<b>12.445</b>	<b>12.445</b>	<b>0.172</b>	<b>0.000</b>
24	Early Years Block DSG Allocation	12.273	0.172	12.445			
<b>25</b>	<b>Balance Over / (Under) Allocated</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>			
<b>High Needs Block</b>							
26	SEN placements - Maintained Schools	1.564	0.000	1.564	1.574	0.010	0.010
27	Top up funding - Special Schools	9.730	0.000	9.730	9.695	-0.035	-0.035
28	Top up funding - Resource Units	0.842	0.000	0.842	0.807	-0.035	-0.035
29	Top up funding - Mainstream	3.194	0.000	3.194	3.154	-0.040	-0.040
30	Top up funding - Nursery	0.111	0.000	0.111	0.043	-0.067	-0.067
31	Top up funding - FE Colleges	1.217	0.000	1.217	1.338	0.120	0.120
32	Top up funding - Alternative Provision	1.291	0.000	1.291	1.390	0.099	0.099
33	Top up and other funding - non maintained & independent schools	3.412	0.000	3.412	3.714	0.302	0.302
34	Top up Contingency (new placements)	0.000	0.000	0.000	0.500	0.500	0.500
35	SEN support services	0.726	0.000	0.726	0.726	0.000	0.000
36	Hospital education services	0.203	0.000	0.203	0.170	-0.033	-0.033
37	Support for Inclusion	0.523	0.000	0.523	0.555	0.032	0.032
38	Therapies and other health related services	0.520	0.000	0.520	0.520	0.000	0.000
39	SEN Transport	0.100	0.000	0.100	0.100	0.000	0.000
40	Teachers pay & pension grants	0.311	0.000	0.311	0.311	0.000	0.000
41	DSG deficit from previous year	-0.315	-3.412	-3.727	0.000	0.315	3.727
<b>42</b>	<b>Total High Needs Block Net Expenditure</b>	<b>23.429</b>	<b>-3.412</b>	<b>20.017</b>	<b>24.596</b>	<b>1.167</b>	<b>4.579</b>
43	High Needs Block DSG Allocation	23.429	-3.412	20.017			
<b>44</b>	<b>Balance Over / (Under) Allocated</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>			
<b>45</b>	<b>Total All Blocks Net Expenditure</b>	<b>86.874</b>	<b>-2.165</b>	<b>84.709</b>	<b>87.768</b>	<b>0.895</b>	<b>3.060</b>

## 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. This also includes the newly agreed Falling Roles fund.

*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), 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.

### **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 – Top up - Contingency – When the growth within the budget for top-ups have been met before the end of the year, then adding in contingency for new EHCPs and placements will sit here and reviewed monthly.

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 - deficit – All of the 2021/22 deficit related to the high needs block





# Reading Schools' Forum

October 13, 2023

Agenda Item 7

School Budget Forecasts 2022/23

For decision

For discussion

For information

## SUMMARY

This is to feedback on the latest forecasts from schools

## AUTHOR

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## VERSION

Version 1

## DATE

October 13, 2022

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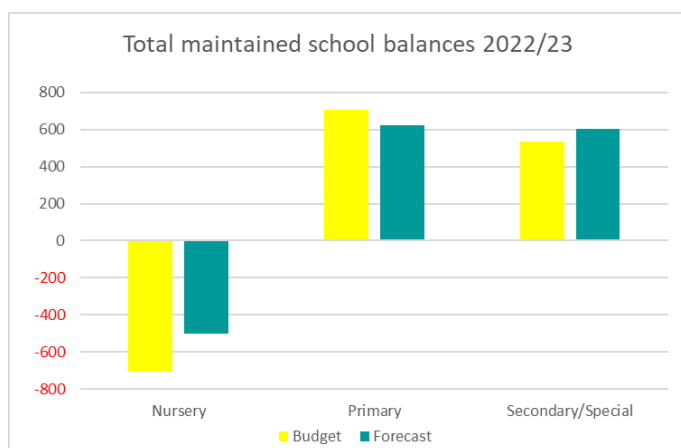
Brighter Futures for Children  
Civic Offices, Bridge Street,  
Reading RG1 2LU

