



TO: ALL MEMBERS OF THE SCHOOLS' FORUM

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Notice of Meeting – Schools' Forum (PROVISIONAL)

A meeting of the Schools' Forum will be held on **March 7, 2024, 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 18 th January 2024, including matters arising. <i>Chair</i>
3.	Schools' Forum Membership Update <i>Chair</i>
4.	DSG Budget Monitoring 2023-24 Summary <i>DSG Finance Business Partner</i>
5.	DSG High Needs Budget 2024-25 <i>Strategic Finance Business Partner</i>
6.	DSG Early Years Budget 2024-25 <i>Strategic Finance Business Partner</i>
7.	Schools Forum proposed Meeting Dates and indicative agendas.
8.	Agenda items for next meeting <ul style="list-style-type: none"> ● DSG Outturn 2023/24 ● Maintained school balances 2023/24 and budgets 2024/25 ● Review of the Schools' Forum constitution ● DSG Budget 2024/25 and update on deficit recovery plan ● Scheme for Financing for Schools update ● SEND update
9.	Any other business

Next Meeting: June 20, 2024, at 5pm – To be held virtually via Teams

Minutes of Schools' Forum Meeting

18 January 2024

Members Present

Richard Rolfe – Governor at Micklands (Chair); Dave Dymond – Governor at Alfred Sutton (Vice-Chair); Rebecca Brown – Head of Park Lane Infants; Nikki McVeigh – Head Teacher of Christ the King; Justine McMinn – Head Teacher of EP Collier; Dani Hall - Co-Chair of the Federation between Oxford Road Community School & Wilson School; Annal Nayyar – Finance Director of Baylis Trust (Reading Girls); Simon Uttley – Head Teacher of Blessed Hugh Faringdon; John Salberg – Principal of The Wren; Symon Cooke – Head Teacher of The Avenue; Karen Edwards – Head Teacher of The Heights; Ceri Burns – Head Teacher of Cranbury; Julia Cottee – Governor at Reading Early Years Schools Federation; Isabelle Sandy – Business Manager of Kendrick; Ita McGullion – Manager of Kennet Day Nursery; Cathy Woodcock – Finance Director of Reading School; M Grantham – Deputy Head Teacher of Highdown (substitute for R Cave); Alison McNamara – NEU

Apologies

Jo Budge - Executive Head Teacher of Reading Early Years Schools Federation; Sophie Greenaway – Head Teacher of Thameside

In attendance

Brian Grady – Director of Education; Mal Fjord-Roberts – Director of Special Education – Maiden Erlegh Trust; Sylvie De Groote – Director of Finance of Maiden Erlegh Trust; Ann McDonnell – Business Manager of Blessed Hugh Faringdon; Steven Davies – Strategic Finance Business Partner; Grahame Craig – Interim DSG Business Partner; Roxanna Glennon – Strategic Lead - SEND; Fiona Hostler – Interim Head of Education & Access Support; Lara Manning – Accountancy Assistant; Vanessa Hurdle – minute taker.

	Item	Notes
1	Welcome and apologies – Vice-Chair	<p>The Vice- Chair welcomed everyone to the meeting.</p> <p>Grahame Craig read out the protocol for the virtual meeting and voting was confirmed for:</p> <ul style="list-style-type: none"> item 2 – the approval of the minutes item 7 – De-delegations item 8 – Schools' Formula item 9 – Central & Early Years' retained budgets. <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 19 October 2023 and matters arising - Chair	<p>Minutes were agreed as an accurate record of the meeting from 19 October 2023.</p> <p>Action Point - Post 16 Destinations – Brian Grady explained that he had attended the Reading Adults, Children’s Services & Education Committee the previous day. Approval has now been given to consult on an amendment to the post-16 school travel policies, which will be circulated in the Head Teachers’ bulletin</p>
3	Schools’ Forum Membership Update - Chair	As Richard was absent at this point in the meeting, no updates on membership were provided.
4	Update on SEN Strategy/Delivering Better Value – Strategic Lead - SEN	<p>Roxanna Glennon presented</p> <p>Updates were provided on what is now happening within SEND and also how the Delivering Better Value (DBV) programme’s work has progressed since the last Forum.</p> <p>The Reading Inclusion Support in Education (RISE) Team, which is the new SEND advisory service, is currently fully-funded by the DBV programme. It officially launched at the beginning of January with the whole team in post. The Team is led by a Senior Educational Psychologist, Dr Alec de Sausmarez, who oversees four SEND Consultants, including an ASC specialist and an SEMH specialist. The Team also has five SEND specialists, which include a Speech and Language Therapist, an Occupational Therapist and an ASC trainer, who specialises in support for post-16 children.</p> <p>The Team is free of charge to schools and provides support and guidance. Schools have been offered appointments with the Consultants, who have managed to meet with approximately 50% of the schools. The Consultants are asking all schools what is being managed well in terms of SEND and what are the areas for development where additional support would be needed. A bespoke training offer is then made to each school, based on their unique needs. Initial feedback from schools to the visits that they have received has been very positive.</p> <p>Schools have stated that they do not feel comfortable meeting the rapidly changing and increasing needs of their cohort. RISE, therefore, intends to increase the quality of provision across Reading by upskilling school staff with individualised training and by also modelling best practice.</p>

	<p>In addition, RISE aims to liaise with parents as they have not felt confident that schools could meet their children's needs. The RISE Team also includes a Community Engagement and Research Office, whose role is to ask parents what they want and need from SEND.</p> <p>The RISE Team is funded until 31 March 2025. It is hoped that it will be possible to fund the Team beyond this date. At some stage, the Schools' Forum will be asked if they wish to continue this service. Data will be collected between now and 31 March 2025 to determine the impact of RISE quantitatively and qualitatively. This impact data will be presented at future School Forums.</p> <p>Karen Edwards asked if all schools would be visited by the RISE Consultants. RG confirmed that all Reading schools have been emailed with an offer of an initial meeting.</p> <p>Dave Dymond asked if RISE would be involved in the school allocation process. RG explained that this would not happen as the allocation process is a statutory process for pupils with EHCPs which sits firmly within the SEND Team. RISE should just be there to act as SEND support and should be kept completely separate to the process. However, RISE may become involved in the process for Inclusion Funding for pre-school, reception and year 1, but this will involve sitting on a panel. RISE is prevention work, rather than statutory work.</p> <p>Alongside the development of RISE, the number of Additionally Resourced Provision (ARP) and satellite places within Reading are being increased. More and more schools are showing an interest in opening ARPs. The impact of the support that is offered will not just benefit the pupils with High, but will also have a wider benefit for the whole school. The possibility of opening an additional SEND school within Reading is also being considered.</p> <p>The SEND Team is being re-structured to better manage transitions. The highest performing SEND Teams in the country have been looked at and also where things are working well. The research has shown that the best structures are where the children go from 0 – year 8 and then from children in year 9 to 25 years of age. Children are then held by one Team across their key transitions. Reading is currently structured according to primary, secondary and post 16, meaning that at the time of a transition the children also move to a new team. The Team will, therefore, be re-structured from April.</p>
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		<p>All data has now been input into the banding software. This is currently being re-appraised and the results of that are due at the beginning of February.</p> <p>A further significant change that is being proposed is the way in which support is offered for pupils with SEND, who are in pre-school, Reception and year 1. It is proposed that schools can apply for Inclusion Funding of approximately £3k, which is higher than Band A funding. This would obviate the need for an EHCNA for these pupils. There would be more frequent panels, meaning that there would now be a maximum of six week's to wait to receive the funding, rather than the current 30 week wait.</p> <p>An EHCNA is currently the only way to receive additional funding for these pupils, but it is a very bureaucratic process. Sometimes it is too early to know whether a child does have life-long conditions and more time should be allowed to see if a child can catch up with its peers, but still have additional funding during this period.</p> <p>RG explained that there should be a three-way split between Education, Health and Care, but the statutory process itself is managed by Brighter Futures for Children. In recent months, however, Health is becoming more involved in the process. BG confirmed that at the recent Reading Adults, Children's Services & Education Committee that, there was a significant input from the Health service with regards to mental health, autism and ADHD pathway support. BG also explained that there is a commitment within the High Needs Deficit Management Plan to obtain increased funding from Health. The Integrated Care Board's representatives confirmed that diagnosis should not limit access to resources. Currently pupils are waiting up to two years or longer for a diagnosis for autism and ADHD.</p>
5	<p>DSG Budget Monitoring 2023-24 (updated DSG Deficit Management Plan) – Interim DSG Finance Business Partner</p>	<p>Grahame Craig presented.</p> <p>The paper is for information only. The 23/24 DSG allocation is summarised in Table 1, which shows the current DSG allocations. These remain unchanged from what has previously been reported and do not reflect the agreed transfer by the Schools' Forum of £484k from the Schools' Block to the High Needs Block for Inclusion Funding.</p> <p>It was predicted at the beginning of 23/24 that the High Needs Budget overspend would be £2.119m. It is currently forecast that the DSG overspend will be £5.571m at the end of 23/24,</p>

