



TO: ALL MEMBERS OF THE SCHOOLS' FORUM

January 12, 2023

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Notice of Meeting – Schools' Forum

A meeting of the Schools' Forum will be held on **January 19, 2023, 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 December 08, 2022, including matters arising <i>Chair</i>
3.	Schools' Forum Membership Update <i>Chair</i>
4.	Final School Formula for 2023-24 <i>DSG Finance Business Partner</i>
5.	Growth Fund 2023-24 <i>Strategic Finance Business Partner</i>
6.	Central & Early Years retained budgets 2023-24 <i>DSG Finance Business Partner</i>
7.	DSG Budget Monitoring 2022-23 <i>DSG Interim Finance Business Partner</i>
8.	Agenda items for next meeting <ul style="list-style-type: none">● Agree High Needs Budget 2023/24● Agree Early Years Budget 2023/24● Falling Rolls Fund 2023/24● Budget Monitoring Summary period 11 22/23● Agree Schools' Forum meeting dates for 2023/24
9.	Any other business <ul style="list-style-type: none">●

Next Meeting: March 9, 2023, at 5pm – To be held virtually via Teams

Minutes of Schools' Forum Meeting

8 December 2022

Members Present

Justine McMinn – Head Teacher of EP Collier; Sophie Greenaway – Head Teacher of Thameside; Richard Rolfe – Governor at Micklands (Chair); Dr S Uttley – Head Teacher of Blessed Hugh Faringdon; Symon Cooke – Head Teacher of The Avenue; Jo Budge - Executive Head Teacher of Reading Early Years Schools Federation; Lee Smith – Head Teacher of The Holy Brook; Ceri Burns – Head Teacher of Cranbury; Karen Edwards – Head Teacher of The Heights; 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; M Grantham – Deputy Head Teacher of Highdown (substitute for R Cave); Alison McNamara – NEU

Apologies

In attendance

Ann McDonnell – Business Manager of Blessed Hugh Faringdon; Clare Warren – School Support Lead; Steven Davies – Strategic Finance Business Partner; Brian Grady - Director of Education & Interim Executive Director of Children's Services; Ohaz Ikedionu – Interim DSG Business Partner; Kit Lam – Executive Director of Finance & Resources; Kelly Hallett – Head of Commissioning, Contracts & Procurement; Corinne Dishington – Service Manager Under 5s; Siobhan Egan – Head of IT and Performance Data; Vanessa Hurdle – minute taker.

	Item	Notes
1	Welcome and apologies - Chair	<p>The Chair welcomed everyone to the meeting.</p> <p>Steve Davies read out the protocol for the virtual meeting and confirmed that voting was required for items 5 and 6. All members can vote on item 5, with only Maintained Schools voting on item 6.</p> <p>Recording of the meeting commenced. The recording will be retained until the minutes have been approved.</p>
2	Minutes of the meeting held on 13 October 2022 - Chair	<p>Minutes were agreed as an accurate record of the meeting from 13 October 2022.</p>

3	Schools' Forum Membership Update - Chair	<p>Richard confirmed that Tonia Crossman from Emmer Green has decided to stand down. A replacement has been found for her post.</p> <p>Robert Howell from Alfred Sutton Primary has also confirmed his intention to stand down. A Governor from that school has now joined the Forum, but there is still a vacancy for a Primary Head.</p> <p>David Littlemore has still not replied to RR so there is potentially a vacancy in the Academy Secondary Category. RR is continuing to chase for a response.</p> <p>SD mentioned that there is still a vacancy for a Vice-Chair to cover should RR be unable to attend a meeting.</p>
4	DSG Updates 2023/24 – Strategic Finance Business Partner	<p>Steve Davies presented</p> <p>SD explained that the Government has confirmed that it will be putting more money into the schools' formula by means of a supplementary grant. The supplementary grant that was received in 22/23 will be moved into the formula. There will then be a further supplementary grant in 23/24. It is not yet known how much this will be per school. SD suspects that it will be roughly the same amount as 22/23.</p> <p><u>Early Years</u> – As has been stated at previous Forums, there has been a major consultation on Early Years. Unfortunately, the results of the consultation have not yet been published. It is hoped that this will be made public, along with all the other DSG information before the Christmas period, so that SD can provide all relevant information at the January Forum for the 23/24 planning.</p> <p>SD expects to discuss the formula at the January meeting as well as the Growth Fund and falling rolls.</p>
5	Consultation on Results of Inclusion Funding 2023/24 – Interim DSG Finance Business Partner	<p>Ohaz Ikedionu presented.</p> <p>A vote is required from all members</p> <p>Table 1 shows the responses to a transfer from the Schools' Block to the High Needs' Block. The Table shows that there is a tie between options 1 & 2.</p> <p>Option 1 is for the transfer of £484k Option 2 is for the transfer of £526k</p>

		<p>Due to the pressure of the increasing number of EHCPs and the general pressure on the High Needs' deficit, it is felt that the LA should go with Option 2 – transfer of £526k.</p> <p>A vote took place and was carried 8:3 in favour of option 2</p>
6	De-delegations 2023/24 – Interim DSG Finance Business Partner	<p>Ohaz Ikedionu presented.</p> <p>A vote is required from Maintained Schools on this item</p> <p>OI explained that it is a general requirement in all LAs to deal with the de-delegations for centrally-held budgets:</p> <ul style="list-style-type: none"> • Behaviour Support Service • School Improvement • Union Duties • General Duties <p>Behaviour Support Service – The service was given £182k for 22/23. They have requested that for 23/24 this amount is increased by just over £100k to £286k. The reason for this is because they wish to have a fourth Higher Learning Teaching Assistant as well as two new SEN Outreach workers.</p> <p>Isabelle Sandy asked whether it was felt that this additional support was needed due to the effect of covid. Brian Grady responded by stating that he is being made aware by school leaders that there is a very high level of need now in schools. It was expected that there would be issues following covid such as an impact on learning, but the behavioural issue is significant. BG felt that data on the impact of covid should be brought to the Forum. BG would like to consider what the impact of covid looks like and how it is in different schools and what can be done to support all schools.</p> <p>Maintained Primaries voted to confirm that they were in agreement with the increase to the Behavioural Support Service</p> <p>School Improvement – This area deals with raising standards in maintained schools. Appendix 2 shows the costs and what has been proposed for 23/24. The figure is £188k, with a further request for an additional £60k.</p> <p>BG explained the reasoning behind the request for the extra £60k. The Secretary of State has now confirmed that the Schools' Bill is not going ahead, meaning that the</p>

		<p>Government’s aspiration for every single school to transfer to a Multi-Academy Trust will not be happening. If this had taken place, then there would no longer have been a requirement for school improvement in LAs. The Directors’ of Children’s Services nationally lobbied the Government against the removal of the School Improvement Monitoring Brokerage Grant. BG confirmed that Reading has a number of schools, which rely quite heavily on this service. Reading’s Academies also work very closely with the service. The removal of the Grant, therefore, leads to quite a significant deficit for the service. It has been diverted to the DSG. BG would like to bring a report to the Forum, regarding the interventions that have been delivered and the added value for both maintained schools and academies.</p> <p>Maintained Schools voted in favour of the increase</p> <p>Union Duties – The general budget for Union Duties is £62k, but £15k of this figure will be covered by a Service Level Agreement. The total cost to be de-delegated will, therefore, be £47K. This is relatively unaltered from the previous year.</p> <p>Maintained Schools voted in agreement</p> <p>General Duties – This is for the central budgeting and service that is provided by BFFC, as well as Education Welfare and School Admissions. The figure for 23/24 is £84k, an increase of approximately £4k.</p> <p>Maintained Schools voted in agreement</p>
7	DSG Budget Monitoring 2022/23 – Interim DSG Business Partner	<p>Ohaz Ikedionu presented</p> <p>OI clarified that the overall DSG budget is £86m, but this is reduced to £50m with the removal of recoupment, and is divided between four areas- Schools block, Central block, Early Years and High Needs.</p> <p>In period 8, the Schools’ block is showing an underspend of £1.5m, with both the Central block and Early Years predicted to be on budget. The High Needs Block is the area of major concern. A deficit position of £3.4m has been carried forward, which has increased by a further £1.6m in 22/23. The reason for this increase is due to placements in independent, non-maintained special schools as well as additional placements that are coming on board.</p>