Company number 11293709

## 1. Summary

1.1 In September 2022 all maintained schools were asked to report their current forecast to 31 March 2023. For those schools that have sent in their outturns (the majority) the expected outturn has increased from £536k to £726k, an increase of £190k (at the same stage last year the outturn for 2021-22 was an increase of £455k). There is often quite a variation at this stage to reflect staffing/operational changes that have taken place over the summer term and at the beginning of the new academic year.

2022/23	Budget	Forecast
Nursery	-705	-500
Primary	707	621
Secondary/Special	534	605
	<b>536</b>	<b>726</b>
<b>2021/22</b>	<b>1,299</b>	<b>1,754</b>




1.2 The movement in 2022/23 is made up of:

Expenditure	-667,450
Income	+857,605
<b>Net movement</b>	<b>+190,155</b>

1.3 Overall schools' expenditure has been impacted by £667k with movements in:

- £313k more in teaching costs due to the increase in teacher salaries as well as £160k additional agency costs. Budgeted increase was 3% but the current proposal is 8.9% to 5%. This is working towards the DfE target of a starting salary of £30k.
- £351k more in support staff costs. Budgeted increase was 2% but current offer of £1,925 is 10.2% at bottom of scale to 3% at the top.
- The reduction in employer in National Insurance of 1.25% has not yet been reflected
- There is no significant increase on the budgeted energy costs as RBC has forward purchased energy which is significantly below the price cap (increases of 18% and 45% had been included in the budget for electricity and gas)

- 
- It is likely that prices of other goods and services will continue to rise as suppliers experience salary/energy cost rises.

1.4 Overall income has risen by £857k and includes:

- £382k on Delegated Grants, likely to be mainly EY funding
- £223k on additional grants such as Recovery Premium and School Led Tutoring for academic year 2022-23
- £82k additional pupil premium

1.5 Of the 34 schools, 13 are showing a worsening position, with 2 new but very small deficits.

Those who submitted a deficit budget have applied to the Director of Education for Licensed Deficits and have been asked to detail their action plans following submissions of their forecasts in September. Ongoing support is offered by the School Finance Support team to these schools.





# Strategic approach to delivering better value in the High Needs Block

For decision     For discussion     For information

Comments obtained

## SUMMARY

This report provides an update on current and planned activity to address High Needs Block pressures, including the participation in the DfE Delivering Better Value programme.

## OWNER

Brian Grady, Interim Executive Director, Children's Services, Education and Early Help

## VERSION

V1.0

## DATE

15 September 2022

## REVIEW DATE

N/A

## 1. Introduction

As reported to Reading Schools Forum in June 2022, in line with most Local Authority areas in England, the High Needs Block [HNB, element of the Dedicated Schools Grant [DSG] was in deficit at the end of 2021/22. As at period June 2022 the deficit is forecast to be £1.28m. The main cost driver of the HNB deficit remains the growth in EHCPs, although inflation pressures are also expected to pose a significant risk of further cost increases.

BfFC are taking a more strategic approach to High Needs Block investment in provision and support for children with SEND. A group of senior officers from Commissioning, Finance, Performance and Education have been meeting on a regular basis throughout July and August to develop the strategic approach to SEND, in line with the Reading SEND Strategy. This approach has been informed by the recently published (June 2022) DfE research: *High needs budgets: effective management in local authorities*, by Peter Gray, Penny Richardson & Paul Tanton.

Working closely with partners, it is hoped that this approach will help deliver the Reading partnership SEND strategy. The approach being taken is also aligned to the SEND Green paper aspirations in developing more integrated high quality continuum of local provision.

