

# Schools Forum

Date: Thursday 11 January 2024  
Time: 2.00 pm  
Venue: Microsoft Teams

Items on the agenda:

1. **Apologies**
2. **Voting and Actions from the Last Meeting** 5 - 8
- Matters for Decision**
3. **National Funding Formula 2024-25** 9 - 16  
Presented by Stephanie Phillips.
4. **Early Years National Funding Formula 2024-25** 17 - 24  
Presented by Stephanie Phillips.
5. **Growth Fund 2024-25** 25 - 30  
Presented by Emma Basden-Smith.
- Matters for Information/Comment**
6. **DSG Monitoring Report 2023-24** 31 - 38  
Presented by Brian Smith.
7. **DSG Recovery Plan Update** 39 - 42  
Presented by Ross Caws.
8. **Forward Plan** 43 - 44  
Presented by Dalbir Kaur.
9. **Chair's Business**

**Date of Next Meeting:**

Thursday 21 March 2024, 2:00pm to 4:00pm.  
Virtual meeting via Microsoft Teams.

**Monica Fogarty**  
Chief Executive  
Warwickshire County Council  
Shire Hall, Warwick

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**WARWICKSHIRE SCHOOLS FORUM****Voting and Actions of the meeting held on 16<sup>th</sup> November 2023****Microsoft Teams meeting 14:00 – 16:00 pm****SCHOOL FORUM MEMBERS**

Alison Ramsay	Nicholas Chamberlaine School (Academy)
Amy Woodward	North Leamington School (Academy)
Andy Mason	Stratford Upon Avon School (Academy)
Blake Francis	The Avon Valley School
Catherine Crisp	Hillmorton Primary School Rugby (Maintained)
Claire Jeffs-Watts	Bridgetown Primary School (Maintained)
Jane Burrows	Myton School (Academy)
Mary Anne Burrows	PVI – The Burrow Nursery & Pre-School
Michael Cowland	The Diocese of Coventry Multi Academy Trust
Nicci Burton	Atherstone and Bedworth Heath Nursery School (Maintained)
Philip Johnson	Whitestone Infant School (Maintained Governor)
Rebecca Harrison	Park Hill Thorns Federation (Maintained)
Ricky Emms	The Priors School (Academy)
Rose Gunn	Arden Forest Infant School (Maintained)
Sarah Bromley	PVI - Castle Nursery
Siobhan Roberson	Harris Church of England School (Academy)
Sybil Hanson	Coventry Church of England Diocese Representative

**OFFICERS/OBSERVERS**

Brian Smith	Education, Children and Families Technical Specialist
Councillor Kam Kaur	Portfolio Holder for Education
Dalbir Kaur	Accountant, Children & Education - Clerk to Schools Forum
Johnny Kyriacou	Director of Education
Purnima Sherwood	Service Manager for Finance
Ross Caws	Lead Commissioner - Strategy and Commissioning
Ruth Bell	Programme Manager (Education)
Stephanie Phillips	Senior Accountant (Team Lead) - Children & Education

**1. Apologies (Started 0:0:00, Ended 0:0:15)**

Please note: the start and the end time is the recording time of the meeting.

**Apologies were received from the following members and officers:**

Andrew Felton	Assistant Director - Finance
Carrie Clare	Park Lane Primary & Race Leys Junior (Academy)
Nick Evans	Evergreen School (Special Maintained)
Paul Hostead	The Warwickshire Academy
Peter Husband	16-19 Partnership Sector
Sophie Thompson	School Improvement Networks Lead Officer

**The following members did not attend and did not give their apologies:**

Aveninder Kaur	Representative from a Teacher's Union
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**Matters for decision:**

**2. Voting and Actions from the Last Meeting (Chair) (Started 0:0:17, Ended 0:0:43)**

Agreed

Correction on voting and action paper – Alison Ramsay attended the meeting on 28 September 2023 and paper is amended.

**3. Schools Block Funding 2024-25 (Ross Caws) (Started 0:0:43, Ended 1:36:24)**

**Recommendation:**

Schools Forum members are asked to agree:

- a) The transfer of up to 0.5% of Schools Block funding to the High Needs Block for 2024-25

**Voting:** 5 members in favour  
9 members against  
Recommendation did not carry

If the Schools Forum do not agree this recommendation, then the Schools Forum members are asked to consider a second recommendation:

- b) The transfer of up to 0.25% of funding from the School Block to the High Needs Block in 2024-25

**Voting:** 6 members in favour  
8 members against  
Recommendation did not carry

Chair proposed third option to transfer 0.125%

**Voting:** 6 members in favour  
8 members against  
Recommendation did not carry

**Actions:** Send presentation slides to Schools Forum members.  
Local Authority to submit disapplication to the Secretary of State.

**4. Forward Plan (Dalbir Kaur) (Started 1:36:37, Ended 1:37:2)**

Next Schools Forum is on 11 January 2024. There are three items for decision and two for information and comments.

Members can add item on the agenda by sending the relevant information to:  
schoolfunding@warwickshire.gov.uk

**Chair Phil Johnson (Started 1:37:3, Ended 1:38:22)**

**Phil Johnson:**

- Thanked Nick Evens for his contribution over the years to schools forum. Nick Evans handed his resignation due to work pressure at work.
- There will be an article in Newsletter (HeadsUp) to fill the vacancies before Spring.
- Chair sent his apologies for the next meeting (11 January 2024) as he will not be available and confirmed that Nicci Burton will be chairing that meeting.
- Thanked everyone for the debate.
- Thanked officers for their contribution for preparing the reports and particularly Ross for his presentation.
- Wished everyone good Christmas.