		<p>It is predicted that the end of year deficit for the High Needs Block will be £5m and £3.5m overall for the DSG. Section 11 shows a breakdown of the deficit. The Top-up Funding shows an overspend of almost £800k. This is mainly due to further education alternative provision and the independent special school placements at a cost of £75k per pupil.</p> <p>Reading will be involved in the Delivering Better Value Programme (DBV) from January 2023, which will involve finding a safety value over a period of 2-5 years to mitigate the overspend. Reading will also be looking at increasing resource provision and Special schools within the Borough. A new Special school is due to open in the area from September 2023. SD confirmed that if no action is taken, and the numbers continue to increase at the current rate, then the deficit will be £30m in 26/27. There are draft plans to deal with the increasing number of EHCPs and the deficit is being reduced before help is received from the DfE, but a great deal more work is involved.</p> <p>BG confirmed that the deficit will be a substantive area of the Forum over the next couple of years. BG explained that DBV is a DfE programme to complement the increase in the High Needs block contributions that each local area receives, together with analysis, expertise and skills to ensure that the most benefit is derived from these contributions. All LAs have been invited to participate in the programme where there are budget pressures. The Safety Valve Programme, which is part of this, is for those LAs currently with a much higher deficit. Reading is not part of this as the deficit is in a median line with other LAs within the country. Those authorities with the most significant deficits have already been engaging with the Safety Valve Programme.</p> <p>Reading will be involved in the Delivering Better Value Programme Phase 2. This will be in two parts: LAs with high levels of deficit and those authorities with a lower level of risk. Reading will be in the later tranche. The Programme has already provided data analysis capacity so that the need, demand and projections going forward can be better understood as well as the actions that will be required. Costs will need to be quantified against the range of actions that are undertaken. It should be anticipated that the Deficit Recovery Plan will be an agenda item at all Forums over the next two years.</p> <p>IS queried the £500k in Section 11 for the Contingency – Unknown top-ups/change of placements and asked for further information. SD explained that there are three elements:</p>
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		<p>1) 4-5 children going into high cost placements, which hadn't been factored into the top-ups</p> <p>2) Band E has now been created for primaries and secondaries to pick up those pupils, who should be in special provision but are actually in mainstream schools. This has only just started so it is not yet known how many pupils are included in this band</p> <p>3) The continuing increase in the number of EHCPs</p> <p>The contingency of £500k has, therefore been based on these three areas, so that there is no major surprise at the end of March 23</p> <p>IS also wondered whether there is any data yet from those LAs, which are already working with the DfE to show that any new strategies are having an effect. BG explained that the DfE has produced two publications over the last year or two, which have identified areas that have managed the pressures on their High Needs blocks well. Both these publications, as well as the findings from the Safety Valve Programme, have informed the budget in terms of action that is required. BG further explained that both the Association of Directors of Children's Services and the Society of London Treasurers for Local Authorities have been lobbying Central Government and have stated that not enough resources are being put into the system. The Government has responded that more money has been put into the DSG and that the intention is to make further increases, but that the most effective and efficient ways of working also need to be established.</p> <p>BG cited an example from the literature and research that where there is early identification of additional needs and an early response to these needs in Early Years, an EHCP is not needed. This requires a particular model of investment and work as well as existing EHCPs being reviewed to ensure that resources are following the needs of the pupils. Work has already been undertaken in Early Years, but it should be scaled up especially in light of the impact of Covid. It is known that additional needs will be required for two year olds in Reading.</p> <p>BG also hopes that there will be work on how pupils can be moved into more inclusive forms of education. More work and evidence are needed in this area. Going forward there will be more emphasis on integrated approaches to both the High Needs block and Early Years.</p>
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8	Delivering Better Value in SEND (DBV) Programme Update – Director of Education & Interim Executive Director of Children’s Services	<p>Brian Grady presented</p> <p>BG explained that he had delivered all the points from item 8 when he answered questions in items 6 and 7. It was, however, confirmed that Reading would be submitting its first set of data to the DfE before Christmas. This data and information will be included at School Forums going forward and should help in securing a strong Recovery Plan.</p>
9	Agenda Items for Next Meeting	<p>The next meeting will be held on 19 January 2023 at 5pm as a virtual meeting</p> <ul style="list-style-type: none"> • Final Proposals for School Funding Formula for 2023/24 • Growth Fund 2023/24 • Budget Monitoring Summary 2022/23 • Update on Early Years’ Consultation with 2023/24 Budget
10	Any Other Business – Procurement Opportunities – Executive Director of Finance & Resources and the Head of Contracts, Commissioning & Procurement	<p>Kit Lam and Kelly Hallett presented</p> <p>IS mentioned that notification had just been received that schools will get more Devolved Formula Capital money for energy procurement and effectiveness. She wondered if this should be a future agenda item and whether it could be included as part of the procurement opportunities – energy efficiency, water efficiency, reduction in energy usage. BG confirmed that details would be sent out in the Headteachers’ Briefing that is sent to Community schools and agreed that it should be discussed at future meetings.</p> <p>Kit introduced herself and Kelly and explained that they had recently been contacted by a Primary school, enquiring whether there would be support for a tender for cleaning services. Although catering provision exists, there is no cleaning SLA nor statutory requirement for it. It was, therefore, wondered whether this would be something that other schools would be interested in, because if done jointly there would be financial benefits. If there was enough interest, then a package could be put together at cost.</p> <p>Kelly explained that the School Meals Team is part of the Commissioning Team and delivers the School Meals’ Contract on behalf of some of the schools. There isn’t currently a contract in place within BfFC to deliver any further procurement for additional services. The Team is in a position to access Government frameworks to bring together contracts quite quickly, rather than undertaking a full tender process. It would also depend on how many schools were on board as to the thresholds in terms of costings. Any further procurement</p>

		<p>would also cover contract management should there be any issues. This has happened with regards to the School Meals Contract where improvements have been brought into the contract. The Team would like to run the Cleaning contract along the same lines as the one for the School Meals.</p> <p>Schools should contact Kelly by the beginning of the New Year to register their interest by emailing – childrens.commissioning@brighterfuturesforchildren.org It was suggested that this information should be sent to both HeadTeachers via the Briefing and the School Bursars by the School Support Team.</p> <p>The different cleaning contracts held by interested schools would all need to be reviewed, as they could possibly have different start dates. Schools with longer contracts could join at a later date.</p> <p>The meeting finished at 5.58pm.</p>
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Summary of Actions Outstanding

SF Date & Item no.	Action Required	Responsible Person
13/10/22 – Item 3	Appointment of Vice-Chair	Richard Rolfe
8/12/22 – item 6	To provide relevant data to look at the impact of covid in schools	Brian Grady
8/12/22 – item 6	Report on the interventions delivered by the School Improvement Service	Brian Grady

Agenda Item 3

SCHOOLS' FORUM MEMBERSHIP	Jan-23
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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					3 yrs		
	4	Head teacher	Justine McMinn	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	Sophie Greenaway	Thameside	Dec-22	Dec-22	3 yrs	Dec-25	
	7	Governor	Dave Dymond	Alfred Sutton	Dec-22	Dec-22	3 yrs	Dec-25	
	8	Governor *	Richard Rolfe	Micklands	Dec-16	Dec-22	3 yrs	Dec-25	
	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	Propsect	Feb-12	Dec-22	3 Yrs	Dec-25	
	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 Erleigh School	Sep-21	Sep-21	3 Yrs	Sep-24	
			Observer/Substitute	Louise Baker	John Madjeski				
			Observer/Substitute		Reading School				
		Observer/Substitute	Jonathan Nicholls	UTC					
		Observer/Substitute	John Salberg	The Wren					
Maintained Special (1)	18	Head teacher	Lee Smith	Holy Brook			On-going	n/a	
Academy Special (1)	19	Academy Member	Symon Cooke	The Avenue	Mar-18	Mar-21	3 Yrs	Mar-24	
Alternative Provision (1)	20	Head teacher	Ceri Burns	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 Learning	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

VACANT



Reading Schools' Forum

January 21, 2023

Agenda Item 4

Final School Formula for 2023/24



For decision



For discussion



For information

SUMMARY

This report presents the final 2023/24 school funding formula for Reading primary and secondary schools.

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VERSION

Version number 1

DATE

January 12, 2023

REVIEW DATE

None

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1. Recommendations

- 1.1 AGREE: The final school funding formula and primary and secondary school funding allocations for 2023/24

2. Introduction

- 2.1 The “Schools revenue funding 2023 to 2024 operational guide” was published in July 2022. This details the funding formula and requirements for 2023/24. The policy document “The national funding formulae (NFF) for schools and high needs 2023 – 2024” also published in July, details the actual formula factor values in the NFF.
- 2.2 During the Autumn, all schools and the Schools’ Forum were consulted on the setting of the local school formula in Reading for 2023/24.
- 2.3 This report sets out the final schools’ block funding allocation for 2023/24, and the final formula and allocations to schools for 2023/24 as proposed by the Council.