The delivery of this approach will be overseen by a High Needs Block oversight task and finish group, with the following membership:

- Director of Finance, Reading Borough Council
- Executive Director, Finance and Resources, Brighter Futures for Children
- Interim Executive Director, Children's Services, Education and Early Help
- Interim Service Manager, SEND
- Strategic Finance Business Partner

This task and finish group will also provide the programme governance for the engagement of BfFC on behalf of RBC in the DfE Delivering Better Value programme, which is described in more detail below.

## 2. High Needs Block actions

Actions being undertaken are summarised below and costed impact for the High Needs Block are included in Appendix A. At present the attached plan indicates that planned actions will help reduce the DSG high needs deficit over time.

### **Managing Current Levels of Demand. Actions include:**

- Reducing demand and ceasing EHCPs – especially in the post 16 cohort.

Developments of the EHCP process are underway to manage the rate of EHCP growth and securing provision locally to meet the needs of Reading children. By adopting an approach that builds on jointly meeting the needs of children and recognising that for most children SEND is a dynamic characteristic, the expectation is, that improved quality EHC assessments and person centred planning with SMART annual reviews could reduce the numbers of EHCPs.

A desktop review of children with EHCPs post-16 has identified a number of young people who may be best supported through adult social care, and these EHCPs are being prioritised for review and potential ceasing in the current academic year.

### **Improving Sufficiency**

The accompanying report on developing SEND provision sets out a range of actions to develop more local provision, which in the longer term will see more effective use of High Needs Block resources. In the short term, the current lack of provision will see the need of the use of more Independent Non Maintained Special provision.

#### **Financial Management. Actions include:**

- Review of banding system
- Reviewing high needs block expenditure – non top-up budgets
- Strengthen Commissioning function – improved commissioning
- Reviewing SEN support services

As top up/placement fees represent 93% of the high needs budget this will be closely monitored throughout the year, including comparing actual number and average cost of placements by each type to the original budget set. The level of top up fees paid to Reading schools is being reviewed. This forms part of the SEN Strategy action plan, with a view to either implementing a new model or simply continuing to be increasing the current methodology. As schools have seen an increase to the top up rates (5% in September 2020 and 4% in September 2021), it is likely that the recommended increases will be above the 2% included in the budget. The impact on the deficit recovery plan will need to be taken into account when reviewing the options, and it may well be that the repayment of the deficit will take longer in order to facilitate increases above inflation. However as highlighted in the latest DfE research report, investment in mainstream schools through top ups is evidenced as improving the effectiveness and sustainability of local school systems.

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 numbers of EHCPs in mainstream recorded in the Spring term 2022 and the probability that these numbers will increase, it is likely that the qualifying percentage used will need to increase above the current average of our statistical neighbour to prevent an overspend. This will be reviewed when the latest census data is finalised

## **3. DfE Delivering Better Value Programme**

The DfE has introduced a new programme, called Delivering Better Value in SEND, to provide dedicated support and funding to help local authorities reform their high needs systems. Brighter Futures for Children on behalf of Reading Borough Council have been invited to participate in this programme, with a planned commencement date of January 2023.

The programme has made available immediately funding to employ a data analyst to help refine our understanding of demand data. Support available through the programme could also include SEND Advisors, workshops, ESFA engagement staff and potential further funding to invest in the local SEND system.

## READING HEALTH AND WELLBEING BOARD

DATE OF MEETING:	7 October 2022		
REPORT TITLE:	SEND STRATEGY 2022-2027 UPDATE		
REPORT AUTHOR:	Brian Grady	TEL:	
JOB TITLE:	Interim Executive Director of Children's Services, Education and Early Help	E-MAIL:	<a href="mailto:brian.grady@brighterfuturesforchildren.org">brian.grady@brighterfuturesforchildren.org</a>
ORGANISATION:	Brighter Futures for Children		

### 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report provides an update regarding the delivery of the Reading partnership SEND Strategy 2022-2027.
- 1.2 The SEND strategy is included in Appendix 1. A summary of HM Government March 2022 SEND Review: Right support, right place, right time Government consultation on SEND and Alternative Provision is included in Appendix 2.