**Note:** All voting took place via Hands up function on teams.

**Meeting concludes at 15:42pm.**

If you would like to listen to the full meeting, please click [here](#)

**Next Meeting on Thursday 11<sup>th</sup> January 2024, 2:00pm to 4:00 pm Via Microsoft Teams.**

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## Item 3

**Schools Forum****11 January 2024****Schools National Funding Formula 2024-25**

This report relates to both academy and maintained mainstream schools and is for decision by all school and PVI members of Schools Forum.

**Recommendations:**

1. Schools Forum agree to recommend to Cabinet implementation of the National Funding Formula in 2024-25 in line with national guidelines as set out in paragraph 2.7. This assumes that the Local Authority's disapplication to the Secretary of State for a transfer of 0.5% from the Schools Block to the High Needs Block is not accepted.
2. Schools Forum agree to recommend to Cabinet implementation of the National Funding Formula in 2024-25 in line with national guidelines as set out in paragraphs 2.8. This assume that the Local Authority's disapplication to the Secretary of State for a transfer of 0.5% from the Schools Block to the High Needs Block is approved.

As per the DFE guidance the Local Authority's role is to construct a funding formula within the parameters of the National Funding Formula, taking account of all academies and maintained schools in the area.

Although Schools Forums do not decide on the formula, Schools Forum is asked to approve the recommendations to Cabinet to gain political approval in advance of the APT submission deadline on the 22<sup>nd</sup> January 2024. Without the relevant approvals the DFE will be unable to issue budgets to schools for the 1<sup>st</sup> April 2024.

## 1. Purpose of the Report

- 1.1. To inform Schools Forum of the Schools Block DSG Allocation for 2024-25 and how it will be allocated to schools using the National Funding Formula (NFF), ahead of the Council budget being set and approved by full Council in February 2024.

## 2. National Funding Formula 2024-25

- 2.1. In November 2023, Schools Forum were presented with the provisional DSG allocations, which were published in July 2023. The latest Schools Block allocation noted in this report is from the ESFA announcement on 19<sup>th</sup> December 2023.
- 2.2. The latest schools block DSG allocation (before deductions) for 2024-25 is £456.656m which is an increase of £31.019m (6.79%) from the 2023-24 allocation and is mainly due to increase in pupil numbers and increases in factor rates. A breakdown of the changes between 2023-24 and 2024-25 can be found in Appendix 2 of this report.
- 2.3. The total Number on Roll for 2024-25 has increased by 1,485 pupils (1.88%) above 2023-24 pupil numbers. Table 1 shows the Number on Roll changes by phase.

Phase	Number of pupils in schools 2024/25	Number of pupils in schools 2023/24	Variance
Primary	46,315	45,615	700
Secondary	34,290	33,506	784
<b>Total</b>	<b>80,606</b>	<b>79,121</b>	<b>1,485</b>

Table 1: Distribution of increased NOR 2024/25

- 2.4. The minimum pupil funding for 2024-25 has increased to £4,610 for Primary Schools and £5,995 for Secondary school compared to £4,405 in Primary Schools and £5,715 in Secondary Schools for 2023-24. This represents an increase of 4.65% and 4.90% respectively above 2023-24 funding levels.
- 2.5. A breakdown of how much each factor has increased or reduced is outlined in Appendix 1 and 2. Also, the Minimum Funding Guarantee has been set at +0.50%.
- 2.6. The DSG allocation for 2024-25 from the ESFA is not sufficient for the Local Authority to fully apply what is referred to as the 'hard' NFF in 2024-25. This is predominantly due to a larger than anticipated increase in pupil numbers. However, the conditions of the National Funding Formula allow Local Authorities to set local factors that are within 10% range so that the National Funding Formula can still be implemented.



2.7. For Recommendation 1: the majority of factors have been set in line with the 'hard' NFF as per the below:

- Allocate funding for English as an additional language for the maximum 3 eligible years in line with the 'hard' NFF.
- Prior attainment set at 100% in line with the 'hard' NFF.
- The new Split sites allocates a basic eligibility rate of £56,000 and a distance funding rate of £27,096 in line with the 'hard' NFF.
- Business Rates are fully funded, and this is mandatory.
- Funding to meet minimum per pupil funding (£4,610 for primary school pupils and £5,995 for secondary school pupils) in line with the 'hard' NFF.
- Set the Minimum Funding Guarantee at +0.50% in line with the 'hard' NFF.
- Allocate £3.6m to the Growth Fund which is the subject of a separate paper before today's schools' forum.

The factors that have been adjusted (within the NFF 10% threshold) are as follows:

- Set the Age Weighted Pupil Unit (AWPU) rate has been set 0.53% lower than the 'hard' NFF.
- All Deprivation rates (Free Schools Meals and Income Deprivation Affecting Children Index) have been set 2.56% lower than the 'hard' NFF.
- All schools are allocated a lump sum of £131,993, 2.56% lower than the 'hard' NFF.