3. School Block Funding for 2023/24

- 3.1. Local authorities receive the Dedicated Schools Grant (DSG), which is split between four funding blocks. The schools block is specifically for primary and secondary mainstream formula allocations and for growth funding (for new and expanding schools and bulge classes). It is largely ring fenced; up to 0.5% of the allocation can be transferred to other funding blocks, but only with the agreement of Schools’ Forum.
- 3.2. 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 but using the previous year’s data, and dividing by the previous year’s pupil numbers for each phase. These units are then fixed and are multiplied by the October 2022 census pupil numbers to give the final funding allocation for the following year.
- 3.3. The final schools block funding allocation for 2023/24 was confirmed by the Government on 16th December 2022, and totals £117.379m as set out in Table 1. Of this, £1.302m is for growth funding. Part of the growth funding allocation (£161k) is proposed to be used in the school formula for new/expanding schools (Green Park), the remainder (£1,140k) is being ring-fenced and set aside for bulge classes, expansions and falling rolls in 2023/24. Further details set in agenda item 5
- 3.4. The Schools’ Forum at its meeting in December 2022, agreed to transfer the maximum available (0.5%) from the schools’ block allocation to the high needs block, in order to continue to financially support those schools with a higher than average percentage of pupils with EHCPs. Based on initial allocations this was estimated to be £567k.
- 3.5. After deducting the ring fenced growth funding and the transfer to the high needs block, there is £116.138m to allocate to primary and secondary schools through the school funding formula. This is £9.027m greater than in 2022/23, £3.125m is due to increases in overall pupil numbers to be funded, with the remainder £5.902m (5.5%) being real increases in funding on a per pupil level.

Table 1: Schools Block DSG Allocation

	2022/23 ACTUAL		2023/24 Actual	
		Funding £'000		Funding £'000
Primary Unit of Funding (PUF)	£4,631.68		£4,881.54	
<i>Primary Pupil Numbers</i>	<i>13,092</i>	60,638	<i>13,289</i>	64,871
Secondary Unit of Funding (SUF)	£6,077.00		£6,427.55	
<i>Secondary Pupil numbers</i>	<i>7,487.50</i>	45,502	<i>7,824</i>	50,289
Business Rates		1,283		1283
Split sites/Rents		17		17
Mobility		0		0
Growth Funding Factor		933		1,302
TOTAL SCHOOLS BLOCK ALLOCATION		108,373		117,762
Less: to growth fund budget		-778		-1140
Less: transfer to high needs block		-484		-484
FUNDING AVAILABLE FOR SCHOOL FORMULA		107,111		116,138

4. Final School Funding Formula for 2023/24

- 4.1 There will be no change to the National Funding Formula factors in 2023/24.
- 4.2 The actual DSG funding received and available may not enable the NFF to be replicated in full due to there being a mismatch between the funding received and what would have been allocated to schools through a hard NFF:
- Differences in the pupil characteristics data from the previous year which is driving the DSG funding compared to the October 2022 census on which the formula funding allocations to schools is based (which may result in funding which is higher or lower than the actual requirement).
 - Increases in business rates bills and other premises costs compared to the historical figures on which the DSG funding is based.
 - Growth funding requirements not met by the allocation, and so a top slice is required.
 - Funding transfers to other blocks (namely high needs).
 - Overspends in the previous financial year which are a first call on resources in the following year. This will only happen for business rates and growth funding.
- 4.3 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 must 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

- 4.4 Since receiving the DSG allocations, unfortunately it is not possible to mirror the NFF due to affordability. As a result we have reduced the transfer from schools block to high needs block to the same rate as the current and previous year which is £484k.
- 4.5 All NFF rates with the area cost adjustment (ACA) have been applied however these have been rounded down to the nearest pound. As we must move 10% closer to the NFF rates as a minimum the lump sum value is now no longer the balancing figure and will be set at £114.3k. This is an increase from 2022/23 of £9.3k per school. The basic entitlement figures however have been reduced slightly by 0.36% to ensure affordability and to set a balanced budget.

5. Appendices

Appendix 1 – Proposed Formula Factors and Values for 2022/23 and 2023/24

Appendix 2 – School Formula allocations for Primary and Secondary Schools 2022/23 and 2023/24

Appendix 1 - Proposed Formula Factors and Values for 2021/22 to 2023/24

Formula Values	2021/22			2022/23			2023/24			Notes to 2023/24 actual values (Reading ACA is 1.03480)
	NFF	Reading NFF with ACA	Reading Final	NFF	Reading NFF with ACA	Reading Final	NFF	Reading NFF with ACA	Reading PROPOSED	
Basic Entitlement:										
Primary	£3,123.00	£3,231.31	£3,231.00	£3,217.00	£3,328.79	£3,328.00	£3,394.00	£3,512.11	£3,499.00	NFF with ACA reduced by 0.36% rounded down
Secondary - KS3	£4,404.00	£4,556.73	£4,556.00	£4,536.00	£4,693.63	£4,693.00	£4,785.00	£4,951.52	£4,934.00	NFF with ACA reduced by 0.36% rounded down
Secondary - KS4	£4,963.00	£5,135.12	£5,135.00	£5,112.00	£5,289.64	£5,289.00	£5,393.00	£5,580.68	£5,561.00	NFF with ACA reduced by 0.36% rounded down
Deprivation:										
Free School Meals - Primary	£460.00	£475.95	£475.00	£470.00	£486.33	£486.00	£480.00	£496.70	£496.00	as per NFF with ACA rounded down
Free School Meals - Secondary	£460.00	£475.95	£475.00	£470.00	£486.33	£486.00	£480.00	£496.70	£496.00	as per NFF with ACA rounded down
Free School Meals Ever 6 - Primary	£575.00	£594.94	£594.00	£590.00	£610.50	£610.00	£705.00	£729.53	£729.00	as per NFF with ACA rounded down
Free School Meals Ever 6 - Secondary	£840.00	£869.13	£869.00	£865.00	£895.06	£895.00	£1,030.00	£1,065.84	£1,065.00	as per NFF with ACA rounded down
IDACI Band A (over 0.6) - Primary	£620.00	£641.50	£641.00	£640.00	£662.24	£662.00	£670.00	£693.32	£693.00	as per NFF with ACA rounded down
IDACI Band A (over 0.6) - Secondary	£865.00	£895.00	£895.00	£890.00	£920.93	£960.00	£930.00	£962.36	£962.00	as per NFF with ACA rounded down
IDACI Band B (0.5 - 0.6) - Primary	£475.00	£491.47	£491.00	£490.00	£507.03	£507.00	£510.00	£527.75	£527.00	as per NFF with ACA rounded down
IDACI Band B (0.5 - 0.6) - Secondary	£680.00	£703.58	£703.00	£700.00	£724.33	£724.00	£730.00	£755.40	£755.00	as per NFF with ACA rounded down
IDACI Band C (0.4 - 0.5) - Primary	£445.00	£460.43	£460.00	£460.00	£475.99	£476.00	£480.00	£496.70	£496.00	as per NFF with ACA rounded down
IDACI Band C (0.4 - 0.5) - Secondary	£630.00	£651.85	£651.00	£650.00	£672.59	£672.00	£680.00	£703.66	£703.00	as per NFF with ACA rounded down
IDACI Band D (0.3 - 0.4) - Primary	£410.00	£424.22	£424.00	£420.00	£434.60	£434.00	£440.00	£455.31	£455.00	as per NFF with ACA rounded down
IDACI Band D (0.3 - 0.4) - Secondary	£580.00	£600.11	£600.00	£595.00	£615.68	£615.00	£620.00	£641.58	£641.00	as per NFF with ACA rounded down
IDACI Band E (0.25 - 0.3) - Primary	£260.00	£269.02	£269.00	£270.00	£279.38	£279.00	£280.00	£289.74	£289.00	as per NFF with ACA rounded down
IDACI Band E (0.25 - 0.3) - Secondary	£415.00	£429.39	£429.00	£425.00	£439.77	£439.00	£445.00	£460.49	£460.00	as per NFF with ACA rounded down
IDACI Band F (0.2 - 0.25) - Primary	£215.00	£222.46	£222.00	£220.00	£227.65	£227.00	£230.00	£238.00	£238.00	as per NFF with ACA rounded up
IDACI Band F (0.2 - 0.25) - Secondary	£310.00	£320.75	£320.00	£320.00	£331.12	£331.00	£335.00	£346.66	£346.00	as per NFF with ACA rounded down
Prior Attainment:										
Primary	£1,095.00	£1,132.97	£1,132.00	£1,130.00	£1,169.27	£1,169.00	£1,155.00	£1,195.19	£1,195.00	as per NFF with ACA rounded down
Secondary	£1,660.00	£1,717.57	£1,717.00	£1,710.00	£1,769.42	£1,769.00	£1,750.00	£1,810.90	£1,810.00	as per NFF with ACA rounded down
English as an Additional Language:										
Primary	£550.00	£569.07	£569.00	£565.00	£584.63	£584.00	£580.00	£600.18	£600.00	as per NFF with ACA rounded down
Secondary	£1,485.00	£1,536.50	£1,536.00	£1,530.00	£1,583.17	£1,583.00	£1,565.00	£1,619.46	£1,619.00	as per NFF with ACA rounded down
Mobility										
Primary	£900	£931.21	£931.00	£925	£957.14	£957.00	£945	£977.89	£977.00	as per NFF with ACA rounded down
Secondary	£1,290	£1,334.74	£1,334.00	£1,330	£1,376.22	£1,376.00	£1,360	£1,407.33	£1,407.00	as per NFF with ACA rounded down
Lump Sum	£117,800.00	£121,885.30	£116,595.00	£121,300.00	£125,515.18	£105,000.00	£128,000.00	£132,454.40	£114,300.00	
Business Rates (Actual - locally set)	£1,322,787		£1,283,350	£1,283,350		£1,283,350.00	£1,283,350		£1,283,350.00	Actual estimate - as per APT
Exceptional Circumstances (locally set):										
Rents	£59,046		£0	£0		£0.00	£0		£0.00	Local factor - No longer eligible
Split Site	£17,149		£17,149	£17,149		£17,149.00	£17,149		£17,149.00	Local factor
Minimum Per Pupil Level										
Primary	£4,180		£4,180	£4,265		£4,265.00	£4,405		£4,405.00	as per actual NFF
Secondary	£5,415		£5,415	£5,525		£5,525.00	£5,715		£5,715.00	as per actual NFF
(KS3 only school)	£5,215		£5,215	£5,321		£5,321.00	£5,503		£5,503.00	as per actual NFF
(KS4 only school)	£5,715		£5,715	£5,831		£5,831.00	£6,033		£6,033.00	as per actual NFF
Minimum Funding Guarantee	2.00%		2.00%	2.00%		1.75%	0.50%		0.50%	Local Decision between 0.0% & 0.5%