### 2. RECOMMENDED ACTION

- 2.1 Board are asked to note the content of this update and endorse priority actions for the coming year.

### 3. POLICY CONTEXT

- 3.1 As reported to Health and Wellbeing Board in October 2021, the Reading partnership SEND Strategy 2022-2027 sets out how the local area partnership will deliver support and services in collaboration with children, young people, families and carers to meet local needs and national responsibilities.
- 3.2 Our strategy for SEND is rooted in our vision for Reading's children and young people:

*All children and young people with SEND will be supported through the provision of the right support at the right time to be as independent as possible and have their emotional, social and physical health needs met. They will have choice and agency in adult life and be able to access and navigate services to lead rich and fulfilling lives and flourish in a healthy, thriving and inclusive borough.*

- 3.3 Our strategy reflects the positive outcome of the June 2021 local area inspection and the key areas for development identified through that report. Our strategy is co-produced with local parents and children, is informed by related key national documents such as the SEND Code of Practice (2015), National Autism Strategy (2021), the National Disability Strategy (2021) and the NHS Long Term Plan and has been reviewed in line with the

national SEND Review and related consultation. It also takes account of national advocacy campaigns that promote the rights of disabled people.

- 3.4 In March 2022, HM Government launched the national SEND Review: Right support, right place, right time, and the Government consultation on SEND and Alternative Provision. The proposals in the consultation are in line with the agreed Reading partnership SEND Strategy 2022-2027. The consultation on Government proposals concluded on 22 July 2022. The Reading SEND Strategy will continue to be informed by any consultation results announced by HM Government.

## **4. THE PROPOSAL**

### **4.1 Current Position**

- 4.2 This report summarises progress on the 2022/2023 action plans set out in the strategy. The over-riding key performance indicator for the new strategy, as previously reported to Health and Wellbeing Board in October 2021 is that any local area inspection in the future rates Reading as one of the best local areas in the country for children and young people with SEND and their families.

- 4.3 The strategy 'went live' from January 2022 and work strands have driven priority actions, reporting to the monthly SEND strategy group, co-chaired by the interim Executive Director Children's Services and the Designated Clinical Officer for Special Educational Needs and Disabilities (0-25), Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board.

- 4.4 Examples of the further progress made for children with SEND, building on the strong partnership working recognised by Ofsted and CQC in their Local Area SEND inspection of June 2021, are set out in this report. Contributions to this report have been received from across the partnership delivering the work strands of the strategy.

### **Strand 1: Improving communication**

- 4.5 The SEND guide for parents was co-produced with service users and their families in June 2021, a good example of the way in which Reading Families Forum and Special United are ensuring that service users and their families are routinely consulted and influence direction.

- 4.6 A range of new guides and information packs have been made available for parent/carers and children through partner websites and the local offer, which include; easy read short breaks information; the 'managing your wellbeing' web page; mental health support information and resources pages; the special needs Reading Services guide; the SEND local offer - Reading services guide; and the 'Parents Guide to Direct payments.' Regular updates on new SEND provision are provided through the SEND local offer newsletter.

- 4.7 Communication and engagement of parent/carers is proactive, with expansive social media communication of all guides and an ongoing advertising campaign on screens inside Reading buses. Parents and carers have directly influenced change and presentation of communications and branding, evidencing good progress in co-production.

- 4.8 Impact is tested out through parent/ carer and young people surveys, which are providing positive feedback. There is positive feedback from community groups in Reading regarding the improved SEND website, refreshed as of May 2022, with the latest guides and resources for parents, young people, and professionals.