	<p>which includes some underspends on both the Schools and Early Years' Blocks, but the High Needs Block is showing an overspend of £6.711m.</p> <p>Schools' Block – The majority of this underspend is due to Growth Funding.</p> <p>Early Years' Block – This is a predicted underspend until the January Census figures are known. The final figure will be presented to Schools' Forum at the March meeting.</p> <p>Central Schools' Block – There is minimal change to this block, which is due to small variances on licences.</p> <p>High Needs' Block – The DSG Deficit Management Plan has been produced and links into the Delivering Better Value (DBV) Project that is occurring simultaneously. The DBV Project is taking place in conjunction with the DfE and the EFSA. The Deficit Management Plan has been presented to them and they are working very closely with Cipfa, who are acting as their agents on this issue. They have reviewed the Plan and are happy with the way that it has been presented, including the strategies that will be used to alleviate and mitigate the issues.</p> <p>Appendix 2 shows a summary of the end of year position for both mitigated and unmitigated circumstances. 2029/30 shows an unmitigated position of a £98m deficit. With the DSG deficit plan in place, the mitigated position will be a deficit of £52m. Work continues to be done between all the different bodies to try and alleviate the deficit.</p> <p>Isabelle Sandy wondered how the RISE Team and any investment in SEND would be affected by the overspends. She asked whether there was a relationship between this area and the High Needs Block, especially in light of the fact that the predicted overspends are so high. BG confirmed that the accrued overspends are in-line with all the other authorities in the country. Both the London Association of Treasurers and the DBV Programme have identified that the overspends within SEND are significant and that action needs to be taken to address these critical issues. The accrued deficit is similar to what our neighbouring authorities are seeing. Kent County Council received £110m at the end of 2023 in order to deal with their current overspend.</p> <p>The £1m grant sum that Reading received from the DfE has been used to fund the RISE Team which will try and increase</p>
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		<p>the levels of confidence and skills within mainstream schools and better meet pupils' needs. This should then reduce the need for independent non-maintained Special schools. Following on from this, more local Special school provision is required. A Strategic Asset Review has been completed with Reading Borough Council to try and identify more local Special school sites. There is also a significant investment in the High Needs Block Deficit Management Plan to increase the amount of money invested into mainstream schools with regards to ARP. This includes 408 places in ARP, which is a significant increase on the current number.</p> <p>BG explained that Appendix 3 sets out the key mitigations within the DSG Deficit Plan. The intention is to achieve an in-year balanced budget within the next three to four years. Going forward, this will be reviewed at the Schools' Forum on a regular basis.</p>
6	<p>DSG Budget Settlement for 2024-25 - Interim DSG Finance Business Partner</p>	<p>Grahame Craig presented.</p> <p>The overall DSG budget will increase by £11.4m, from £163m to £174.4m. The majority of this increase is due to the expansion taking place within Early Years'.</p> <p>Schools' Block – this will increase by 7.1%, which is in part due to the inclusion of the mainstream schools' additional grant, which is injecting a separate grant into the DSG. Within the Schools' Block, the increase is approximately 2.2% per pupil. It is still intended that there will be a transfer from the Schools' Block to the High Needs' Block of £484k, which will fund the Inclusion Fund.</p> <p>Central Schools' Block – This has increased by £5k and includes an annual reduction of 20% due to historic items.</p> <p>High Needs' Block – There has been no change to the base-funding formula. It has increased by £831k, which is a 2.7% increase. GC suggested that the DfE should be contacted for an explanation as to why the High Needs' Block has been increased by such a low percentage, given Reading's High Needs and the requirement to support pupils with SEND. The Chair confirmed that the DfE should be contacted formally by the Schools' Forum so that this issue could be addressed. Further to this GC clarified that each of the Blocks have an individual area cost-adjustment, which inflates the individual National Formula Funding rates to a local area rate. For 24/25,</p>

		<p>the High Needs' Block has seen a slight decrease in the area cost-adjustment rate for Reading, which has meant a slight fall in the unit rate from £4,913 to £4,815. The Minimum Funding Guarantee remained at 0.5%</p> <p>IS queried why the area cost-adjustment has gone down. GC explained that it is calculated nationally, so Reading is not just being compared with its statistical or geographical neighbours, but also with the country as a whole. Generally Inner London remained the same, whilst Outer London saw reductions in all area cost-adjustments. Windsor & Maidenhead also had a reduction in their High Needs' Block.</p> <p>Appendix 2 shows the timetable for setting the Budget. The ATP needs to be filed with the DfE and will probably be done on Friday 19 January.</p> <p>Appendix 1 shows a breakdown of the changes in the budget from 23/24 to 24/25. There are minor increases to both the Primary Units of Funding and the Secondary Units of Funding. Primary pupil numbers decreased slightly, whilst secondary numbers increased. There has also been an increase in Growth in the secondary establishments. There was a fall in the Central Schools' Services' Block historic commitments of £56k. However, there was also a gain in this area due to the increase in pupil numbers of £61k.</p> <p>The Early Year's Block shows the biggest growth of £2.2m, but this is due to the expansion of the Early Year's sector to include children from 9 months to the age of two years old. The current figures will change once the January Census figures are known.</p> <p>Ita McGullion queried the Nursery funding rates as they differ from those that she has received and asked if GC could look into this further.</p>
7	De-Delegations 2024-25 – Interim DSG Finance Business Partner	<p>Grahame Craig presented</p> <p>A vote is required from members on this paper.</p> <p>The Schools' Forum is asked to approve the de-delegations within the modelling, which mainly remain unchanged from 2023/24. The de-delegations are for:</p>

- **Behaviour Support Services**
- **School Improvement**
- **Union Duties**
- **General Duties**

Table 1 shows the overall de-delegations. The rates are proposed as follows:

Behaviour Support – to increase from £136.97 per FSM pupil to £140.89 per FSM pupil.

Nikki McVeigh mentioned that some schools had felt that the Behaviour Support Service was not value for money. However, the Team has recently done a presentation to Head Teachers to propose changes in the service, but because this is not a buyback service, it should be noted that its value for money should be monitored, even with the proposed changes. This can be done by feedback from Head Teachers and a presentation at the Schools Forum, once the changes are in place. NM felt that there was not a great deal of take-up by schools for this service as they did not know what the offer was.