Appendix 2 - Proposed School Formula allocations for Primary and Secondary Schools 2023/24

Summary Table

LAESTAB	SCHOOL	2022/23 ACTUAL ALLOCATION			2023/24 INDICATIVE ALLOCATION - before deduction of NNDR and de-delegations			Overall Change between 2022/23 and 2023/24			
		Formula Allocation	Pupil No's (Oct 2021)	Per Pupil Funding	Formula Allocation	Pupil No's (Oct 2022)	Per Pupil Funding	Total	%	Per Pupil	%
8702000	Alfred Sutton Primary School	2,716,907	627	4,333.19	2,821,220	624	4,521.19	104,313	3.97%	188.00	4.42%
8702003	Caversham Primary School	1,797,111	415	4,330.39	1,850,806	414	4,470.55	53,695	3.05%	140.16	3.30%
8702005	Coley Primary School	992,289	196	5,062.70	1,072,423	202	5,309.02	80,134	7.39%	246.32	5.04%
8702006	E P Collier Primary School	1,459,117	305	4,783.99	1,845,272	365	5,055.54	386,155	27.83%	271.55	5.83%
8702007	Geoffrey Field Junior School	1,725,174	356	4,846.00	1,833,746	357	5,136.54	108,572	6.56%	290.55	6.11%
8702008	Geoffrey Field Infant School	1,350,839	267	5,059.32	1,428,640	264	5,411.52	77,801	5.89%	352.19	7.07%
8702016	Oxford Road Community School	1,049,499	211	4,973.93	1,117,384	210	5,320.88	67,886	6.66%	346.95	7.08%
8702018	Redlands Primary School	976,559	207	4,717.68	1,033,838	206	5,018.63	57,279	6.03%	300.95	6.53%
8702019	The Hill Primary School	1,731,092	396	4,371.44	1,747,850	387	4,516.41	16,758	0.96%	144.96	3.38%
8702020	The Ridgeway Primary School	2,093,938	419	4,997.47	2,097,620	398	5,270.40	3,682	0.18%	272.94	5.56%
8702021	Park Lane Primary School	1,777,684	404	4,400.21	1,879,946	410	4,585.24	102,262	5.84%	185.03	4.29%
8702024	Wilson Primary School	1,821,592	412	4,421.34	1,943,318	414	4,694.01	121,726	6.86%	272.66	6.27%
8702026	Emmer Green Primary School	1,781,331	411	4,334.14	1,847,681	413	4,473.80	66,350	3.85%	139.67	3.29%
8702027	Southcote Primary School	2,625,048	600	4,375.08	2,734,836	597	4,580.96	109,788	4.29%	205.88	4.80%
8702029	St Michael's Primary School	1,858,310	397	4,680.88	1,995,360	403	4,951.26	137,049	7.41%	270.38	6.02%
8702034	Moorlands Primary School	1,658,827	335	4,951.72	1,653,615	315	5,249.57	-5,212	-0.30%	297.85	6.25%
8702036	Thameside Primary School	1,766,844	390	4,530.37	1,817,593	380	4,783.14	50,749	2.93%	252.77	5.73%
8702226	Katesgrove Primary School	2,781,389	605	4,597.34	2,957,455	617	4,793.28	176,066	6.67%	195.94	4.37%
8702233	Caversham Park Primary School	693,346	148	4,684.77	673,893	131	5,144.22	-19,453	-2.39%	459.45	10.44%
8702234	Micklands Primary School	1,649,720	376	4,387.55	1,630,322	350	4,658.06	-19,398	-1.21%	270.51	6.29%
8702253	Manor Primary School	1,266,435	252	5,025.53	1,389,066	256	5,426.04	122,631	9.43%	400.50	8.22%
8703000	All Saints Church of England Aided Infant School	362,092	60	6,034.86	373,472	60	6,224.53	11,380	3.18%	189.66	3.18%
8703302	St Anne's Catholic Primary School	849,774	181	4,694.88	902,767	180	5,015.37	52,993	6.41%	320.49	7.02%
8703304	English Martyrs' Catholic Primary School	1,789,850	402	4,452.36	1,876,527	396	4,738.70	86,677	4.90%	286.34	6.54%
8703305	Christ The King Catholic Primary School	1,489,966	297	5,016.72	1,547,255	294	5,262.77	57,288	3.88%	246.05	5.13%
8703360	St Martin's Catholic Primary School	706,532	154	4,587.87	653,928	131	4,991.82	-52,604	-7.47%	403.95	8.95%
8703361	Whitley Park Primary and Nursery School	2,662,250	529	5,032.61	2,747,988	516	5,325.56	85,737	3.39%	292.95	6.02%
8705411	Blessed Hugh Faringdon Catholic School	5,275,500	868	6,077.77	5,759,309	896	6,427.80	483,809	9.91%	350.04	5.95%
8702002	All Saints Junior School	474,262	94	5,045.34	530,049	100	5,300.49	55,786	12.04%	255.14	5.12%
8702004	Meadow Park Academy	1,605,013	334	4,805.43	1,891,660	367	5,154.39	286,647	18.41%	348.96	7.37%
8702011	Battle Primary Academy	1,861,016	400	4,652.54	1,979,251	409	4,839.24	118,235	6.48%	186.70	4.13%
8702012	The Palmer Primary Academy	1,842,329	385	4,785.27	1,975,968	390	5,066.58	133,639	7.61%	281.31	5.98%
8702015	Civitas Academy	1,603,557	342	4,688.76	2,016,308	404	4,990.86	412,750	27.54%	302.10	6.61%
8702017	The Heights Primary School	1,497,102	350	4,277.43	1,554,912	352	4,417.36	57,810	3.91%	139.93	3.34%
8702025	Ranikhet Academy	930,422	173	5,378.16	1,105,943	196	5,642.57	175,521	19.23%	264.41	5.13%
8702028	New Town Primary School	1,583,106	338	4,683.75	1,806,139	366	4,934.81	223,033	17.64%	251.06	5.40%
8702031	Churchend Primary Academy	1,890,057	424	4,457.68	1,992,963	426	4,678.32	102,906	5.63%	220.63	5.02%
8702035	St Mary and All Saints Church of England Voluntary Aided Primary School	1,377,586	279	4,937.58	1,422,891	272	5,231.22	45,305	3.39%	293.63	6.14%
8702039	Green Park Village Primary Academy	535,158	62	8,631.57	823,842	154	5,349.63	288,685	75.89%	-3,281.95	-56.94%
8702254	New Christ Church Church of England (VA) Primary School	908,156	183	4,962.60	1,002,888	196	5,116.78	94,732	10.96%	154.18	3.14%
8703300	St John's Church of England Primary School	1,696,231	377	4,499.29	1,935,582	402	4,814.88	239,351	14.32%	315.59	7.31%
8704000	UTC Reading	1,682,871	248	6,785.77	1,760,895	248	7,100.38	78,024	5.03%	314.61	4.91%
8704001	Maiden Erlegh School in Reading	5,504,694	887	6,205.97	5,830,091	895	6,514.07	325,397	6.12%	308.10	5.16%
8704002	The WREN School	5,347,958	850	6,291.72	5,696,140	850	6,701.34	348,182	6.69%	409.63	6.66%
8704003	Reading Girls' School	4,391,005	686	6,400.88	5,312,499	792	6,707.70	921,494	26.17%	306.82	4.84%
8704020	Highdown School and Sixth Form Centre	7,008,958	1,257	5,575.94	7,424,089	1,259	5,896.81	415,130	6.27%	320.87	5.89%
8705401	Reading School	4,168,596	748	5,572.99	4,356,436	756	5,762.48	187,840	4.61%	189.49	3.47%
8705410	Prospect School	5,633,014	855	6,588.32	6,325,148	896	7,059.32	692,134	12.30%	471.00	7.41%
8705413	Kendrick School	3,069,154	552	5,560.06	3,356,914	584	5,748.14	287,760	10.13%	188.08	3.45%
8706905	John Madejski Academy	3,792,647	541	7,010.44	4,804,431	655	7,335.01	1,011,784	31.44%	324.57	4.78%
PRIMARY TOTAL		61,237,510	13,093	4,677.12	65,512,214	13,324	4,916.86	4,274,704	7.17%	123.01	2.70%
SECONDARY TOTAL		45,874,398	7,492	6,123.12	50,625,952	7,831	6,464.81	4,751,555	11.09%	175.44	2.95%
TOTAL ALL SCHOOLS		107,111,908	20,585	5,203.40	116,138,167	21,155	5,489.87	9,026,259	8.81%	154.39	3.30%



Reading Schools' Forum

January 19, 2023

Agenda Item 2

Growth Funding 2023-24

For decision

For discussion

For information

SUMMARY

This report sets out the budget required for growth funding in 2023/24 plus estimates for the following two years, and recommends the criteria to be used in allocating this funding in 2023/24.