2.8. For Recommendation 2 (this includes the transfer of 0.5% to the High Needs block): the only change to Recommendation 1 is in the rates for Age Weighted Pupil Unit (AWPU). This has been set at 1.45% lower than the 'hard' NFF for Primary and 1.52% lower than the 'hard' NFF for Secondary.

The factors that were adjusted in paragraphs 2.7 and 2.8 (within the NFF 10% threshold) were selected as they have a similar impact on all schools, rather than adversely impacting some schools over others.

2.9. Please note that the contents of this report are subject to the ESFA verifying our schools funding submission which needs to be submitted by Monday 22 January 2024. Schools Forum will therefore receive the final budget position at the March meeting.

**Stephanie Phillips**

**Senior Accountant (Team Manager) - Education**

Email: [stephaniephillips@warwickshire.gov.uk](mailto:stephaniephillips@warwickshire.gov.uk)

**NFF Factors 2023-24 and 2024-25**

Factor	2023-24	2024-25	Change	
	A	B	(B-A/A)	B-A
<b>AWPU</b>	£	£	%	£
Primary AWPU	3,395	3,569	5.12%	174
KS3 AWPU	4,780	5,032	5.27%	252
KS4 AWPU	5,380	5,672	5.43%	292
<b>Minimum Per Pupil Funding</b>				
Primary	4,405	4,610	4.65%	205
Secondary	5,715	5,995	4.90%	280
<b>Deprivation</b>				
FSM Primary	480	481.22	0.25%	1
FSM Secondary	480	481.22	0.25%	1
FSM6 Primary	695	805.31	15.87%	110
FSM6 Secondary	1015	1,179	16.11%	164
Primary IDACI A	660	667.82	1.18%	8
Primary IDACI B	510	505.78	-0.83%	-4
Primary IDACI C	475	476.31	0.28%	1
Primary IDACI D	435	437.03	0.47%	2
Primary IDACI E	280	279.9	-0.04%	0
Primary IDACI F	230	230.79	0.34%	1
Secondary IDACI A	915	928.07	1.43%	13
Secondary IDACI B	720	726.75	0.94%	7
Secondary IDACI C	670	677.64	1.14%	8
Secondary IDACI D	610	618.72	1.43%	9
Secondary IDACI E	441	441.94	0.21%	1
Secondary IDACI F	330	333.91	1.18%	4
<b>Low Prior Attainment</b>				
Primary LPA	1,160	1,179	1.60%	19
Secondary LPA	1,725	1,788	3.65%	63
<b>English as an Additional Language</b>				
Primary EAL	580	594.29	2.46%	14
Secondary EAL	1,570	1,597	1.69%	27
<b>Mobility</b>				
Primary Mobility	175	966.98	452.56%	792
Secondary Mobility	250	1390.03	456.01%	1,140
<b>Lump Sum</b>				
Primary LS	127,500	131,993	3.52%	4,493
Secondary LS	127,500	131,993	3.52%	4,493
<b>Sparsity</b>				
Primary Sparsity	56,000	57,515	2.71%	1,515
Secondary Sparsity	81,000	83,603	3.21%	2,603
<b>Split Sites Funding</b>				
Basic Eligibility Funding	0	54,090	New	54,090
Distance funding rate	0	27,096	New	27,096

Appendix 1a - relates to recommendation 1

**Comparison of NFF allocations 2023-24 and 2024-25**

<b>Factor</b>	<b>2023-24 £m</b>	<b>2024-25 £m</b>	<b>Difference £m</b>	<b>Difference %</b>	<b>Reason for Change</b>
Age Weighted Pupil Unit (AWPU)	324.23	346.31	22.08	6.8%	Pupil led factor and increase in rates.
Deprivation	29.59	33.49	3.91	13.2%	Pupil led factor and increase in rates.
English as an Additional Language	3.07	3.90	0.83	27.0%	Pupil led factor
Mobility	0.08	0.72	0.64	782.6%	As per NFF requirement
Prior Attainment	26.51	28.56	2.05	7.7%	Pupil led factor
Lump Sum	29.60	30.89	1.29	4.3%	Increased Lum Sum
Split Sites	0.15	0.37	0.22	140.3%	New formula factors
Sparsity	1.08	1.10	0.02	2.2%	Increased rate
Rates	3.72	4.35	0.63	17.0%	Actual costs of rate bills are fully funded
Minimum Pupil Funding	3.88	3.14	-0.74	-19.0%	As other factors increase there is less need to protect schools through this factor
Minimum Funding Guarantee	0.25	0.22	-0.03	-11.2%	As other factors increase there is less need to protect schools through this factor
Growth Fund	3.48	3.60	0.12	3.4%	Increase in pupil number for bulk classes (for details see separate paper for growth fund)
<b>Total (impacted by roundings)</b>	<b>425.63</b>	<b>456.66</b>	<b>31.02</b>		