BG proposed to convene a meeting with Cranbury College and Head Teacher representatives to discuss the Behaviour Support issue further. There should, therefore, not be a vote on this issue until after that meeting. SD suggested that, as the ATP needs to be filed, a vote should include the Behaviour Support Services, but that no funds are committed to the Maiden Erlegh Trust (Cranbury College), until BG is satisfied with the outcome of the meeting. BG agreed that the allocation itself could be included in the vote, but that the Chair would need to prepare the wording for the report on how this allocation will then be dealt with.

Union Duties – The amount has remained the same but the per pupil rate has increased very slightly

School Improvement – This has also increased.

General Duties – As with Union Duties, the amount has remained the same, but again the per pupil rates have increased very marginally

Isabelle Sandy queried the pupil rate within School Improvement as she felt that this has increased quite significantly. GC clarified that the increases in the rates are because the base budget is slightly higher and the number of pupils has declined within the primary sector. SD added that more money is being requested for School Improvement than last year. This is because School Improvement was partly-

		<p>funded by the Central Block historic funds, which are being reduced by 20% each year. The Service has also expanded by two more Advisors, which means that an extra £35k is being requested for this de-delegation.</p> <p>The vote occurred, with only maintained primary and secondary schools allowed to vote. There were eight votes in total. All agreed to the current proposals.</p>
8	<p>School Formula for 2024-25 (including Growth Fund) – Interim DSG Finance Business Partner</p>	<p>Grahame Craig presented</p> <p>A vote is required.</p> <p>The amount to be transferred for the Inclusion Fund remains at £484k. There are also no plans to change the criteria for the Growth Funding and the Falling Rolls Funding, which are detailed in Appendix 3. The Growth Fund will be 7/12 of the prevailing minimum per pupil funding rate. New and growing schools will also be funded at 7/12.</p> <p>For the falling Rolls funding, schools need to have been judged as good or outstanding at their last Ofsted inspection. Falling rolls is greater than 4.5% in the last year, but below 80% of the overall school PAN. There should also not be more than 8% in reserves as at 31 March of the previous financial year. This is capped at £100k for any school with a falling roll.</p> <p>Isabelle Sandy asked about the Growth Fund underspend which is cited in 3.4. It is hoped that this underspend will be used to fund the new secondary school, which will be opening in September 2024. GC explained that the contingency is currently needed whilst it is established what the LAs liability will be to the new school. The rules and regulations state that the LA may need to contribute to the new school from both this year's and next year's Schools' Block and it needs to come from the Growth Fund.</p> <p>For Falling Rolls, it is hoped to establish a falling rolls block of £300k, and £255k will be set aside for bulge classes.</p> <p>All the funding rates have been set to the penny of the National Funding Formula (NFF). This also includes the lump sum which has risen from £114k to £139, 246 so that it is in line with the NFF. The budget is being balanced on the basic entitlement and for this year 99% of Reading's allocation will be used.</p>

		<p>Julia Cottee asked if this included Nurseries, but GC confirmed that this relates to the Schools' Block and that all the funding for Nurseries comes from the Early Year's Block.</p> <p>Vote on the criteria for the Falling Rolls & the Growth Fund as well as the transfer to the Inclusion Fund took place. All maintained primary & secondary schools, plus academies could vote. All items were approved.</p>
9	<p>Central & Early Years' Retained Budgets 2024-25 (including draft early years' rates) – Strategic Finance Business Partner</p>	<p>Steve Davies presented</p> <p>Central Years' Block - There is £5.5k more in this Block. Table 2 shows the historic commitments, which decrease by 20% each year. These commitments cannot be increased in any way and will eventually become zero. There has been an increase in the main body of the table due to pupil numbers going up and an increase due to inflation. The Schools' Forum is required to approve the whole table, apart from Copyright Licences.</p> <p>SD clarified that Admissions is the only area which has changed from last year. The Team expanded last year, but not as much funding is required for 24/25.</p> <p>All members voted, and Table 2 was approved.</p> <p>Early Years' Block – This Block is due to change a great deal over the next 18 months. There is currently an indicative allocation for Early Years' for 2024/25. The 24/25 budget will be based on the January 24 and January 25 Censuses so it is currently not known how much money will be received for this Block. The LA is allowed to use up to 5% of this Block to pay for retained elements. Only two main Teams have been included in this Block, which is the Early Years' Team and the Early Years' Portage Team.</p> <p>Section 5.3 shows what was agreed for the Early Years' Team for 23/24. Three additional posts have been included in the second part of the section for 24/25, which it is believed are required to introduce the new Early Years' offer, the extension of two years old and from 9 months. The budget is, therefore, being increased by £114k.</p> <p>It is a similar situation with the Portage Team, which is closely linked to additional needs. As EHCPs are increasing, this is leading to a waiting list within the Portage section Two additional Portage Workers are being requested to ease this backlog. This is an additional £80k to the budget.</p>

		<p>Members were asked to vote on Table 3, which was approved.</p> <p>SD explained that it is not normally possible to provide the Early Years' Sector with their budgets in January as they are based on the January Census, which is held on the same day as the Schools' Forum. The DfE has recommended that all LAs should provide the Early Years' sector with some figures to help with their budget-setting.</p> <p>Section 6 shows the funding per hour that is expected from the Government from April 2024, and shows a comparison between 23/24 and 24/25. There is a 44% increase in the funding for two year olds and 16% for three year olds. Table 4 shows Reading's proposed figures for Early Years' from April 24. The difference between the Government's figures and Reading's figures is the centrally-retained element for the Early Years' and Portage Teams. SD confirmed that the growth in funding is sat in the two year olds sector, which has led to more retention in this area. SD also stated that Pupil Premium will apply to two year olds and the nine months plus area when this happens.</p>
10	Agenda Items for Next Meeting	<p>The next meeting will be held on 7 March 2024 at 5pm as a virtual meeting.</p> <ul style="list-style-type: none"> • Agree High Needs' Budget 2024/25 • Update Early Years' Budget 2024/25 • Falling Rolls Fund 2024/25 • Budget Monitoring Summary 2023/24 • Agree Schools' Forum meeting dates for 2024/25
11	Any Other Business	<p>There were no other items for discussion. RR thanked all attendees.</p> <p>The meeting finished at 6.30pm.</p>

Summary of Actions Outstanding

SF Date & Item no.	Action Required	Responsible Person
18 Jan – No. 6	Chair to write to DfE to ask why the High Needs' Block increase is so low	Richard Rolfe
18 Jan – No.7	Meeting with Cranbury College and Head Teacher Representatives to look at Behaviour Support Service	Brian Grady



Reading Schools' Forum

March 7, 2024

Agenda Item 4

Dedicated Schools Grant (DSG)
Budget Monitoring 2023/24

For decision

For discussion

For information

SUMMARY

This report sets out the current position (month 10) of the DSG budget for 2023/24 and outlines the variances.

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VERSION

Version 1

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Recommendations

- NOTE: The current overall DSG allocation and budget position for 2023/24.
- NOTE: The additional funding to be used to support schools in deficit.

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 (2023).
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 preceding 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 2023/24 Month 10 Overall Position

6. Appendix 1 contains the 2023/24 budget and current (month 10) forecasts. This is split between the four funding blocks, broken down by the main reporting lines for the DSG. Appendix 2 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 2023 as this deficit includes ringfenced surpluses brought forward from 2022/23 and being utilised in 2023/24 and 2024/25 (for growth fund and early years).
8. The High Needs Deficit for 2022/23 was £5.307m. The forecast deficit for 2023/24 is £8.336m giving a cumulative High Needs Deficit of £13.643m.