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1. Recommendations

- 1.1 AGREE: the criteria to be applied in allocating the funding to schools (paragraphs 6.1).
- 1.2 AGREE: that the allocation of the £1.302m growth funding in 2023/24 is split £0.161m for the school formula and budget for 5 secondary bulge classes £0.485m
- 1.3 AGREE: that an allocation of £0.250m is set aside for Falling roles with criteria to be approved by Schools Forum in March 2023.
- 1.4 AGREE: Any unspent funds will be carried forward towards meeting future year shortfalls.

2. Background

- Growth funding is allocated to the local authority to meet the cost of increases in pre-16 pupil numbers either in new schools or bulge classes set up to meet basic need. This is because the funding a school receives is retrospective and based on pupil numbers from the previous October census, and therefore does not include the additional pupils.
- The funding is allocated through its own separate formula and is part of the schools' block DSG allocation. It is not ring-fenced specifically for growth, but if there is a shortfall, this needs to be met from a top slice from the main schools' block allocation. If the funding is not required for growth, it can be added into the school formula at a risk of future years due to the growth funding being a one-off allocation per year.
- In 2019/20 the Government used a new formula for allocating funding for growth, based on actual growth in pupil numbers. The growth is measured within each "middle layer super output area" (MSOA). These smaller areas will detect pockets of growth within the wider local authority area – in Reading there are 17 MSOAs. For the 2023/24 allocation, increases in pupil numbers between October 2021 and October 2022 in each of these areas are counted; **only positive increases are counted**, so a local authority with positive growth in one area balanced out by negative growth in another will still receive funding.
 - Primary Reception is seeing a lack of growth and in some areas a reduction
 - Primary Year 6 that are at the end of the Primary growth cohort are moving to Secondary.
 - Any reduction in pupils have no impact on growth funding.
 - Due to the secondary schools having capacity within PAN, then growth funding was allocated but not needed.
 - The LA has taken the decision with Schools forum to carry forward funding to prepare for the new secondary school due to open up in September 2024. Having funds available is prudent because we cannot guarantee that future growth fund allocations will cover the cost in future years.
- The growth factor values applied for the 2022/23 formula are as follows:
 - £1,573 for each primary growth pupil (£1,537 in 2022/23).
 - £2,354 for each secondary growth pupil (£2,298 in 2022/23).
 - New school lump sum: £77,300 for each brand new school which opened in the previous year (£73,260 in 2022/23).

The values per pupil have increased by 2% compared to the previous year and the lump sum by 5%. They include an area cost adjustment for Reading.

- Prior to the changes, growth was funded on actual budgeted spend. The below table shows our growth funding, spend and carry forward.

Table 1 – Growth Funding details since 2018.

	Carry Forward (£m)	Allocation (£m)	Total Spending Power (£m)	Spend (£m)	Variance (£m)
2018-2019	0.000	2.092	2.092	1.859	0.233
2019-2020	0.233	1.658	1.891	1.748	0.143
2020-2021	0.143	1.345	1.488	0.867	0.621
2021-2022	0.621	0.845	1.466	0.397	1.069
2022-2023	1.069	0.933	2.002	0.307	1.695
2023-2024	1.695	1.302	2.997	0.645	2.352
2024-2025 *	2.352	0.650	3.002	1.126	1.876
2025-2026 *	1.876	0.650	2.526	1.042	1.484
2026-2027 *	1.484	0.650	2.134	1.042	1.092
2027-2028 *	1.092	0.500	1.592	0.888	0.704
2028-2029 *	0.704	0.500	1.204	0.888	0.316

*(coloured) – Estimated / Assumptions as of January 2023

- Growth funding can only be used to support growth in pre-16 pupil numbers *to meet basic need*; support additional classes needed to meet infant class size regulation; Falling rolls processes and to meet the revenue costs of new basic need schools. The growth fund must not be used to support general growth due to popularity of a school – this is managed through lagged funding.
- New growing schools, where the change is permanent and a significant change to numbers must be funded through the school formula by adjusting the pupil numbers. The funding to support this will still be met from the growth fund.
- The Schools' Forum must agree **on an annual basis** the total size of the growth fund and the criteria on which it will be allocated. All schools must be funded on the same criteria, new and existing maintained schools and academies.
- This report sets out the estimated growth funding requirements for 2023/24 and the following years, and based on this knowledge and estimated funding, proposes the criteria and budget to be applied for 2023/24.

3. Growth Fund Requirements 2023/24 to 2028/29

- 3.1. The new two form entry primary school at Green Park Village opened in September 2020 and will require funding for 60 places from the growth fund as it adds each year group until 2026/2027. (Estimated around £0.161m per year)
- 3.2. The new River Academy (8 form entry) is due to open in September 2024. (Delayed by 1 year) In the meantime, it is prudent to include up to five bulge classes within Secondary schools for September 2023 due to the delay within the new school. (Estimated around £0.485m per year)

4. Criteria Proposed for Allocation of Funding in 2023/24

- 4.1. New schools are paid through the school formula based on their estimated pupil numbers and characteristics. For schools agreeing to take a “bulge” class or are a planned expansion, the current 2022/23 funding rates per additional pupil in the additional class (assumed at maximum capacity, usually 30) are £4,265 primary and £5,525 secondary. These are the 2022/23 recognised minimum per pupil funding levels used in the national funding formula and much higher than the basic per pupil funding rate (AWPU) used by many other local authorities. The one-off grant for new schools pre-opening costs is currently £73,260 to reflect the funding received (retrospectively) through the schools’ block funding allocation.
- 4.2. For 2023/24 the equivalent rates are £4,405 primary, £5,715 secondary and £77,300 pre-opening costs for a brand new school. It is proposed that these rates are applied to the allocations of growth funding in 2023/24.
- 4.3. Note that growth funding can only be paid to schools taking enough additional pupils that **require** an additional class and teacher (i.e. it is not paid for filling spaces in existing classes), and that this increase is as a result of basic need in the area. The increase must have been agreed by the local authority as part of its place planning in order to meet shortfalls in overall places. All other growth in pupil numbers is funded retrospectively through the normal school funding process, based on the previous October census.
- 4.4. Payments to schools are made in November after the pupil numbers have been verified with the approved October census data. This covers the period September to March. Academies receive a further payment in April to cover the period April to August (this payment is made by the local authority but is recovered from ESFA and is not taken from the growth fund DSG allocation).
- 4.5. Schools need to be aware that funding for a bulge class is one off funding, and in the following year the funding for that year group will be based on the school funding formula and actual pupil numbers. The organisation of classes therefore needs to be based on actual pupil numbers, and schools should not be setting up arrangements based on one off growth funding, if in the long term this will make them unviable. Schools should also be prepared to reduce the number of classes when the bulge class comes to an end; the lagged funding received through the school formula is not deducted, so schools have this additional funding in the final year to make the necessary arrangements.


- 4.6. It is impossible for the local authority to guarantee any future allocations of funding that is subject to changes in Government legislation and national funding allocations, so the decision on growth funding allocations is for one year only. Funding will be reviewed on an annual basis and with reference to current regulations. We do not know yet how the Government will allocate growth funding as part of a full National Funding Formula.

5. Budget Proposed for 2023/24

- 5.1. Appendix 1 shows the budget and expected outturn for 2022/23 and contains a breakdown of the requirements for 2023/24 and the following two years based on current known requirements as set out in section 3 of this report. The funding requirement uses the values outlined in paragraph 4.2 for 2023/24 and the following two years.
- 5.2. In the current year, the budget for the growth fund was set to underspend by £0.559m. This is due to no requirements for bulge classes in September 2022. This amount is added to the resources available for 2023/24.
- 5.3. In addition to the 2023/24 allocation of £1.302m, and £1.628m is estimated to be carried forward from 2022/23, a total of £2.930m available. The budget requirement in 2023/24 is £0.645m. Of this, £161k is for new schools which will go into the school funding formula, and £0.485m for bulge classes/expanding schools. This would leave a surplus balance of £2.352m at the end of 2023/24.
- 5.4. In the model it is assumed that the in-year funding rate used to allocate the funding to schools will remain the same in the following two years, Due to the uncertainty of this, it is proposed to ring fence the funding and keep the surplus balance within the growth fund for future requirements. With previous years seeing quite significant reductions and with a new 8 form entry school to fund for several years, this would be a sensible and prudent action.