## Appendix 2 - relates to recommendation 2

## NFF Factors 2023-24 and 2024-25 – with a 0.5% transfer to the High Needs Block

Factor	2023-24		2024-25		Change		Hard NFF	Change	
	A	B	(B-A/A)	B-A	(B-A/A)	B-A			
<b>AWPU</b>	£	£	%	£				%	£
Primary AWPU	3,395	3,537	4.17%	142			3,588	1.45%	51
KS3 AWPU	4,780	4,983	4.24%	203			5,059	1.52%	76
KS4 AWPU	5,380	5,617	4.40%	237			5,702	1.52%	86
<b>Minimum Per Pupil Funding</b>									
Primary	4,405	4,610	4.65%	205			4,610	0.00%	0
Secondary	5,715	5,995	4.90%	280			5,995	0.00%	0
<b>Deprivation</b>									
FSM Primary	480	481.22	0.25%	1			493.562	2.56%	12
FSM Secondary	480	481.22	0.25%	1			493.562	2.56%	12
FSM6 Primary	695	805.31	15.87%	110			825.961	2.56%	21
FSM6 Secondary	1015	1,179	16.11%	164			1,209	2.56%	30
Primary IDACI A	660	667.82	1.18%	8			684.944	2.56%	17
Primary IDACI B	510	505.78	-0.83%	-4			518.744	2.56%	13
Primary IDACI C	475	476.31	0.28%	1			488.526	2.56%	12
Primary IDACI D	435	437.03	0.47%	2			448.235	2.56%	11
Primary IDACI E	280	279.9	-0.04%	0			287.072	2.56%	7
Primary IDACI F	230	230.79	0.34%	1			236.709	2.56%	6
Secondary IDACI A	915	928.07	1.43%	13			951.87	2.56%	24
Secondary IDACI B	720	726.75	0.94%	7			745.38	2.56%	19
Secondary IDACI C	670	677.64	1.14%	8			695.016	2.56%	17
Secondary IDACI D	610	618.72	1.43%	9			634.58	2.56%	16
Secondary IDACI E	441	441.94	0.21%	1			453.272	2.56%	11
Secondary IDACI F	330	333.91	1.18%	4			342.472	2.56%	9
<b>Low Prior Attainment</b>									
Primary LPA	1,160	1,179	1.60%	19			1,179	0.00%	0
Secondary LPA	1,725	1,788	3.65%	63			1,788	0.00%	0
<b>English as an Additional Language</b>									
Primary EAL	580	594.29	2.46%	14			594.289	0.00%	0
Secondary EAL	1,570	1,597	1.69%	27			1,597	0.00%	0
<b>Mobility</b>									
Primary Mobility	175	966.98	452.56%	792			966.979	0.00%	0
Secondary Mobility	250	1390.03	456.01%	1,140			1390.03	0.00%	0
<b>Lump Sum</b>									
Primary LS	127,500	131,993	3.52%	4,493			135,377	2.56%	3,384
Secondary LS	127,500	131,993	3.52%	4,493			135,377	2.56%	3,384
<b>Sparsity</b>									
Primary Sparsity	56,000	57,515	2.71%	1,515			57,515	0.00%	0
Secondary Sparsity	81,000	83,603	3.21%	2,603			83,603	0.00%	0
<b>Split Sites Funding</b>									
Basic Eligibility Funding	0	54,090	New	54,090			54,090	0.00%	0
Distance funding rate	0	27,096	New	27,096			27,096	0.00%	0

Appendix 2a - relates to recommendation 2

**Comparison of NFF allocations 2023-24 and 2024-25 (with a 0.5% transfer to the High Needs Block)**

<b>Factor</b>	<b>2023-24 £m</b>	<b>2024-25 £m</b>	<b>Difference £m</b>	<b>Difference %</b>	<b>Reason for Change</b>
Age Weighted Pupil Unit (AWPU)	324.23	343.05	18.82	5.8%	Pupil led factor and increase in rates.
Deprivation	29.59	33.49	3.91	13.2%	Pupil led factor and increase in rates.
English as an Additional Language	3.07	3.90	0.83	27.0%	Pupil led factor
Mobility	0.08	0.72	0.64	782.6%	As per NFF requirement
Prior Attainment	26.51	28.56	2.05	7.7%	Pupil led factor
Lump Sum	29.60	30.89	1.29	4.3%	Increased Lum Sum
Split Sites	0.15	0.37	0.22	140.3%	New formula factors
Sparsity	1.08	1.10	0.02	2.2%	Increased rate
Rates	3.72	4.35	0.63	17.0%	Actual costs of rate bills are fully funded
Minimum Pupil Funding	3.88	3.94	0.06	1.6%	As other factors increase there is less need to protect schools through this factor
Minimum Funding Guarantee	0.25	0.40	0.15	62.1%	As other factors increase there is less need to protect schools through this factor
Growth Fund	3.48	3.60	0.12	3.4%	Increase in pupil number for bulk classes (for details see separate paper for growth fund)
<b>Total (impacted by roundings)</b>	<b>425.63</b>	<b>454.37</b>	<b>28.74</b>		

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## Schools Forum

11 January 2024

### Early Years National Funding Formula 2024-25

This report relates to all early years providers and is for decision by all school and PVI members of Schools Forum.

#### 1. Recommendations

- 1.1. The Schools Forum is asked to approve increasing the deprivation rate for 3 & 4-year-olds to 63p per eligible child, in line with the changes to the Early Years Per Pupil Premium (EYPPP) rate and allocating the remaining available funding to the universal base rate bringing it to £5.22 per hour per child for 2024-25 as recommended in paragraph 7.3 and table 4.
- 1.2. The Schools Forum is asked to approve the new basis for the deprivation supplement rate for 2-year-old and under 2s. This deprivation rate mirrors the rates used by the DfE within the Early Years Funding rates (FSM, EAL, DLA and IDACI) as recommended in paragraphs 5.3 and 6.3.
- 1.3. The Schools Forum is asked to approve the retention of 5% of funding from each of the following entitlement funding streams. Under 2s, 2-year-old disadvantage offer, 2-year-old working parents and 3&4 years old entitlements as recommended in paragraph 3.9.
- 1.4. The Schools Forum is asked to note the extension in special education needs inclusion funds (SENIF) to children ages 9 months to 2 years with SEND who are taking up the early years entitlements as noted in paragraph 3.6.