Table 1: Summary Budget and Forecast 2023/24

DSG Block	Current Budget £m	Forecast £m	In year Variance £m
Schools Block	51.473	50.634	-0.840
Central Schools Services Block	1.133	1.140	0.007
Early Years Block	13.277	12.969	-0.308
High Need Block	26.339	34.675	8.336
Total - Net Expenditure	92.223	99.419	7.196

1. The deficit forecast for the high needs block for the financial year has an in-year figure of **£8.336m** bringing the end of year position to **£7.196m**
2. The forecast for High Needs has increased from **£33.050m** to **£34.675m** since last reported to Schools Forum in January. This is a movement of **£1.625m**.
3. The main concern is over the High Needs Block where the starting deficit forecast was **£2.119m** and this has arisen to **£8.336m**, an in-year increase of **£6.217m**. The increase has been mitigated by underspends within the Early Years Block and Schools Block Growth funding.
4. There has been an increase of **£5.038m** in relation to Top up funding since the start of the financial year, which is the primary underlying factor for the increased overspend.
5. Average Top-up costs have risen by **13%** to **£18,400** with an increase of **5%** in funded placements. With an additional **86** top-up places being funded since the start of the financial year.

Variations, Current Risks & Emerging Issues

6. **Schools Block** - The Growth Fund budget will underspend (partly planned), with the in year surplus funding currently estimated at **£0.840m**. This will be carried forward towards paying for New secondary school and possible bulge classes in 2024/25 and beyond. The current budget allowed for bulge classes in 2023/24 has not been required this year.
7. **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.
8. **Early Years Block** - The majority of Early Years Funding (95%) is relating to the free early year's entitlement for 2, 3 and 4year-olds. The budget is based on the hours funded in the previous financial year at the set hourly rates. The DSG funding which we expect to receive is based on an average of the January 2023 and 2024 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 (usually notified in July) if there has been an under or over allocation.

The Draft census data for January 2024 has enabled us to forecast our in year position and this is estimated to have a **surplus of £0.308m**.

9. High Needs Block - Approximately 90% (84% in 22-23) 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.

Appendices

Appendix 1 – Summary DSG Budget and Forecast 2023/24 as of February 2024

Appendix 2 – Additional Information per Service for Appendix 2 table

Additional Funding from the DfE to Support Deficit Schools

10. Reading Borough Council has been supplied additional one-off funding by the DfE to assist in pressures related to Education funding that includes Maintained Schools and the Dedicated Schools Grant (DSG). The value of this funding is £218,583.
11. Various options were explored, including moving the funding to the High Needs Block, supplying more support to schools with deficits (professional assistance), asking schools to apply for additional funding via a business case submission. It was agreed that the funding will be distributed based on a review of school balances as at March 2023. This was the format used by the DfE to calculate the authority's allocation.
12. The following schools will receive a financial contribution for 2023-24;
 - a. Blagdon
 - b. Blgrave
 - c. Caversham Nursery
 - d. New Bridge
 - e. Micklands
 - f. Redlands
 - g. St Annes
 - h. St Martins
 - i. Thameside

Appendix 1 – Summary DSG Budget and Forecast @ Period 10 2023/24

Line Ref.	Description	Current Budget £m	Forecast £m	In year £m
	Schools Block			
1	Individual Schools Budget - Maintained Schools	49.728	49.728	-0.000
2	Growth Fund	1.140	0.300	-0.840
3	Behaviour Support Services (de-delegation)	0.286	0.286	0.000
4	Staff costs supply cover (trade unions) (de-delegation)	0.047	0.047	0.000
5	School Improvement (de-delegation)	0.188	0.188	0.000
6	Statutory/regulatory Duties (ESG) (de-delegation)	0.084	0.084	0.000
7	0.5% movement to the High Needs Block	0.000	0.000	0.000
	Sub Total Schools Block Net Expenditure	51.473	50.634	-0.840
	Central Schools Services Block			
10	Contribution to combined budgets	0.253	0.253	0.000
11	School admissions	0.289	0.289	0.000
12	Servicing of schools forum	0.020	0.020	0.000
13	Prudential borrowing costs	0.026	0.026	0.000
14	Other Items (copyright licences)	0.128	0.135	0.007
15	Statutory/regulatory Duties (ESG)	0.417	0.417	0.000
16	Sub Total Central School Services Block Net Expenditure	1.133	1.140	0.007
	Early Years Block			
19	Early Years Funding (free entitlement)	12.489	13.152	0.663
20	Support for inclusion	0.050	0.050	0.000
21	SEN support services (Portage/Dingley)	0.438	0.438	0.000
22	Central expenditure on early years entitlement	0.301	0.301	(0.000)
	Early Years In year supplementary Grant	0.000	(0.971)	(0.971)
23	Sub Total Early Years Block Net Expenditure	13.277	12.969	(0.308)
	High Needs Block			
26	SEN placements - Maintained Schools (first £10k/£6k place funding)	1.746	2.848	1.102
27	Top up funding - Special Schools inc PRU	11.346	12.340	0.994
28	Top up funding - Resource Units	0.881	0.800	(0.081)
29	Top up funding - Mainstream	3.220	5.264	2.044
30	Top up funding - Nursery	0.066	0.144	0.077
31	Top up funding - FE Colleges	1.801	1.917	0.115
32	Top up funding - Alternative Provision	0.936	1.538	0.602
33	Top up and other funding - non maintained & independent schools	5.197	6.483	1.285
34	Additional high needs targeted funding (Inclusion Fund)	0.484	0.484	0.000
35	SEN support services	0.659	0.696	0.038
36	Hospital education services	0.196	0.171	(0.025)
37	Support for Inclusion	0.550	0.550	(0.000)
38	Therapies and other health related services	0.520	0.520	0.000
39	Medical Tutoring (Children Missing Education)	0.050	0.050	0.000
40	Hard to Place Funding	0.050	0.050	0.000
41	Children Missing Education	0.146	0.146	0.000
42	SEN Transport	0.100	0.100	0.000
43	Teachers pay & pension grants to special schools/PRU	0.296	0.296	(0.000)
44	Central Services	0.213	0.278	0.065
	Budgeted Overspend as of April 2023	(2.119)	0.000	2.119
45	Sub Total High Needs Block Net Expenditure	26.339	34.675	8.336
46	Total All Blocks Net Expenditure	92.223	99.419	7.196
47	Total DSG Allocation Available			
48	Balance - Deficit / (surplus) In Year	92.223	99.419	7.196

Appendix 2 – 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 – Inclusion Fund – Funding agreed by schools which has been transferred from the schools block to the high needs block to pay towards supporting schools with a higher percentage of pupils with EHCPs than the statistical neighbour average to support inclusion in mainstream schools

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 – Children Missing Education - Medical Tutoring

Line 40 – Hard to Place Funding

Line 41 – Children Missing Education - Contributions to Children missing education

Line 42 - SEN Transport – Contributions to SEN School Travel

Line 43 – Teachers Pay and Pension grants to special schools/PRU

Line 44 – Central Services



Reading Schools' Forum

March 07, 2024

Agenda Item 5

High Needs Block Budget 2024/25

For decision

For discussion

For information

SUMMARY

This report sets out a breakdown of the high needs block funding allocation and budget for 2024/25

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VERSION

Version 1

DATE

March 7, 2024

REVIEW DATE

None

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1. Recommendations

- 1.1 NOTE: The high needs block funding for 2024/25 (section 3)
- 1.2 NOTE: The proposed Top-up Unit Values from April 2024/25 (section 4)
- 1.3 NOTE: The proposed budgets for the high needs block in 2024/25 (section 5).