6. Recommendations for Schools' Forum Approval

- 6.1. The criteria proposed for 2023/24 to be approved by Schools' Forum is as follows:
- 1) Existing expanding schools. Where a school (maintained or academy) has agreed with the local authority to increase its admission number and provide an extra class as an on-going commitment, or to provide a bulge class, both scenarios being in response to meeting basic need in the area, additional funding will be allocated. The increase in numbers must have been agreed by the LA as part of its place planning in order to meet shortfalls in overall places. The additional funding will be paid in the Autumn following the October census when the additional numbers have been confirmed as requiring an additional class (to cover the period September to March). It is not paid for filling spaces in existing classes.
 - 2) Funding payable is at the national minimum per pupil funding (MPPF) rate x by the additional number of pupils as agreed by the LA x 7/12. For 2023/24 the MPPF rate is



£4,405 primary and £5,715 secondary. Academies will receive a further 5/12 in the following April to cover the remainder of the academic year April to August.

- 3) New/growing schools. New schools are funded through the school formula by varying the pupil numbers, based 7/12 on the published admission number for the following September.
 - 4) New schools opening in response to basic need. New schools will be paid a one off additional grant for pre-opening and set up costs. This grant will be £77,300 for schools due to open in the 2023/24 academic year.
- 6.2. Of the growth fund allocation of £1.302m, £161k is transferred to the school formula for new schools and the growth fund budget for 2023/24 is set at £2.836, with any under allocation in 2022/23 being carried forward to 2023/24.

7. Appendices

Appendix 1 – Growth Fund – Three Year Plan 2023/24 to 2025/26



Appendix 1 – Growth Fund Three Year Plan 2023/24 to 2025/26

				22/23 Rate	23/24 Rate	24/25 Rate	25/26 Rate		
		Primary Rate		£4,265	£4,405	£4,405	£4,405	Academies are funded for 12 months due to academic financial year.	
		Secondary Rate		£5,525	£5,715	£5,715	£5,715		
School	Expanding/bulge class	Additional Class size to be Funded	Proportion of Year	2022/23 Budget	2022/23 Actual	2023/24 Budget	2024/25 Budget	2025/26 Budget	Notes
Primary:									
	Expanding by 30 per year (to 60)		0.583333333						
	(met by DfE for April to August)		0.416666667						
Secondary:									
Highdown ACADEMY	Expanding by 30 per year (to 250)	30	0.583333333						
Highdown ACADEMY	(met by DfE for April to August)	30	0.416666667	67,688	67,688				
Academy Bulge Classes	BULGE CLASSES 23/24	150	0.583333333	500,063	0	483,438			5 Secondary classes frpm September 2023
	(met by DfE for April to August)		0.416666667						
New Schools (pre opening start up costs only):									
River Academy							77,300		Opening September 2024
Total for Expanding Schools/Bulge Years				567,750	67,688	483,438	77,300	0	
Add: Total Growth Funding used in School Formula for new schools									
Green Park Primary				155,212	155,212	161,260	161,260	161,260	Opening September 2020 2 FE
The River Academy				0	0	0	887,600	887,600	Opening September 2024 8 FE
Total for New Schools				155,212	155,212	161,260	1,048,860	1,048,860	
Falling Rolls Fund				200,000	151,270	250,000	0	0	
Total to be met from Growth Fund Allocation				922,962	374,170	894,697	1,126,159	1,048,860	
FUNDING:									
DSG Schools Block Growth Fund Allocation				933,061	933,061	1,301,798	650,899	650,899	Assumed 50% reduction
Carry Forward from Previous Year				1,069,137	1,069,137	1,695,716	2,102,817	1,627,557	
Paid by DfE for Academies (April to August payment) via Recoupment Adjustment				67,688	67,688	0	0	0	
Total Estimate of Funding				2,069,886	2,069,886	2,997,514	2,753,716	2,278,456	
Surplus / (Shortfall)				1,146,924	1,695,716	2,102,817	1,627,557	1,229,596	



Reading Schools' Forum

January 19, 2023

Agenda Item 6

Central and Early Years retained budgets for 2023-24

For decision

For discussion

For information

SUMMARY

This report sets out the proposed 2023/24 budget for the Central School Services Block of the DSG.

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VERSION

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DATE

January 09, 2023

REVIEW DATE

None

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1. Recommendations

- 1.1 AGREE: The budget for the Central School Services Block 2023/24 as set out in Table 2.
- 1.2 AGREE: The centrally retained budgets for Early Years Block 2023/24 as set out in Table 3
- 1.3 NOTE: Updates to EYNFF rate for local authorities and proposed rates to providers for 2023/24 as set out in Table 4 and 5

2. Background

- 2.1 The Central Schools Services Block of the DSG funds services/functions provided by the local authority centrally for all their maintained and academy schools. The 'Schools revenue funding 2023 to 2024 operational guide'¹ sets out what services can be charged to this block and any restrictions. This budget must be agreed by the Schools' Forum on an annual basis.
- 2.2 This report sets out the 2023/24 funding for the block, and the proposed budget.

3. Funding for 2023/24

- 3.1. The funding for this block comprises of two elements:
 - Ongoing responsibilities – functions LAs have a statutory duty to deliver for all pupils in maintained schools and academies.
 - Historic commitments – funding that some LAs received prior to 2013/14.
- 3.2. In 2023/24 funding for the central school services block has increased by the maximum 5.86% for ongoing commitments however overall has seen a slight reduction by £0.002m. This is due to the phasing out of funding for historical commitments which is set at 20%
- 3.3. Table 1 summarises the funding for 2022/23 compared to 2023/24.

Table 1: Central School Services DSG Funding 2022/23 and 2023/24

	2022/23		2023/24		Change	
		Funding £'000		Funding £'000	£'000	%
Unit of Funding	£38.21		£40.45			
<i>Pupil Numbers</i>	20,579.50	786	21,113.00	854	68	+8.7%
Historic Commitments		348		278	-70	-20.0%
TOTAL CSSB		1,134		1,132	-2	-0.18%

4. Proposals for the 2023/24 Budget

Table 2 sets out the services met from the central school services block, the budget for 2022/23 and the proposed budget for 2023/24. Further details on each service are set out in Appendix 1. In order to balance this block, some of the historical commitment budgets have been reduced in order to

reflect the funding reduction; these budgets are contributions towards service costs, so will result in these services either having to fund the reduction from elsewhere or reduce the level of service. For each service, the table indicates which ones have to be agreed by the Schools' Forum. As admissions is a priority for us, we have increased the FTE in the team to manage new responsibilities and demands. In order to fund the increases in the Admissions team there have been no inflationary increases in statutory services and this will be funded centrally.

4.1.

Table 2: Central School Services Budget 2022/23 and 2023/24

SERVICE	2022/23 BUDGET (£'000)	2023/24 BUDGET (£'000)	APPROVAL REQ'D BY SCHOOLS FORUM	RESTRICTIONS
Admissions	229	289	Yes	None
Servicing of Schools' Forum	20	20	Yes	None
Copyright Licences	120	128	No	None
Statutory/Regulatory services e.g. finance	417	417	Yes	None
Prudential Borrowing (historic commitment)	32	26	Yes	Cannot exceed previous budget & no new commitments
Contribution to School Improvement (historic commitment)	66	53	Yes	Cannot exceed previous budget & no new commitments
Contribution to Early Help Services (historic commitment)	150	120	Yes	Cannot exceed previous budget & no new commitments
Contribution to Children's Social Care (historic commitment)	100	80	Yes	Cannot exceed previous budget & no new commitments
TOTAL	1,134	1,133		

4.2. It is recommended that the Schools' Forum agree the 2023/24 budgets in this block, as set out in Table 2.

5. Centrally Retained Early Year's Budget Proposal

5.1. Schools' Forum is asked to agree the proposed amount to be centrally retained in 2023/24. It is proposed that this will be £788,600, this an increase of £69,600 in relation to inflationary pay increases and on costs we have increased the Early Years portage staffing by 0.8 FTE to handle the continuing increasing demand of Early Years and SEND. It is

proposed pay increases will be automatically added to the budget in future years. This budget pays for the following services:

- Early Years Team £290,900 – this is the management and administrative costs involved in delivering the free entitlement. It includes the following posts and activities:
 - Early Years Team manager 1 FTE
 - Childcare Compliance Manager 1.0 FTE
 - Early years data, sufficiency, and performance officer 0.68 FTE
 - Early Years Development Officer 1.0 FTE
 - Extended Childcare Project Officer 1.0 FTE
 - Early Years Operations and Support Officer 1.0 FTE

- Early Years Portage Team £420,900 – Early intervention home visits. It includes the following posts and activities:
 - Early Years SEND Team manager - 0.8 FTE
 - Senior Portage Worker - 1.0 FTE
 - Portage Workers – 4.6 FTE
 - Early Years SEND Support Advisor - 1.0 FTE
 - SEND Support worker – 0.86 FTE

- Dingley Contract £16,800 (plus £25,000 from high needs block) will provide Family Support Programme, Providers Advisory Support Service (PASS). Dingley’s Promise provide a suitable environment for further assessment and therapy from Social Care, Education and Health professionals to advance the children’s prospects.