- 4.9 The Special United youth group for children with SEND has recorded a new training video to help schoolteachers and other professionals better understand pupils with special



educational needs and/or disabilities (SEND). The stars of the short film explain in their own words what schools and other professionals could do to improve life for young people with additional needs. The video is a collaboration between Special United, Reading's SEND youth forum, which is part of Reading Families' Forum; Berkshire West Clinical Commissioning Group (CCG) and Brighter Futures for Children (BFfC). The development of the film is part of a growth approach to autism adopted in Reading in response to an increasing number of autistic children and young people in the borough. It aims to improve their experiences in education and with other public services.

- 4.10 A further example of how successful approaches to coproduction and communication are cutting across all areas of the SEND strategy can be seen in the coproduced 'Preparing for Adulthood' easy read information and the 'Becoming an Adult' information guides. The sharing of this updated information is having a positive impact for young adults with SEND, helping to reduce anxiety in our young people and to support well informed decision-making across key transition points.

**Strand 2: Early intervention through to specialist provision; Strand 6: Capital and School places; Strand 7: Revenue and funding**

- 4.11 A new commissioning strategy has been implemented for the development of more local Alternative Provision & Specialist Setting provision. The Brighter Futures for Children Commissioning Team is leading on bringing together a range of options to meet the needs of children who may benefit from being in an inclusive education environment but are unlikely to be able to be in a mainstream classroom for the full school day.
- 4.12 A market development day, hosted by BFfC Commissioning Team, was held in June 2022, to support the development of more local provision. A number of providers came forward with proposals, which are progressing at sufficient pace to secure an increased number of school places for Reading children this academic year. Plans for a new Special Free School, Oak Tree, are well progressed for a September 2023 opening. BFfC officers are working with RBC to submit an expression of interest for a further Special Free School in the DfE published national expression of interest round in October 2022.
- 4.13 In early 2021 there was a comprehensive review of resourced provision in Reading's schools. There has been some capacity enhancement of provision but there remains an opportunity to explore further these enhanced provisions currently being managed by mainstream schools to meet the needs of their complex pupils. In July 2022, schools were approached and a number of primary schools agreed to explore options in relation to assessment provision, Additionally Resourced Provision and satellite provision (Specialist provision sited on a Mainstream school property). A number of Reading schools have expressed an interest in developing more specialist provision. Schools who have expressed an interest in the summer term are being supported to work up proposals which will be evaluated this term. Brighter Futures will be actively exploring capacity within schools to continue to expand the graduated offer of provision for Reading's children young people. One of the barriers to this expansion of provision has been a national challenge in recruitment both in the Special and mainstream sectors. Brighter Futures for Children are working with local schools to further develop a partnership approach to Workforce Strategy and recruitment to support schools in filling these roles.
- 4.14 Work has been done to ensure the targeting of resources to where they are most needed. For example, local community groups and charities have been invited to lead on projects aimed at culturally appropriate support and services for children and young people from ethnic minority backgrounds. An Inclusion Fund has also been established which provides additional funding to mainstream schools with a high percentage of pupils with EHCPs compared to our statistical neighbour average. Resources have been transferred from the DSG Schools Block to the High Needs block to fund this investment in local schools.
- 4.15 The DfE has introduced a new programme, called Delivering Better Value in SEND, to provide dedicated support and funding to help local authorities reform their high needs

systems. Brighter Futures for Children on behalf of Reading Borough Council have been invited to participate in this programme, with a planned commencement date of January 2023. The programme has made available immediate funding to employ a data analyst to help refine our understanding of demand data. Support available through the programme could also include SEND Advisors, workshops, ESFA engagement staff and potential further funding to invest in the local SEND system.