2. Background

- 2.1 The High Needs Block (HNB) supports the delivery of the Council's Special Educational Needs and Disability (SEND) Strategy (2022 – 2027). The Strand 1 work stream which includes representative members of Schools Forum incorporates the analysis of data and information, including financial information, to inform future provision and joint commissioning.
- 2.2 The HNB is currently in deficit, and the monitoring of this position is updated in the budget monitoring report brought to each meeting of the Schools' Forum. As the current year budget monitoring shows, the number of pupils receiving EHCPs which the Council is legally obliged to fund continues to grow, and the inflationary increases applied by external providers continue to rise, with both at a greater cost than the increase in funding received in each year.
- 2.3 Limited increases in budget for 2024/2025 have caused great concern and we have sent a letter from Schools forum to the DFE to stress that the allocation is not sufficient and why Readings Area Cost Adjustment has decreased.
- 2.4 The local authority decides the high needs budget but welcomes comments and suggestions from the Schools' Forum.

3. High Needs Block Funding 2024/25

- 3.1. The HNB element of the Dedicated Schools Grant (DSG) for 2024/25 was announced on 19th December 2023 and further information on the funding arrangements can be found in ESFAs High Needs Operational Guide. [High needs funding: 2024 to 2025 operational guide - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/high-needs-funding-2024-to-2025-operational-guide)
- 3.2. All local authorities are to receive a minimum increase of 3% per head for all authorities per head of the age 2 to 18 population based on their 2023/24 allocation. For Reading, the high needs block is increasing by £0.987m (3.1%) to £31.316m. This is subject to change as is based on 2023 data in relation to our import / export adjustment. It is also gross of any Academy place funding recoupment. In comparison, the minimum increase per LA for 2023/2024 was 9.8%.
- 3.3. At the January 2024 meeting of the Schools' Forum, it was agreed to transfer up to the maximum 0.5% of funding from the schools' block to the high needs block, in order to financially support schools with disproportionate numbers of pupils with EHCPs. This has been set at the current contribution of £484k.
- 3.4. The allocation for 2024/25 is broken down as shown in Table 1 (also comparing to the 2023/24 allocation).

Table 1: High Needs Block Funding Allocation 2023/24 and 2024/25

HIGH NEEDS BLOCK	2023/24 ALLOCATION	2024/25 ALLOCATION	Variance
High Needs formula	£29,121,762	£31,267,296	£2,145,534
Special School census pupil numbers allocation	£1,993,081	£2,164,251	£171,170
AP Provision with AP Pay and Pension	£307,798	£315,052	£7,254
Import/Export adjustment	-£2,274,000	-£2,430,000	-£156,000
Gross High Needs Allocation	£29,148,641	£31,316,600	£2,167,959
Add transfer from schools' block	£484,000	£484,000	£0
Supplementary Grant (moved into formula for 24/25)	£1,337,081	£0	-£1,337,081
High Needs Funding Available	£30,969,722	£31,800,600	£830,878
Academies place funding top slice (recoupment) for ESFA to pay academies direct	-£4,533,000	-£4,590,000	-£57,000
Net High Needs Block Funding	£26,436,722	£27,210,600	£773,878

The import/export adjustment for 2024/25 is £2,430,000 and will be re-confirmed by July 2024. This is based on the high needs' places provided in Reading to other LAs pupils less high needs places accessed by Reading pupils in other LAs (for Reading this is a deduction in funding as we are a net exporter).

After the Import and Export adjustments and the increase Academy recoupment the increase in allocation totals £0.774m.

£0.987m 3.1% increase in allocation

(£0.156m) increase import and export expenditure

(£0.058m) increase academy recoupment expenditure

£0.774m Increase in Readings Allocation after recoupment.

4. Inflation Uplift to Top-up Unit Values from April 2024.

- 4.1 Inflation is currently dropping nationally, but it's still high in key areas. We also recognise the issues in finding TAs and for these reasons Reading have proposed an increase of 3.1% on all top-up values for 2024/25 starting on the 1st April 2024, in line with the DSG High Needs block funding.
- 4.2 This is slightly lower than the 5% awarded for 2023/24 when Inflation was around 10%.
- 4.3 For commissioning purposes we will reject and challenge any independent provider who asks for more than 3.1% to make sure all educational settings are treated in a fair way.

5. High Needs Block Budget 2024/25

- 5.1. Table 2 sets out the current and proposed budget for 2024/25. The paragraphs that follow set out further information for each budget line.

Table 2: High Needs Budget 2023/24 and 2024/25

REF to PARAGRAPH BELOW	DESCRIPTION	CURRENT BUDGET 2023/24	PROPOSED BUDGET 2024/25	CHANGE
6	Centrally Retained Budgets			
6.1	Inclusion support posts	£250,300	£210,200	-£40,100
6.2	Inclusion support – schools with higher proportion of EHCPs	£484,000	£484,000	£0
6.3	Inclusion Support – Therapeutic Thinking	£50,000	£50,000	£0
6.4	Inclusion Support – ASD outreach	£41,000	£42,000	£1,000
6.5	Early years inclusion funding	£275,000	£150,000	-£125,000
6.6	Early Intervention Funding	£0	£500,000	£500,000
6.7	Contract - Sensory consortium	£378,000	£393,000	£15,000
6.8	Contract - Speech/language & occupational	£520,000	£520,000	£0
6.9	Virtual School – Children looked after	£214,500	£223,900	£9,400
6.10	Transport contribution	£100,000	£0	-£100,000
6.11	Central overheads	£79,000	£85,000	£6,000
6.12	Teachers Pay & Pension grants	£296,000	£296,000	£0
6.13	Commissioning	£134,000	£100,000	-£34,000
6.14	Medical Tutoring (Children Missing Education)	£50,000	£50,000	£0
6.15	Hard to Place Funding	£50,000	£50,000	£0
6.16	Children Missing Education Team	£146,000	£168,700	£22,700
6.17	Medical Hospital Tuition (Tier 4)	£30,000	£19,000	-£11,000
	Total Centrally Retained Budgets	£3,097,800	£3,341,800	£244,000
7	Placement Funding			
7.1	Primary + Secondary + Nursery Resource Units (12 places)	£925,667	£120,000	-£805,667
7.2	Additional Resourced Provisions – Primary + Secondary (ARPs)	£0	£3,891,000	£3,891,000
7.3	Additional Resourced Provisions – Early Years (ARPs)	£0	£942,990	£942,990
7.4	Cranbury Hospital Funding	£166,000	£180,000	£14,000
7.5	Holy Brook (32 places)	£320,000	£320,000	£0
7.6	Cranbury College	£1,203,859	£780,000	-£423,859
	Total Maintained Schools	£2,615,526	£6,233,990	£3,618,464
8	Academy Schools (top sliced/Recouped)			
8.1	Resource Units (35 places)	£278,000	£210,000	-£68,000
8.2	The Avenue special school (220 Places)	£2,275,834	£2,200,000	-£75,834
8.3	Hamilton (56 Pre-16 and 8 Post-16)	£640,000	£640,000	£0
8.4	Cranbury College PRU pre 16 (100 places)	£1,000,000	£1,000,000	£0
8.5	Thames Valley special Free (54 places)	£540,000	£540,000	£0
8.6	Cranbury College Post 16 (32 places)	£240,000	£0	-£240,000
	Total Academy Schools (top sliced/Recouped)	£4,973,834	£4,590,000	-£383,834
9	EHCP Top Ups			
9.1	Mainstream schools	£3,286,858	£4,350,000	£1,063,142
9.2	Special Schools	£10,142,426	£12,278,000	£2,135,574
9.3	Resource units	£880,730	£305,000	-£575,730
9.4	Independent & Non Maintained Special	£5,197,199	£6,043,000	£845,801
9.5	Further Education Colleges	£1,801,473	£1,355,000	-£446,473
9.6	Other Independent Alternative Placements	£801,296	£691,000	-£110,296
9.7	Personal Budgets	£134,289	£100,000	-£34,289
	Total EHCP Top Ups	£22,244,271	£25,688,000	£2,877,729
10	High Needs Block Expenditure Total	£32,931,431	£39,287,790	£6,356,359
11	Savings and efficiencies requirement	-£1,961,709	-£7,487,190	-£5,525,481
12	High Needs Block DSG Indicative Allocation (including £484,000 Transfer from Schools Block)	£30,969,722	£31,800,600	£830,878