#### 2. Introduction

- 2.1. In previous years all children in England and Wales have been entitled to 15 hours of free nursery education per week, 38 weeks a year from the term after their third birthday until they reach statutory school age. Parents may choose to take this up in a maintained school, nursery or in a private, voluntary, or independent sector (PVI) early year setting or with a childminder.
- 2.2. From April 2024 this will be extended working parents of 2-year-old and from September 2024 from children over 9 months (Under 2s).

- 2.3. Schools and settings are funded based on participation over the whole year and not just the highest count, this ensures that funding is realistic and adjustments for over/under occupancy at the end of the year are more manageable. This will not change in line with the changes proposed above.

### **3. Early Years Consultation Summer 2023**

- 3.1. The Spring budget announced an expansion of the early years' entitlements, which will be rolled out in phased from April 2024. The delivery of the existing entitlements would also benefit from significant new investments nationwide, including £204m from Sept 2023 and £288m from April 2024. This is in addition to £4.1billion that is expected to be provided by 2027-28 for the expansion of the early years' entitlements.
- 3.2. In July, details were published by the ESFA on the £204m of additional funding which was distributed to local authorities via a standalone Early Years Supplementary Grant (EYSG) in September 2023
- 3.3. Over the Summer, a consultation was released (it ran from 21<sup>st</sup> July – 8<sup>th</sup> September) on the proposed approach to the funding entitlements for 2-year-olds and under in 2024-25. As part of the consultation illustrative funding rates were published for 2024-25.
- 3.4. On 29<sup>th</sup> November, the ESFA published the government's response to the consultation, alongside the final 2024-25 local authority hourly funding rates for the existing and new early years entitlements. This included an easy explainer document which set out how the funding rates are calculated and distributed.
- 3.5. The proposals that were consulted on were:
- To introduce a new funding formula for distributing entitlements funding for local authorities for 2-year-olds and under from 2024-25 and use the formula to determine the local authority funding rates.
  - To extend eligibility for the Early years pupil premium (EYPP) and the disability access fund (DAF) to eligible children aged 2 and under accessing the entitlements from 2024-25
  - To extend all local funding rules to the existing offer for disadvantages 2-year-olds and the new working parent entitlements, including the pass-through rate, the list of allowable supplements, and the requirement to have a SENIF.
- 3.6. Local authorities will be expected to extend their special educational needs inclusion funds (SENIF) to children aged 9 months to 2 years with SEND who are taking up the early years' entitlements.
- 3.7. For 2024-25, local authorities will be required to pass through at least 95% of funding for each of the following entitlement funding streams individually:



- Under 2s
- 2-year-old disadvantage offer
- 2-year-old working parents
- 3 & 4-year-old entitlements

3.8. The remaining 5% can be retained centrally to be spent on activity such as central SEND support and eligibility checking and sufficiency. The pass-through rate will be increased from 95% to 97% once the roll out of the new entitlements has sufficiently progressed.

3.9. To help with increased support (including Early Years SEND) and eligibility checking for the increased entitlement it is proposed that the local authority pass through the 95% of funding for 2024-25 and utilise the full 5% of centrally retained funding.

#### 4. 2024-25 Allocations and rates summary

4.1. The ESFA announced in December 2023 early years allocations for 2024-25. These allocations cover the following areas:

1. Under 2s
2. 2-year-olds
3. 3- and 4-year-olds
4. Early Years Per Pupil Premium (EYPPP)
5. Disability Access Fund (DAF)
6. Supplementary Funding for Maintained Nursery Schools

4.2. Rates for 2024-25 and a comparison to 2023-24 rates are as follows:

Factor	2023-24 Rates (After supplementary grant)	2024-25 Rates	% Change
Under 2s	£0.00	£10.69	New
2-Year-olds	£7.81	£7.87	0.76%
3- and 4-year-olds	£4.98	£5.58	10.75%
TPPG	£0.03	£0.03	No Change
EYPP	£0.62	£0.63	1.59%
DAF	£828	£910	9.90%
MNS	£3.80	£4.64	

**Table1: Early Years allocations rates 2023-24 and 2024-25**

4.3. The Early Years Working Group met on Monday 8<sup>th</sup> January 2024 to discuss the allocation of funding for under 2s, 2-year-olds and 3- & 4-year-olds and to make a recommendation to schools forum.

#### 5. Allocations for Under 2s

5.1. The hourly allocation for under 2s is £10.69 per hour for 2024-25.

- 5.2. As per the new guidance up to 5% of the allocation can be retained by the Local Authority to fund central services which support all early year’s providers.
- 5.3. The main issues for the Early Years Working Group are how the funding is allocated to providers through the universal rate and deprivation rate. We currently use a deprivation rate that mirrors EYPP for 3- & 4-year-olds. We also wanted to consider the deprivation rates proposed by the ESFA in the consultation of Free School Meals (FSM), Income Deprivation Affecting Children Index (IDACI), English as additional Language (EAL) and Disability Living Allowance (DLA). The Early Years Working Group therefore considered these 2 options, subject to the 5% retention:
- (Option 1) Setting the deprivation rate to mirror the EYPP.
  - (Option 2) Setting the deprivation rate using the 4 rates used by the ESFA.