### **Strand 3: Consistent approaches to emotional wellbeing**

- 4.16 The partnership commitment to the SEND Strategy is supported through the action led through the One Reading Partnership, to ensure consistent approaches to supporting Reading children's mental health. There are regular presentations from services or about projects focused on Mental Health and Emotional Well Being through the One Reading Partnership. Due to the vulnerability and risk of exploitation of the SEND population and to prevent replication of work it has been agreed to combine the SEND Preparing for Adulthood and One Reading Adolescent Risk Strategy Group strands.
- 4.17 The much-valued 'Therapeutic Thinking Schools' networks and training are continuing to be supported in the vast majority of Reading schools, with positive impact on inclusion and support for Reading children. The Schools Link Mental Health Project is being developed as part of the SEND Strategy's focus on promoting resilience, prevention, and early intervention. Educational Psychologists & the Primary Mental Health Team are offering mental health surgeries to all Reading schools as part of this approach. There is a comprehensive training offer to schools, early years settings and colleges and this supports schools in applying therapeutic thinking to reduce exclusions and promote mental wellbeing. There is in addition a new Trauma Informed Practitioner in place for the autumn term who will also provide additional support to Reading schools.
- 4.18 The Educational Psychology Service and Primary Mental Health Service have written and are delivering Early Years Mental Health Training: Little People Big Feelings to help ensure that the needs of vulnerable children under 2 are consistently identified by professionals.
- 4.19 Work is also continuing to develop local appropriate specialist provision and interventions which includes continuing to implement the crisis and home treatment model. Recurrent funding has been identified for a CAMHS (Child Adolescent Mental Health Services) liaison role within the Royal Berkshire Hospital to support their established Lead Mental Health Nurse to support children, young people, families and staff in the acute paediatric and adult wards.
- 4.20 In June 2021 the Royal Berkshire Foundation Trust joined the Hospital Navigators pilot project, funded by the Thames Valley Violence Reduction Unit. This offered young people 13 - 24 attending A+E the opportunity to have support from a matched Mentor, with the intention of starting support at a critical point in time. Research shows that change is most likely to be initiated in these reachable moments but this depends upon a person's available support.
- 4.21 Starting Point, who were commissioned to provide this service, have recruited and trained 24 volunteers and consistently cover Friday and Saturday night. In the first 12 months (June 2021-22): 120 young people were supported by the service, most of them Reading residents. Attendance reason or comorbid factors identified included injury, self-harm, risk taking behaviours (substance abuse) young people with learning disability, autism. 43% of young people referred engaged on positive pathways, highest number in Thames Valley out of the 5 sites. Of those who discussed their mental health with a Navigator, 90% said they struggled with it. Of those asked, 100% found it helpful having a

conversation with a Navigator in hospital and 100% were glad that they were able to have a conversation with a Navigator. RBH evaluation shows reduction in repeat attendance to the Emergency Department. Volunteer mentors demonstrated low levels of turn over and allowed for wide range of diversity. Qualitative data from case vignettes demonstrate impact upon individuals of meeting with the navigators and mentors.

- 4.22 There are regular meetings with relevant NHS acute and Brighter Futures for Children colleagues to coordinate the response for children with the highest needs and those in crisis, and the partnership are implementing the Thames Valley project for young people with more complex needs, using the Health and Justice Secure Stairs therapeutic model. We continue to develop early help and secondary mental health support, promoting the Thrive model and the specialist CAMHS Service for Children Looked After.
- 4.23 A new Task & Finish Group has been established with a focus on children and young people from ethnic minority backgrounds and cultures accessing mental health and emotional wellbeing support, information, and services. An Assistant Educational Psychologist is employed to lead on this work.