- 5.2. The forecast High Needs expenditure for **2024/25 is £39.288m**, which is **£7.487m** (23.5%) above the in-year HNB DSG allocation of **£31.801m**, which is the High Needs budget for 2024/25. Savings and efficiencies of **£7.487m** will need to be achieved to avoid any further increase on the High Needs deficit.
- 5.3. All top-ups' budgets have had **3.1% inflationary** increase.
- 5.4. New processes, projects and support will have an unknow effect on demand and further work will be required to see how the impact of ARPs, Inclusion funding and the RISE team have in the forthcoming future.
- 5.5. SEND banding system project is underway and further updates will be supplied to Schools Forum and other project groups in due course.

6. Centrally Retained Costs

- 6.1. **Inclusion support posts (£210,200)** – this budget includes the cost of three posts retained by the Local Authority. They carry out a range of statutory functions relating to monitoring exclusions, part time timetables and other issues relating to vulnerable pupils, and ASC advisory support/outreach.
- 6.2. **Inclusion support (£484,000)** – This is funding to support schools with a higher percentage of pupils with EHCPs than the statistical neighbor average to support inclusion in mainstream schools. The method for its allocation was agreed at the July 2018 meeting of the Schools' Forum following the recommendation of a SEND working group and was reviewed (via a consultation with all schools) during Autumn 2023. Following a further consultation with all schools on the funding of this support, Schools' Forum agreed to transfer £484,000 from the schools' block to the high needs block to pay for this support, and this funding is ringfenced specifically for this purpose.
- 6.3. **School Inclusion Panel (Therapeutic Thinking Approach) (£50,000)**
- 6.4. **ASD Outreach (£42,000)** is provided by Christ the King School.
- 6.5. **Early Years Inclusion Fund (£150,000)** - It supports inclusion of children in early years' settings. Work has been undertaken to move away from 1:1 funding to identify and support inclusive practices and resources that enable young children with SEND to have their needs met in these settings.
- 6.6. **Early Intervention Funding (£500,000)** – New 2-year pilot scheme starting in September 2024 that will provide schools additional funds for pupils within NCY -1/0/+1 within maintained and academy schools.
- 6.7. **Sensory Consortium (£393,000)** – This is a joint arrangement with Windsor and Maidenhead and other Berkshire Local Authorities.

- 6.8. **Speech and Language (SALT) and Occupational Therapy (OT) Contract (£520,000)** - The contract value has now been adjusted to include all academies, as some were originally excluded.
- 6.9. **Virtual School Children Looked After (£213,900)** - This contribution towards the Virtual school for Children Looked After.
- 6.10. **SEND transport contribution (£0)** – Removed due to CIPFA /ESFA Recommendation.
- 6.11. **Central overheads (£85,000)** - This contributes towards the cost of council overheads.
- 6.12. **Teachers Pay & Pension Grants (£296,000)** – This amount has been added to the HNB DSG for the local authority to pay over to special schools and alternative provision these grants based on the actual number of pupils recorded in the October 2021 census.
- 6.13. **Commissioning (£100,000)** – SEN Placement costs are the main driver of spend within the High Needs Block and BfC are focusing on the procurement of high cost placements to see better arrangements, contracts and partnership working can bring down the average costs of placements.
- 6.14. **Medical Tutoring (Children Missing Education) (£50,000)** – To ensure the local authority are able to discharge their statutory duty in providing appropriate tuition to pupils who are medically unfit for school.
- 6.15. **Hard to Place Funding (£50,000)** – To create a fund to support children going through the fair access protocol or requiring intervention to prevent permanent exclusions.
- 6.16. **Children Missing Education (CME) (£168,700)** – To maintain the offer of service in regard to Children Missing Education and Elective Home Education where numbers have increased considerably since the pandemic. In conjunction with the growing statutory duties with the attendance support team, the CME will adopt service roles from them to ensure continued service delivery.
- 6.17. **Other hospital funding (£19,000)** - This budget funds the cost of pupils' education while they attend tier 4 specialist independent mental health hospital provision which is commissioned by NHS England.

7. Place Funding

- 7.1. **Primary Resource Unit (£120,000)** - £10k for 12 places
- 7.2. **Additional Resourced Provisions (ARPs) – Primary + Secondary (£3,891,000)** – New ARPs have been created within 2023/24 and more are to be converted and created in 2024/25.
- 7.3. **Additional Resourced Provisions (ARPs) – Early Years (£942,990)** – New ARPs have been created within 2023/24 and more are to be converted and created in 2024/25.
- 7.4. **Hospital Education (£180,000)** - This budget funds a teaching team at the Royal Berkshire Hospital and is hosted by Cranbury College. It is required to support pupils from any Local Authority area who are in hospital in Reading.

- 7.5. **Holybrook Special School Place Funding (£320,000)** - £10k each 32 places
- 7.6. **Pupil Referral Units top up funding (£780,000)** – Cranbury College receive this sum for PRU placements. Funding removed from schools for permanent exclusions are credited against this budget if the pupil is subsequently placed in a PRU.

7. Academy Schools (Recouped and paid by ESFA) – Confirmation in July 2024

- 7.1 **Secondary Resource Units (£210,000)** - £6k for 35 places
- 7.2 **Avenue School (£2,200,00)** - £10k for 220 places
- 7.3 **Hamilton (£640,000)** – 10k for 54 pre-16 and 8 post 16 places.
- 7.4 **Cranbury College (£1,000,000)** – 10k for 100 places
- 7.5 **Thames Valley Special Free School (£540,000)** – 10k for 54 places

8. EHCP Top Ups

- 8.1. **Mainstream schools Top Up (£4,350,000)** – this is based on the actual number of top ups as at February 2024 with reduction due to the implementation of ARPs
- 8.2. **Special School Top Up (£12,278,000)** – this is based on the actual number of top ups as at February 2024, The budget has assumed an overall average increase in rates of 3.1%, though we have no control on increases in other local authorities.
- 8.3. **Resource Unit Top Ups (£305,000)** - this is based on the actual number of top ups as at February 2024 with reduction due to the implementation of ARPs. The budget has assumed an overall average increase in rates of 3.1%, though we have no control on increases in other local authorities.
- 8.4. **Out of Authority (OOA) Independent and Non-Maintained Special Schools (NMSS) (£6,043,000)** – this is based on the actual number of top ups as at February 2024 with a assumed savings target. The budget assumes inflation at 3.1%.
- 8.5. **Further Education Colleges (£1,355,000)** – this is based on the actual number of top ups as at February 2024, with a assumed savings target. The budget assumes inflation at 3.1%.
- 8.6. **Other independent alternative placements (AP) (£691,000)** – Where schools place pupils who are already receiving top up, they are now responsible for this payment to avoid double funding. This budget is based on the actual number of top ups as at February 2024 with a saving target included for 2024/25. Assumes an increase for inflation of 3.1%.
- 8.7. **Personal Budgets (£100,00)** – Demand led budget based on parent/carers choice.