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

- Early Years Inclusion fund £50,000 – this is a contribution to a larger inclusion fund for Early Years settings which is also partially funded by the High Needs Block.

5.2. Table 3 below sets out the proposed budgets for 2022/23 along with the current budgets for 2023/24

Table 3: Centrally Retained Early Years Budget 2022/23 and 2023/24

SERVICE	2022/23 BUDGET	2023/24 BUDGET
Dingley Contract	£16,800	£16,800
Early Years Team	£408,000	£290,900*
Early Years support - Portage	£234,200	£420,900*
Central Costs recharged	£10,000	£10,000
Early Years inclusion fund	£50,000	£50,000
Total	£719,000	£788,600

* Internal structure changes between Early Years teams

6. Early Year's Budget update

- 6.1. The Early Years arrangements for 2023/24 including funding rates for local authorities were published by the ESFA in December 2022 and can be found on the webpage: www.gov.uk/government/publications/early-years-funding-2023-to-2024
- 6.2. In response to the governments Early Years funding formulae consultation launched in July 2023, the DfE have implemented almost all of the changes proposed, meaning that rates will not increase uniformly across the sector
- 6.3. In line with the protections policy set out in the Government response document, all local authorities will benefit from at least a 1% increase in their funding rates in 2023-24, with increases for some up to 4.9% for 3- and 4-year-olds, and up to 10% for 2-year-olds. Reading are set to receive the maximum funding rates for all entitlements.
- 6.4. In response to the consultation and the continuing concerns from local authorities, the DfE are also progressing with changes to ensure fairer distribution of the maintained nursery schools supplementary funding. The minimum rate for 2023/24 will be set at £3.80 and this is the allocation Reading will receive.
- 6.5. Current funding rates and announced funding rates are set out in Table 4 below.

Table 4: Local Authority Funding rates 2022/23 and 2023/24

Entitlement	2022/23	2023/24	Increase £	Increase %
2 year olds	£6.11	£6.72	£0.61	10%
3 and 4 year old – Universal (with TPPG)	£5.53	£5.80	£0.27	4.9%
3 and 4 year old – Extended	£5.53	£5.80	£0.27	4.9%
MNS supplementary funding (with TPPG)	£1.12	£3.80	£2.78	239%
Early Years Pupil Premium	£0.60	£0.62	£0.02	3.3%
Disability Access Fund (DAF)	£800	£828	£28	3.5%

- 6.6. **The budgets for the early years block cannot be determined until the draft January 2023 census data is available** however it is our intention to pass on the full increases to providers where feasible – Please see proposed rates in Table 5. Further and final details of the 2023/24 rates to providers will be brought to March 2023 schools forum.

Table 5: Current and Proposed Local Rates for 2023/24

Entitlement	Current 2022/23	Proposed 2023/24	Increase £	Increase %
2 year olds	£5.90	£6.51	£0.61	10%
3 and 4 year old – Universal & Extended (with TPPG)	£5.06	£5.33	£0.27	5.3%
Early Years Pupil Premium & Deprivation top-up	£1.57	£1.59	£0.02	1.2%

Appendix 1 – Central School Services Budgets

A – Ongoing Duties

Admissions

This funds the staffing for the statutory admissions service for primary and secondary coordinated admissions and for all in year applications. The changes to the school admissions code in 2021 has had a huge impact on team workload and as a result the budget includes a new post for 2023/24 to cover in year admissions.

Servicing of Schools' Forum

This relates to Local Authority officer time to research and prepare reports, arrange and attend meetings, plus cost of room hire, contribution to the website for publishing papers etc. The total budget of £20,000 is a contribution towards this cost. Most other local authorities charge significantly more.

Copyright Licences

The DfE has agreed with various agencies to purchase a single national licence managed by the DfE, which means that local authorities and schools do not need to negotiate individual licences. The DfE recharges the cost to the local authority, who has the option to pay for it out of the central school services budget rather than charge individual schools from their delegated budget. The licences included in this agreement are as follows:

CLA (Copyright Licensing Agency)
SPML (School Printed Music Licence)
NLA (Newspaper Licensing Agency)
ERA (Education Recording Agency)
PVSL (Public Video Screening Licence – Filmbank Distribution Ltd.)
MPLC (Motion Picture Licensing Company)
PPL (Phonographic Performance Ltd.)
PRS (Performing Right Society Ltd.)
MCPS (Mechanical Copyright Protection Society Ltd.)
CCLI (Christian Copyright Licensing International)

Statutory/Regulatory Services

These services were previously funded through the Education Services Grant, and the funding for them is now included within this block, though based on the new formula (so not like for like). The main services covered are:

- Director of Children's Services and planning for the education service as a whole.
- Revenue budget preparation, monitoring, and year end accounts.
- School formula review and preparation.
- Administration of payments to schools, including SEN & early years.
- External audit relating to education/DSG.
- Provision of information to the DfE e.g. Section 251 returns.
- Standing Advisory Committees for Religious Education (SACREs)
- Education welfare service.

B - Historic Commitments

Prudential Borrowing

“Prudential borrowing” means borrowing money for the purpose of facilitating the modernisation and rationalisation of the school estate, where the revenue savings that will be achieved are equal to or more than the expenditure that will be incurred in borrowing the money.

Historically Reading has included a small ‘notional’ amount within the main schools block for prudential borrowing which reflects the fact that a significant element of the ongoing schools capital programme has historically been and will be funded by borrowing over many years, which represents a significant cost to the Authority. The cost included here will be more than matched by revenue savings and/or offset the opportunity costs accruing from these projects. The charge is very small compared to the annual costs of servicing the debt associated with borrowing costs on major schools capital projects.

School Improvement

This has been used to support schools with significant issues regarding standards to support additional staffing. It also supports additional staffing costs if schools require greater leadership capacity. This funding helps to support head teachers new to the post and those new to Reading. This fund is connected to the de-delegation element and a detailed schedule is provided as an appendix to the de-delegation report.

Early Help Services

This contribution goes towards a range of Early Help services (which includes, notably family support, mental health, youth, EWOs, EPs, Troubled Families, TP, YOS, drug & alcohol) which the vast majority of schools in the borough access.

Children’s Social Care & Children Looked After

This contribution goes toward children’s safeguarding more generally including the Multi Agency Safeguarding Hub (Together for Families teams).



Reading Schools' Forum

January 19th 2023

Agenda Item 7

Dedicated Schools Grant (DSG)
Budget Monitoring 2022/23

For decision

For discussion

For information

SUMMARY

This report sets out the current position (month 8) of the DSG budget for 2022/23 and outlines the variances.

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VERSION

Version 1

DATE: January 19, 2022

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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. 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.
4. 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.
5. 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 Budget 2022/23 Month 9 Overall Position

6. Appendix 2 contains the 2022/23 budget and current (month 8) 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.
7. Table 2 summarises the current budget and forecast per block. Note that the DSG allocation includes the deficit as of the 31st of 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).
8. Deficit Recovery Plan can be found in appendix 1. This is a draft plan to show the possible outcome in the next 5 years if Reading do not implement new strategies and this will inform the Delivering Better Value (DfE) on the current situation facing Reading SEN Placements.

Table 2: Summary Budget and Forecast 2022/23

	CURRENT BUDGET (£m)	2021-2022 C/Fwd. (£m)	TOTAL SPENDING POWER (£m)	FORECAST as at MONTH 9 (£m)	IN YEAR VARIANCE as at MONTH 9 (£m)	TOTAL VARIANCE as at MONTH 9 (£m)
	A	B	A+B=C	D	D-A	D-C
Schools Block	50.038	1.069	51.107	49.587	(0.450)	(1.519)
Central Schools Block	1.134	0.006	1.140	1.140	0.006	0
Early Years Block	12.273	0.172	12.445	12.445	0.172	0
High Needs Block	23.429	(3.412)	20.017	24.632	1.203	4.615
Total – Net Expenditure	86.874	(2.165)	84.709	87.804	0.931	3.096
DSG Allocation	(86.874)	2.165	(84.709)	(86.874)	0	
Balance Over/(Under) Allocated	0	0	0	0.931	0.931	

1. The deficit forecast for the end of the financial year has an in-year figure of **£0.931m** bringing the end of year position to **£3.096m**
2. The main concern is over the High Needs Block where the starting deficit was **£3.412m** and this has arisen to **£4.615m**.
3. The variances relating to the High Needs Block are summarised as follows:

High Needs Deficit as of the 31 st of March 2022	£3,412,000
Updated Import and export – Dec 2022	£318,000
Top Up funding - overspend	£493,500
Placement – Base funding	£10,000
Central Budgets (Inclusion Activities)	£31,500
Contingency – Unknown top-ups/change of placements	£350,000
Forecasted High Needs Deficit as of 31st March 2023	£4,615,000

Variations, Current Risks & Emerging Issues

4. **Schools Block** - The Growth Fund budget will underspend (partly planned), with the surplus funding currently estimated at **£1.519m** 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.
5. **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.
6. **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.