Factor	Option 1 2024-25 Allocation Per Hour (Dep 0.63p) £	Option 2 2024-25 Allocation Per Hour (Dep 0.84p) £
<b>Total for Under 2s</b>	<b>10.69</b>	<b>10.69</b>
Universal rate allocated to all providers	10.07	10.03
Deprivation Supplement*	0.09	0.13
Central Provided Services (5%)	0.53	0.53

**Table 2: options for under 2s allocations 2024-25**

\*Note: it is estimated that 15% of children are eligible for the deprivation supplement so when apportioning the 63p per hour it equates to 9p per hour (63p \* 15%)

- 5.4. The Early Years Working Group unanimously agreed to recommend to schools’ forum Option 1 and mirroring the EYPP as per the 3&4 year old formula.

## 6. Allocations for 2-year-olds

- 6.1. The hourly allocation for 2-year-olds is £7.87 per hour for 2024-25.
- 6.2. As per the new guidance up to 5% of the allocation can be retained by the Local Authority to fund central services which support all early year’s providers.
- 6.3. The main issues for the Early Years Working Group are how the funding is allocated to providers through the universal rate and deprivation rate. As per the 2-year-olds above the Early Years Working Group considered these 2 options, subject to the 5% retention:
- (Option 1) Setting the deprivation rate to mirror the EYPP.
  - (Option 2) Setting the deprivation rate using the 4 rates used by the ESFA.

Factor	Option 1 2024-25 Allocation Per Hour (Dep 0.63p) £	Option 2 2024-25 Allocation Per Hour (Dep 0.59p) £
<b>Total for 2-year-olds</b>	<b>7.87</b>	<b>7.87</b>
Universal rate allocated to all providers	7.39	7.39
Deprivation Supplement*	0.09	0.09
Central Provided Services (5%)	0.39	0.39

**Table 3: options for 2-year-old allocations 2024-25**

\*Note: it is estimated that 15% of children are eligible for the deprivation supplement so when apportioning the 63p per hour it equates to 9p per hour (63p \* 15%)

- 6.4. The Early Years Working Group unanimously agreed to recommend to schools' forum Option 1 and mirroring the EYPP as per the 3&4 year old formula.

## 7. Allocations for 3- and 4-year-olds

- 7.1. The hourly allocation for 3- and 4-year-olds has increased by 63p per hour from £4.98 per hour in 2023-24 to £5.61 per hour in 2024-25, this includes £0.03 for TPPG. This represents a 10.75% increase above the 2023-24 funding allocation.
- 7.2. As schools' forum are aware up to 5% of the allocation for 3- and 4-year-olds can be retained by the Local Authority to fund central services which support all early year's providers.
- 7.3. The deprivation rate currently mirrors the EYPP which is 62p per hour in 2023-24. The ESFA have announced that this rate will increase to 63p in 2024-25. This change in rate does not affect the deprivation supplement as it is less than 1p change. Therefore, the rates for 2024-25 are as follows:

Factor	2023-24 Allocation Per Hour (Dep 0.62P) £	2024-25 Allocation Per Hour (Dep 0.63p) £
<b>Total for 3- and 4-Year Olds</b>	<b>4.87</b>	<b>5.61</b>
Universal rate allocated to all providers	4.51	5.22
TPPG	0.03	0.03
Deprivation Supplement*	0.09	0.09
Central Provided Services (5%)	0.24	0.27

**Table 4: rates for 3- & 4-year-olds allocations 2024-25**

\*Note: it is estimated that 15% of children are eligible for the deprivation supplement so when apportioning the 63p per hour it equates to 9p per hour (63p \* 15%)

## **8. Early Years Per Pupil Premium and Disability Access Fund**

- 8.1. From 2024-25 eligibility for Early Years Per Pupil Premium (EYPP) and Disability access fund (DAF) will be extended to include eligible children aged 2 years old and under.
- 8.2. The Early Years Per Pupil Premium (EYPP) will continue to be paid as an hourly rate per child, up to a maximum of 570 hours per year. This means that, for the new working parent entitlements for 2-year-olds and under 2s EYPP will be payable on a maximum of 15 hours per week.
- 8.3. There are no other changes to the eligibility criteria for EYPP and the rate will be the same across all age groups.
- 8.4. The EYPP rate has been increased this year to 63p per hour for eligible children.
- 8.5. Disability access fund (DAF) will continue to be paid as a rate per child, per year. Children do not have to take up all of the early education that they are entitled to in order to receive DAF.
- 8.6. There are no other changes to the eligibility criteria for DAF and the rate will be the same across all age groups.
- 8.7. The Disability Access Fund allocation rate for 2024-25 is £910 per eligible child, an increase of 9.90%.

## **9. Supplementary Funding for Maintained Nursery School (MNS)**

- 9.1. From 2023 to 2024 ESFA reformed the distribution of supplementary funding to ensure that it is being shared more evenly across all local authorities with MNSs.
- 9.2. The only change that has been made to the MNS Funding for 2024-25 is the hourly rate, this has increased from £3.80 to £4.64. In 2023-24 the ESFA mainstreamed the funding that MNSs previously received through the teachers' pay and pensions grants, so as per last year this is included within each local authority's supplementary funding allocation.
- 9.3. Supplementary funding rate for Warwickshire is £4.64 and must be paid to 6 Maintained Nursery Schools for the Universal funded hours.