Appendices

Appendix 1 – Top-up Rates for Reading Schools from 1 April 2024.

	CURRENT RATE	NEW RATE	Increase	Increase %
SPECIAL SCHOOLS				
The Avenue				
ASD1	£8,411	£8,671	£261	3.10%
ASD2	£16,779	£17,299	£520	3.10%
ASD3	£20,969	£21,619	£650	3.10%
ASD4	£27,153	£27,995	£842	3.10%
ASD5	£32,750	£33,765	£1,015	3.10%
ASD6	£43,113	£44,450	£1,337	3.10%
ASD7	£53,886	£55,556	£1,670	3.10%
MLD1	£3,665	£3,778	£114	3.10%
MLD2	£7,455	£7,686	£231	3.10%
MLD3	£11,235	£11,583	£348	3.10%
MLD4	£15,015	£15,480	£465	3.10%
MLD5	£20,412	£21,045	£633	3.10%
MLD6	£22,407	£23,102	£695	3.10%
PMLD1	£18,270	£18,836	£566	3.10%
PMLD2	£25,767	£26,566	£799	3.10%
PMLD3	£27,521	£28,374	£853	3.10%
SLD1	£6,710	£6,917	£208	3.10%
SLD2	£10,500	£10,826	£326	3.10%
SLD3	£14,280	£14,723	£443	3.10%
SLD4	£18,060	£18,620	£560	3.10%
SLD5	£23,457	£24,184	£727	3.10%
SLD6	£25,452	£26,241	£789	3.10%
HB (Holybrook)	£19,488	£20,902	£604	3.10%
PC (Hamilton)	£14,910	£15,372	£462	3.10%
RESOURCE UNITS (RESB) / ADDITIONAL RESOURCED PROVISION (ARP)				
EP RESB	£2,657	£2,739	£82	3.10%
HI RESB	£13,230	£13,640	£410	3.10%
PR RESB	£3,119	£3,215	£97	3.10%
ARP MLD *	£21,000	£21,000	£0	0.00%
ARP SLD *	£28,000	£28,000	£0	0.00%
ARP MLD (MNS) *	£11,666	£11,066	£0	0.00%
ARP SLD (MNS) *	£15,666	£15,666	£0	0.00%
MAINSTREAM				
BANDA	£2,993	£3,085	£93	3.10%
BANDB	£5,376	£5,543	£167	3.10%
BANDC	£7,760	£8,000	£241	3.10%
BANDD	£9,629	£9,927	£298	3.10%
BANDE	£18,060	£18,620	£560	3.10%

*New Provisions for 2024/2025



Reading Schools' Forum

March 7, 2024

Agenda Item 6

Early Years Budget 2024/25

For decision

For discussion

For information

SUMMARY

This report sets out the early years DSG block funding and budget proposed for 2024/25.

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VERSION

Version 1

DATE

March 1, 2024

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Company number 11293709

1. Recommendations

- 1.1 NOTE: Funding allocation for 2024/25 (Table1).
- 1.2 NOTE: The early years funding rates to be paid to providers in 2024/25 (Table 2).
- 1.3 NOTE: The centrally retained early year's budget for 2024/25 (Appendix 1).

2. Background

- 2.1 The Early Years Block of the Dedicated Schools Grant (DSG) provides funding to support delivery of the early years entitlements in all early year's settings, including private, voluntary & independent settings (PVI's), maintained nursery schools, and nursery classes in infant and primary schools.

The early years entitlements are:

- the 15 hours entitlement for eligible working parents of children from 9 months to 2 years old (new entitlement from 1 September 2024)
- the 15 hours entitlement for eligible working parents of 2-year-old children (new entitlement from 1 April 2024)
- the 15 hours entitlement for disadvantaged 2-year-olds.
- the universal 15 hours entitlement for all 3 and 4-year-olds
- the additional 15 hours entitlement for eligible working parents of 3 and 4-year-olds
- maintained nursery school (MNS) supplementary funding for 3 and 4-year-olds.
- the disability access fund (DAF) for eligible children accessing the early years entitlements.
- the early years pupil premium (EYPP) for each hour an eligible child takes up any of the early year's entitlements, up to a maximum of 570 hours (15 hours per week)

Since 2017, all providers of early years should be paid the same rate dependent on age and not by type of provision.

- 2.2 The Early Years arrangements for 2024/25 were published by the ESFA on 19th December 2023 and can be found on the webpage: [Early years entitlements: local authority funding operational guide 2024 to 2025 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/118422/early-years-entitlements-local-authority-funding-operational-guide-2024-to-2025-gov.uk)

3. Early Year's Block Funding 2024/25

- 3.1. Early year's funding is mainly based on the numbers of two-, three-, and four-year olds recorded in the January census – 5/12 from the January falling in the previous financial year (January 2024), and 7/12 in the January falling in the current financial year (January 2025). The overall assumption is therefore that January numbers reflect the average position for the year, with lower numbers in the autumn, building up to the highest numbers in the summer term; this is because the free entitlement commences the term following the child's birthday. Providers receive funding based on their actual take up each term, so it is unlikely that the DSG funding received will ever match the actual spend, and this needs to be carefully managed. Pressure on this block will occur if the January census data is lower than the actual take up for the whole year. The same method applies to early years pupil premium grant (EYPPG) funding and the disability access fund (DAF).

- 3.2. The technical note 2024-2025 published 19th December 2023 shows that the current indicative DSG Early Years Block Allocation is based on the number of part-time equivalents (PTEs) taking up the entitlements as recorded on the January **2023** schools, early years and AP censuses multiplied by 15 hours × 38 weeks × local authority’s hourly funding rate and for new entitlements the DfE have calculated likely uptake.
- 3.3. ESFA will update these initial allocations in:
- July 2024 based on January 2024 PTE census numbers.
 - July 2024, based on five-twelfths of the January 2024 PTE census numbers (to cover the April 2024 to August 2024 period), and seven-twelfths of the January 2025 PTE census numbers (to cover the September 2024 to March 2025 period)
- 3.4. The breakdown of the 2024/25 allocation is shown in Table 1, which replicates the notification received from the ESFA in December 2023, which is based on January 2023 census data, with the assumption that any significant decrease or increase in take up with January 2024 census will be adjusted in July 2024.

Table 1: Early Year’s Block Funding 2024/25

	2024/25 – December ’23 Notification			
	Unit Rate	PTE NO.	No. of Units	Allocation
3 & 4 year olds - universal	£6.70	2,491	1,419,836	£9,512,900
3 & 4 year olds – eligible working parents	£6.70	891	507,893	£3,402,882
2 year olds - disadvantaged entitlement	£9.72	306	174,135	£1,692,592
2 year olds - eligible working parents	£9.72	544	310,177	£3,014,919
Under 2s - entitlement Funding	£13.24	276	157,149	£2,080,653
Early Years Pupil Premium	£0.68	657	374,598	£254,727
Disability Access Funding (DAF)	£910.00	104	104	£94,640
Maintained nursery grant	£4.64	334	190,608	£884,421
Total Allocation		5,603	3,134,500	£20,937,734

4. Early Year’s National Funding Formula (EYNFF) for 2024/25

- 4.1. New regulations came into force from 1st April 2017 for distributing funding to providers for three and four year olds.
- 4.2. Regulations include:
- LAs must pass on at least 95% of their hourly entitlement funding directly to providers.
 - May continue to use lump sums to distribute the additional supplementary funding to maintained nursery schools.
 - Must use a deprivation supplement in the three and four year old formula, and any other supplements must fall within one of the allowable categories (i.e. sparsity, flexibility, quality, English as an additional language).