7. 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.*** Recent investment in Non-maintained Special School places to accommodate high need pupils has occurred this term and has increased the pressure on the High Needs Block.
8. 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 until April 2023 that will be introduced alongside a new banding system.

Draft Deficit Recovery Plan for 2022/23

9. 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.
10. 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.
11. **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.
12. The current (December 2022) budget monitoring forecast shows the deficit will increase by **£1.203m** by the end of 2022/23 with **£4.615m** to be carried forward at the end of the current financial year.
13. The draft deficit recovery plan is only draft, but it shows the huge task ahead of us and nationally. Further updates on SEN strategy and Delivering Better Value (DBV) programme will be reports in the new year.

Appendices

Appendix 1 – Deficit Recovery Plan (Draft) as of 30th November 2022

Appendix 2 – Summary DSG Budget and Forecast 2022/23 as of 31st December 2022

Appendix 3 – Additional Information per Service for Appendix 2 table

Appendix 1: DSG Deficit Recovery Plan Summary 22/23 with Mitigation and Growth items

Financial Year	Actuals			Forecast				
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
DSG Income	(£76,990,760)	(£79,001,846)	(£82,366,413)	(£86,873,817)	(£89,465,054)	(£92,313,959)	(£95,266,799)	(£98,328,000)
Schools Block	(£44,496,700)	(£45,923,814)	(£48,778,358)	(£50,037,849)	(£50,554,606)	(£51,565,698)	(£52,597,012)	(£53,648,952)
Central Block	(£1,330,000)	(£1,257,110)	(£1,167,002)	(£1,134,503)	(£1,110,950)	(£1,133,169)	(£1,155,832)	(£1,178,949)
Early Years Block	(£12,842,060)	(£12,905,309)	(£11,957,999)	(£12,272,538)	(£12,517,989)	(£12,768,349)	(£13,023,716)	(£13,284,190)
High Needs Block (excluding Schools Block Transfer)	(£18,322,000)	(£18,915,613)	(£20,463,054)	(£23,428,927)	(£25,281,509)	(£26,846,743)	(£28,490,239)	(£30,215,909)
DSG Expenditure	£76,513,978	£78,589,291	£83,175,124	£88,218,337	£92,408,399	£94,257,649	£97,603,144	£101,046,636
Schools Block	£44,593,880	£45,302,134	£47,846,913	£49,587,439	£52,074,719	£51,565,698	£52,597,012	£53,648,952
Central Block	£1,290,736	£1,257,064	£1,160,467	£1,140,503	£1,110,950	£1,133,169	£1,155,832	£1,178,949
Early Years Block	£12,462,006	£12,750,981	£11,940,330	£12,444,538	£12,517,989	£12,768,349	£13,023,716	£13,284,190
High Needs Block (excluding Schools Block Transfer)	£18,167,356	£19,279,112	£22,227,414	£25,045,857	£26,704,741	£28,790,434	£30,826,584	£32,934,545
Annual Unmitigated Forecast Under/ (Over) Spend	£476,782	£412,555	(£808,711)	(£1,344,520)	(£2,943,345)	(£1,943,691)	(£2,336,346)	(£2,718,636)
Brought forward deficit	(£2,245,003)	(£1,768,221)	(£1,355,669)	(£2,164,380)	(£3,508,901)	(£6,452,246)	(£8,395,936)	(£10,732,282)
Cumulative (Deficit)/ Surplus (unmitigated)	(£1,768,221)	(£1,355,666)	(£2,164,380)	(£3,508,901)	(£6,452,246)	(£8,395,936)	(£10,732,282)	(£13,450,918)
High Needs Deficit Element	(£2,090,361)	(£2,131,721)	(£3,412,080)	(£5,029,010)	(£6,452,243)	(£8,395,933)	(£10,732,279)	(£13,450,915)

Improving Sufficiency of Places

Increasing Avenue placements (Hubs)				£300,000	£300,000	£300,000	£300,000
Odyssey INMSS				£187,500	£625,000	£625,000	£625,000
Progress INMSS				£104,000	£416,000	£416,000	£416,000
Ranikhet Academy Specialist Provison				TBC	TBC	TBC	TBC
Free School Special Bid				TBC	TBC	TBC	TBC

Additionally Resourced Provision Units in Primary		£100,000	£200,000	£300,000	£400,000
Alternative Provision		TBC	TBC	TBC	TBC
Expanding Local specialist provision		TBC	TBC	TBC	TBC
Total Sufficiency of Place Items	£291,500	£1,441,000	£1,541,000	£1,641,000	£1,741,000
Mitigating Items					
Managing Demand					
Review and ceasing of EHC Plans					
<i>Following annual reviews considering if children have met their outcomes and if an EHCP is needed going forwards</i>		(£270,000)	(£540,000)	(£810,000)	(£810,000)
Improving Quality of local state maintained provision					
Young People being placed in appropriate placements once available		(£200,000)	(£400,000)	(£600,000)	(£800,000)
Identification of additional needs in early years leading to reduced requirement for EHCPs					
Development of specialist staffing support for mainstream schools		(£50,000)	(£150,000)	(£250,000)	(£500,000)
		(£100,000)	(£200,000)	(£500,000)	(£500,000)
Financial Management					
Reviewing RBC Banding costs and criteria		£0	(£100,000)	(£200,000)	(£300,000)
Reviewing High Needs Non-placement/Top-up budgets		(£100,000)	(£100,000)	(£100,000)	(£100,000)
Commissioning Function (not including Cost Avoidance)		(£250,000)	(£350,000)	(£450,000)	(£550,000)
Health Funding (E.g. CHC)		(£250,000)	(£500,000)	(£750,000)	(£1,000,000)
Support services roles and contribution		tbc	tbc	tbc	tbc
Total Mitigating Items	£0	(£1,220,000)	(£2,340,000)	(£3,660,000)	(£4,560,000)
In-year forecast (Deficit)/Surplus for High Needs Block	(£5,320,510)	(£6,673,243)	(£7,596,933)	(£8,713,279)	(£10,631,915)

Appendix 2 – Summary DSG Budget and Forecast @ Period 9 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)
Schools Block							
1	Individual Schools Budget - Maintained Schools	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 (de-delegation)	0.182	0.000	0.182	0.182	0.000	0.000
4	Staff costs supply cover (trade unions) (de-delegation)	0.043	0.000	0.043	0.043	0.000	0.000
5	School Improvement (de-delegation)	0.128	0.000	0.128	0.128	0.000	0.000
6	Statutory/regulatory Duties (ESG) (de-delegation)	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
7	Sub Total Schools Block Net Expenditure	50.038	1.069	51.107	49.587	-0.450	-1.519
8	Schools Block DSG Allocation	50.038	1.069	51.107			
9	Balance Over / (Under) Allocated	0.000	0.000	0.000			
Central Schools Services Block							
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
16	Sub Total Central School Services Block Net Expenditure	1.134	0.006	1.140	1.140	0.006	0.000
17	Central School Services Block DSG Allocation	1.134	0.006	1.140			
18	Balance Over / (Under) Allocated	0.000	0.000	0.000			
Early Years Block							
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 entitlement	0.418	0.000	0.418	0.418	0.000	0.000
23	Sub Total Early Years Block Net Expenditure	12.273	0.172	12.445	12.445	0.172	0.000
24	Early Years Block DSG Allocation	12.273	0.172	12.445			
25	Balance Over / (Under) Allocated	0.000	0.000	0.000			
High Needs Block							
26	SEN placements - Maintained Schools (first £10k/£6k place funding)	1.564	0.000	1.564	1.610	0.046	0.046
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	3.864	0.452	0.452
34	Top up Contingency (new placements)	0.000	0.000	0.000	0.350	0.350	0.350
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 to special schools/PRU	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
42	Sub Total High Needs Block Net Expenditure	23.429	-3.412	20.017	24.632	1.203	4.615
43	High Needs Block DSG Allocation	23.429	-3.412	20.017			
44	Balance Over / (Under) Allocated	0.000	0.000	0.000			
45	Total All Blocks Net Expenditure	86.874	-2.165	84.709	87.804	0.931	3.096

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