#### **Strand 4: Preparing for adulthood**

- 4.24 A panel for preparation for adulthood has been established to oversee improved transitions and preparation for adulthood work across the partnership. Transition work in Year 9 upwards is an area of focus and is being addressed through proposed joint working for children aged 14+ between Brighter Futures for Children and adult social care.
- 4.25 In August 2022, Buckinghamshire Oxfordshire and Berkshire West (BOB) Integrated Care Board (ICB) commissioned a Quality Improvement Project - Transition to Adulthood - the Journey for young people/adults with Learning Disability or Autism (13 to 24). The Berkshire West stakeholder group for this project met on 14<sup>th</sup> September. Reading Adult Social Care and Brighter Futures for Children, BHFT and RBFT were well represented and will ensure active Reading participation and leadership of this work.
- 4.26 To support the BOB project and ensure we hear the voice of young people funding has been identified by the NHS England South-East Region for a SEND Improvement project: Improve transition planning through the lens of a CYP with autism, learning disability or both. This will include Reading young people and will involve special and mainstream schools.
- 4.27 A new Reading all-age Autism Strategy 2022-2026 is being developed which will enhance partnership support in preparing children for adulthood. Public and partner engagement has been a core element of developing Reading's Autism Strategy, including autistic people and their families and carers, third sector and voluntary organisations and professionals from across Reading. Engagement and coproduction took place via a mixture of interviews, workshops, surveys, forums, existing local groups, targeted outreach to groups and feedback sessions. This insight is being used to inform and shape the strategy, and to test emerging findings, recommendations, priorities, and vision development.

#### **Strand 5: Support for families / short breaks**

- 4.28 There is a dedicated area on the SEND Local Offer providing information, advice and guidance on short breaks, coproduced with Reading Families Forum, Special United and the wider SEND community-based services to ensure that information is accessible, meets the needs of local families CYP, and that the services commissioned are structured around the feedback provided. This area is widely used by parent carers, school SENCOs,

the wider Reading community and professionals working with families to help access and understand the short breaks offer.

- 4.29 In April 2022 the creation of shared care at Pineroft diversified the offer of short breaks for families into established residential care that is regulated by OFSTED. The additionality and continued offer and delivery of services as planned at Cressingham overnight short breaks provision brings added value to the children and families of Reading.
- 4.30 The short breaks offer has improved significantly this year. Short breaks are mapped based on feedback, gaps analysis and needs based on young people with SEND in Reading, this has encouraged take up of the offer. The Family Information Service and SEND Local Offer team are also part of professional forums, supporting for example social workers to explore and secure a wider range of alternative service options for families. The Family Intervention Service also offer a brokerage service to vulnerable parent carers helping them to access short breaks. This support has enabled many families and children to access universal short breaks.
- 4.31 The Service has proved effective in helping the partnership better understand the feedback from commissioned providers and this is also an integral part of how local offer information is communicated to families. The Family Information Service capture feedback from parent carers and evidence of positive outcomes to further improve our offer. This coproductive approach to engagement has resulted in the creation of various short breaks, including the recent creation of the Lego club. The Service has provided families with a public face and direct connection to an individual who is responsive to local represented needs. Some of this work has informed ideas of bespoke short breaks including hydro-pool therapy and art therapy.
- 4.32 All targeted commissioned short break providers can share information about their services on the SEND Local Offer, which is updated and moderated by the Family Information Service, with the result being timely information on all offers being shared. Every commissioned short break provider also has a duty to ensure they promote and publicize their short breaks offer.
- 4.33 Priority areas for further action**
- 4.34 The SEND Strategy 2022-2027 is a comprehensive strategy, with a wide range of actions set out in the work strand action plans. Below are listed key areas of priority which are points of focus to help secure improvements across our local SEND system over the coming year.
- 4.35 Recruiting specialist, trained staff across partner-delivered services to meet the needs of children and young people with SEND continues to be a key challenge, and the key challenge restricting the capacity in specialist services. Educational Psychology, CAMHS and specialist Teaching Assistants remain priority recruitment areas. A more joined up approach to workforce recruitment and retention is a top priority.
- 4.36 Data sharing remains challenging. Coproduction and communication with all partners are key drivers in the development of the new Local Transformation Plan which is currently being written.
- 4.37 Many parents continue to be concerned about the amount of time they have to wait for a diagnosis appointment for ADHD and ASD. The waiting list has reduced recently but this is an area of continued attention. Reading Families Forum report that families are not sure where to start when their child is put on the waiting list for an assessment of Autism or ADHD or has another diagnosis. Most of the concerns at Reading Families Forum's Family Information and Fun Day related to this concern. The partnership will be taking action in

the autumn term 2022 to improve the sharing of relevant information and advice to parents, through the information guides available the Local Offer.