- Must not channel more than 10% of funding for three and four year olds through supplements.
- Must provide a Special Educational Needs Inclusion Fund for three and four year olds.
- Must pass on Early Years Pupil Premium in full to providers of eligible three and four year olds at the national rate of £0.68 per hour up to a maximum of 570 hours per year (paid on universal hours only).
- Must fund all settings providing a place for Disability Access Fund eligible three and four year olds at the annual rate of at least £910. It is payable as a lump sum and must not be pro-rated according to hours taken up.
- Must extend all EYPP and DAF entitlements to all ages.

4.3. The only supplement used by Reading is for deprivation, and in 2023/24 this was paid on the same eligibility criteria as the PPG at £0.97 per hour. With the increase in PPG the total funding through this factor will be set at £1.65 for 2024/25. This is an increase of £0.06 from 2023/24.

4.4 Table 2 (below) shows the agreed unit costs for 2024/2025 that starts on the 1st April 2024 and how the budget has been created based on current allocation levels.

Table 2: Early Years Budget for 2024/25

PUBLISHED RATES	2024/25 – Budget Allocation			
	Unit Rate	PTE NO.	No. of Units	Allocation
3 & 4 year olds - universal	£6.20	2,491	1,419,836	£8,802,982
3 & 4 year olds – eligible working parents	£6.20	891	507,893	£3,148,935
2 year olds - disadvantaged entitlement funding	£9.40	306	174,135	£1,636,869
2 year olds - eligible working parents	£9.40	544	310,177	£2,915,663
Under 2s - entitlement Funding	£13.00	276	157,149	£2,042,937
Early Years Pupil Premium	£1.65	657	374,598	£618,087
Disability Access Funding (DAF)	£910.00	104	104	£94,640
Maintained nursery grant	£4.64	334	190,608	£884,421
Central Retained Budget (EY & Portage Teams) with C/fwd				£793,200
Total Allocation		5,603	3,134,500	£20,937,734

4.5 For Reading, the rates for 2024/25 have increased from £5.33 to £6.20 for three- and four-year olds and from £6.51 to £9.40 for two-year olds from April 2023. To arrive at the funding allocation these rates are multiplied by the number of part time equivalent (PTE) children (1 PTE = 15 hours attendance) in the relevant census multiplied by 15 hours for each week and multiplied by 38 for the number of funded weeks in the year.

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

Appendix 1 - Centrally Retained Early Year's Budget approved in January 2024 Schools forum

1. The increases in the Early Years Team are following the major changes within the Early Years sector. These changes include:
 - From April 2024, working parents of two-year-olds will be able to access 15 hours of free childcare.
 - From September 2024, 15 hours of free childcare will be extended to all children from the age of nine months.
 - From September 2025, working parents of children under the age of five will be entitled to 30 hours free childcare per week.

Local authorities have a statutory to:

- Secure sufficient childcare, which is high quality, flexible, inclusive, and accessible to all children, with a focus on those families who are disadvantaged. Therefore, we must meet the growing demand for childcare places whilst ensuring quality standards.
 - Ensure the availability of information, advice and training for childcare providers which promotes high-quality provision with regard to meeting the requirements of the Early Years Foundation Stage including safeguarding and meeting the needs of all children. With a growing supply of childcare and expansion of quality assurance increased team capacity is required.
 - Revenue budget preparation, preparation of information on income and expenditure relating to Early Years (paying out entitlement funding)
 - Provide information and advice to parents and prospective parents which is up to date, easily accessible, online and which details available childcare early education and funded spaces available in the local area. The changes, opportunities, and new systems will need to be communicated effectively to providers to ensure ease of access for early years entitlements and wraparound provision.
2. **Early Years Team** – 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 & Childcare Advisor 1.0 FTE
 - Sufficiency Project Officer 1.0 FTE
 - Finance/Data Officer 1.0 FTE

3. **Early Years Portage Team £513,700** - 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 – 6.8 FTE
- Early Years SEND Support Advisor - 1.0 FTE
- SEND Support worker – 0.80 FTE

The additional Portage Workers would:

- Increase in Portage children to receive Portage at home services.
- Increase capacity within group sessions to offer support to the waiting list.
- Reduce waiting list time for children waiting for Portage.
- Support for early years settings through termly visits for each child allocated.
- Stronger data analysis for school place planning
- Reduction in number of children requiring EHCP's due to receiving early interventions.
- Increase in sufficiency of SEND places in Early years due to increased staff confidence following training.

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



Reading Schools' Forum

March 07, 2024

Agenda Item 7

Schools' Forum Meeting Dates
2024/25

For decision

For discussion

For information

SUMMARY

This report proposes the dates and agenda items for the 2024/25 financial year.

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VERSION

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REVIEW DATE

None

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1. Recommendations

- 1.1 AGREE: The Schools' Forum dates and agenda items for the 2024/25 financial year

2. Proposed Dates

- 2.1 The Schools' Forum is a statutory and public meeting, which is required to meet as a minimum four times a year. In Reading, the Forum met four times in the last financial year with Decembers Schools Forum cancelled due to late releases of information and staff shortages. We plan to have 5 meetings for 2024/25 financial year.
- 2.2 The meetings need to be scheduled at appropriate points in the year to tie in with decision making deadlines in relation to the setting of the school budget, and release of key data and information from the Education & Skills Funding Agency (ESFA). The frequency and timing of meetings need to be agreed in advance of each financial or academic year.
- 2.3 In 2023/24 the dates worked with the ESFA deadlines and It is proposed to keep to similar dates in 2024/25. The meetings will continue to be held on Thursdays at 5pm virtually and scheduled for maximum two hours.
- 2.4 The dates proposed are set out in Table 1. The agenda and papers need to be dispatched one week in advance and published on the website so that all interested parties can access the papers and can make representations to Schools' Forum Members.

Table 1: Proposed Schools' Forum Dates 2024/25 Financial Year

MEETING DATE	DISPATCH OF AGENDA
June 20, 2024	June 13, 2024
September 26, 2024	September 19, 2024
December 05, 2024	November 28, 2024
January 16, 2025*	January 9, 2025*
March 6, 2025	February 27, 2025

**depending on APT submission date*

3. Agenda Items

- 3.1. The key agenda items for each meeting are set out below. Other ad hoc reports will be added as and when, for example to discuss school funding based national announcements or consultations launched by the ESFA.
- 3.2. June meeting agenda items:
 - DSG outturn 2023/24
 - Maintained school balances 2023/24 and budgets 2024/25
 - Review of the Schools' Forum constitution
 - DSG Budget 2024/25 and update on deficit recovery plan
 - Scheme for Financing for Schools update
 - SEND update
- 3.3. September meeting agenda items:
 - DSG budget setting strategy for 2025/26
 - Initial proposals for school funding formula for 2025/26
 - Budget monitoring 2024/25 month 5
 - SEND update.
- 3.4. December meeting agenda items:
 - DSG budget overview for 2025/26
 - Final proposals for school funding formula for 2025/26
 - Budget monitoring 2024/25 month 8
 - Agree de-delegations for 2025/26
 - Agree central school services budget for 2025/26
- 3.5. January meeting agenda items:
 - DSG actual funding settlement for 2025/26
 - Final school funding formula for 2025/26
 - Agree Falling Rolls & Growth fund for 2025/26
 - Agree Early Years centrally retained budget for 2025/26
 - Early Years funding rates for 2025/26
- 3.6. March meeting agenda items:
 - High needs budget (Including SEND Top-Ups) for 2025/26
 - Confirm Early Years Budgets
 - Budget monitoring 2024/25 month 11
 - Agree Schools' Forum meeting dates for 2025/26
 - SEND update.