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**Appendix 1**

<b>Table 1: Early Years Block</b>	<b>Provisional Budget</b>
	<b>2024/25</b> £
Nursery Funding 3- & 4-year-olds (Universal funding - Independent Providers & Nursery Classes)	25,563,080
Nursery Funding 3- & 4-year Olds (Additional 15 hours)	12,094,783
Maintained Nursery Supplement	1,046,415
DSG Pupil Premium	436,284
Funded 2-year-olds - Disadvantaged	3,757,960
Funded 2-year-olds – Working Parent	10,346,478
Funded under 2s	7,120,281
Disability Access Fund	417,690
IDS TL Early Years	1,136,484
Early Years - Sufficiency & Business Support	294,411
Early Years Quality & Development	99,464
Early Years SEND Inclusion Fund	700,000
EYB Central Establishment Charges	144,067
<b>Early Years Allocations</b>	
DSG EYB Grant Allocation	63,794,899
Balance	637,502

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## Schools Forum

11 January 2024

### Pupil Growth Fund 2024/25

This report is for decision and relates to all representatives.

#### Recommendations

That funding from the 2024/25 DSG Schools Block of £3.599m is allocated to the Pupil Growth Fund to support the requirements outlined in this report:

- a. Proposed revisions to the pupil growth funding criteria.
- b. Estimated growth funding required for 2024/25 to support pupil growth in existing provision and the opening of new provision.
- c. Where there is insufficient funding to support allocations described in this report, the level of protection funding for schools will be scaled back accordingly.

Schools Forum are asked to note that an allocation of the DSG Schools Block to the Pupil Growth Fund is part of the National Funding Formula that Schools Forum have agreed to implement. The Formula provides a guideline figure for the funding allocation, which is broadly based on past trends, and this has been utilised to calculate the recommended level of transfer within this report alongside estimated growth requirements. If Schools Forum were to not support these recommendations, then Schools Forum would not be following the National Funding Formula as previously agreed and would adversely impact both place sufficiency across the County, as well as the ability of schools to fund necessary growth.

#### 1. Introduction

- 1.1. The Warwickshire Education Strategy (2018-2023) sets out the County Council's aspirations and priorities for Education in Warwickshire. Within this strategy Priority WE3 aims to ensure all learners enjoy a high-quality learning experience.
- 1.2. In this context, the [Education Sufficiency Strategy \(2018-2023\)](#) accompanied by the [Annual Sufficiency Update](#) aims to help schools, parents, council officers, local partners and stakeholders understand how Warwickshire County Council plans for and anticipates the growth in demand for places ensuring that all children and young people thrive in sustainably good or outstanding schools and settings throughout their education, wherever they live in Warwickshire.
- 1.3. The Local Authority is responsible for providing sufficient school places.

- 1.4. Warwickshire is experiencing significant growth within many parts of the county, with larger primary cohorts now entering secondary provision and large-scale housing development building out and proposed to continue to build out across the county over the next 15 years and beyond. As development progresses across the county there will be the need for the delivery of new provision and the expansion of existing provision during the next 5 years and effective planning for further new provision beyond that period. One new primary school and an all through school opened in September 2023 with another new primary due to open in September 2024.
- 1.5. The growth fund can be used to support schools which are required to provide extra pre-16 places to meet basic need within the authority, including the pre-opening and post opening costs of new schools and reorganisation costs.
- 1.6. Funding for growth is allocated to the Local Authority separately within the National Funding Formula and calculated based on actual pupil growth between the annual October censuses. Allocations for 2024-25 were announced on 19 December 2024 and have been based on the increases between October 2022 and 2023 pupil census data. The finalised available amount to support pupil growth is £3.645 million.
- 1.7. For 2023/24 the estimated requirements were circa £3.400 million. The final expenditure is forecast to be circa £3.100 million.

## **2. Current criteria in Warwickshire for administering Growth Funding**

### **2.1. Primary School (Reception to Year 6)**

- 2.1.1. When a primary school agrees to admit an additional class at the request of the LA, they are paid £51,546 for each new class to cover the seven month period before these pupils begin to be funded through the formula based on the October Census. For bulge classes this would be a one-off payment, while for expansions the payment would be made for a maximum of seven years depending on the number of new classes opened. In terms of academies, which are funded on academic year, there is a 12-month period before funding for the additional class is received, therefore an additional £31,105 is paid to academies in April and recouped from the ESFA by the LA.
- 2.1.2. Primary schools that are in the process of expansion, or those that have admitted a bulge class at the request of the LA, also receive protection funding for up to seven years from when an additional class is opened (inclusive of the first year of funding). For the first year of funding, the additional protection funding is based on the primary basic entitlement AWPU figure (£3,562 for 2024/25) and is for 5/12 of the year, as the school would have already received the Pupil Growth Funds to support with first 7/12 of the year<sup>1</sup>. In second and subsequent years of funding, if the class has 25 pupils or fewer, the school is eligible to receive AWPU for the difference up to 25 pupils. Where applicable, this protection funding can also be applied to new free

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<sup>1</sup> Protection funding in the first year not applicable to academies that received full 12-month growth funding payment.



schools opened via the LA presumption route or through the Central Government Free School Programme.