- 4.38 The joint working to successfully reduce exclusions has enabled children and young people with SEND to attend school for longer and achieve better results. Whilst the partnership continues to make impact with the Therapeutic Thinking in Schools approach, exclusions of young people with Autism (with and without LD) is a continued area of focus and there are continuing issues for young people with LD who have additional emotional regulation and wellbeing needs.
- 4.39 Reading Families Forum have seen a large increase in children presenting with Emotionally Based School Avoidance, which is further evidenced by feedback from young people. A new EBSA team for children in a Reading school has been established this academic year and a further Mental Health Support Team will also add further capacity to address the needs of identified children and young people at risk of EBSA. Work will continue this year to develop our partnership response to prevent children missing education, with more communication between services and a coproduced approach with families to help navigate the system of support for children, so that children can make progress in their learning.
- 4.40 Some families still experience services and pathways across the partnership of providers (BHFT, BOB ICB, RBH and BFfC) which don't work together seamlessly. Some pathways to health services are not clear enough and can be confusing. Work with families will take place in the coming year to clarify pathways and continue to streamline how services work together.
- 4.41 CAMHS capacity, crisis response and support for children with Learning Disabilities and Autism remain a concern for parents, related to the recruitment challenges set out above. A new Specialist CAMHS service for LDA is being commissioned and the partnership will continue to explore ways to support an improved CAMHS offer.
- 4.42 Parents tell us the Local Offer is helpful but with such a wide offer they find it hard to know always where to go. In response, the Berks West Local Transformation Executive Committee has commissioned SCW to scope a single front door for Mental Health and Emotional Well Being services. In the interim period, to have a comprehensive view of what is available locally, the group is developing a Local Directory of services for professionals to use and Ambassadors are creating a visual mapping of local services. Parents also want to see more day care and overnight respite for those young people whose needs prevent them from working, e.g. severe physical and learning disabilities.
- 4.43 Employment Education and Training for SEND young people remains a key priority. Developing more pathways to fulfilling destinations for all young people with SEND remains an important priority for the partnership. Increasing links with Reading's business community and expanding the offer of supported internships are key objectives for 2023.

## **5. CONTRIBUTION TO READING'S HEALTH AND WELLBEING STRATEGIC AIMS**

- 5.1 The information contained in this report and its appendices are in line with the overall direction of the Reading Health and Wellbeing Strategy, contributing to the following strategy priorities:

*Help children and families in early years*

*Promote good mental health and wellbeing for all children and young people*

## **6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS**

6.1 No environmental and climate implications have been identified in the writing of this report.

## **7. COMMUNITY & STAKEHOLDER ENGAGEMENT**

7.1 The development and delivery of the SEND Strategy has been supported by the proactive work undertaken by Reading Families' Forum and Special United - young people's forum, as set out in this report.

## **8. EQUALITY IMPACT ASSESSMENT**

8.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to—

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

8.2 The SEND Strategy 2022-27 aims to ensure the changing diverse and special education needs of Reading children are met, to raise the education standards for all and address inequality due to social disadvantage, disability (including multiple complex needs) and/or other protected characteristics, and contributes to the delivery of the Council's equality duties. The strategy will be reviewed and updated regularly to reflect changing demographics and to ensure that the diverse and special education needs of Reading children continue to be effectively met.

## **9. LEGAL IMPLICATIONS**

9.1 Not applicable for this report

## **10. FINANCIAL IMPLICATIONS**

10.1 Not applicable for this report

## **11. BACKGROUND PAPERS**

11.1 Not applicable for this report