- 2.1.3. The growth fund can also provide support for those schools undergoing reorganisation, for example, an extension of the age range. Costs incurred can vary considerably, and to ensure an equitable yet flexible approach, each re-organisation will be assessed, and the appropriate method and level of funding agreed follow consultation with the relevant officers.
- 2.1.4. **Proposed uplift to primary growth funding payment:** The LA have reviewed the staffing element of the growth funding in light of the recent pay. A 6.5% uplift has been added to the teacher and teaching assistant salary elements. Therefore, when a primary school agrees to admit an additional class at the request of the LA, they would be paid £53,508 for each new class to cover the seven-month period before these pupils begin to be funded through the formula based on the October Census. For academies, which are funded on academic year, an additional £32,506 is paid in April and recouped from the ESFA by the LA.

## 2.2. Secondary School (Year 7 to Year 11)

- 2.2.1. When a secondary school agrees to admit an additional form of entry at the request of the LA, they are paid £51,655 for the seven-month period before these pupils begin to be funded through the formula based on the October Census. For bulge classes, this would be a one-off payment, while for expansions the payment would be made for a maximum of five years. For academies, which are funded on academic year, an additional £33,325 is paid to academies in April and recouped from the ESFA by the LA.
- 2.2.2. **Proposed uplift to secondary growth funding payment:** As a result of the recent pay award a 6.5% uplift has been added to the teacher and the teaching assistant salary element.
- 2.2.3. Therefore, when a secondary school agrees to admit an additional class at the request of the LA, they would be paid £53,748 for each new class to cover the seven-month period before these pupils begin to be funded through the formula based on the October Census. For academies, which are funded on academic year, an additional £34,820 is paid in April and recouped from the ESFA by the LA.
- 2.2.4. Following on from the initial growth funding in the first year, in second and subsequent years, protection funding will be paid up to a maximum of 25 pupils per year group. For example, where an additional 30 places are being made available in a year group (on top of the existing PAN), protection funding will be paid on 25 pupils – a school with a PAN of 180 makes places available up to 210 places; protection funding will be provided up to 205 pupils. The protection funding will be based on the Secondary basic entitlement AWPU (24/25 £5,022) and based on the October 2023 Census figure.

- 2.3. **Proposed addition to growth fund criteria:** To recognise the additional costs incurred for specific very significant changes it is proposed that in the following circumstances a grant of up to £40,000 is made available in the year prior to the change.
- Expansion requires relocation.
  - Expansion requires moving onto a split site.
  - Expansion involves adding a phase (e.g., Secondary, or primary phase becoming all-through)

The final amount will be dependent on pre agreed expenditure between school/Trust and LA

### 3. School Pre-Opening and Post Opening Funding

- 3.1 Under the free school presumption local authorities are required to meet the capital costs of providing the new school and the revenue costs of opening the new provision.
- 3.2 In providing the revenue support, provision must be made in the LA's growth funds to finance pre-opening development costs and post-opening funding to reflect the additional costs of establishing and operating a new school during the first few years when pupil-led revenue funding is not sufficient to cover the full running costs.

#### 3.3 Pre-Opening Funding (Project Development Grant) – No changes are proposed.

- 3.3.1 The pre-opening funding is intended to cover revenue costs up to the opening of the school. This can include project management, staff recruitment, salary costs and office and administration costs. The grant is paid in three instalments during the year prior to opening.
- 3.3.2 The current pre-opening funding grant follows a similar funding level to the project development grant given to new schools opened through the Central Government Free School Programme.
- 3.3.3 The Project Development Grant proposed by WCC breaks down as follows:

Primary £195,000 (£125,000 if the trust is opening more than one school in an academic year)

Secondary and all-through £275,000 (£175,000 if the trust is opening more than one school in an academic year)

- 3.3.4 An ICT grant would also be provided to fund the ICT equipment and expenditure not covered by the Capital Build. A grant of up to £50,000 is proposed for Primary Schools and up to £100,000 for a Secondary School.
- 3.3.5 It should be noted that all LA presumption schools also receive a £25,000 project development grant from the Department for Education.

### 3.4 Post Opening Funding (New Mainstream Free School) – No changes are proposed.

3.4.1 The current approach follows a similar format to the post opening grant paid by the DfE to free schools opened through the Central Government Free School Programme. There are two elements to the post-opening grant: non-staffing resources paid on a per pupil basis and a leadership grant.

3.4.2 The Resources element: Paid each year that the school builds up to capacity for each new pupil expected to be on roll. It is paid at the following rates:

- £250 for each new mainstream pupil in the primary phase (R to 6)
- £500 for each new mainstream pupil in the secondary and 16 to 19 phases (7 to 13)

3.4.3 The Leadership element: Paid annually based on the number of year groups that the school will ultimately have that do not yet have pupils. The amount paid to mainstream schools depends on how many year groups are empty.

Table 1: Leadership element of post opening grant

Phase	Number of empty year groups						Max
	6+	5	4	3	2	1	
Primary	£80,500	£67,500	£54,000	£40,500	£27,000	£13,500	£283,000
Secondary			£125,000	£93,500	£62,500	£31,000	£312,000
All Through	£125,000	£93,500	£62,500	£54,000	£40,500	£27,000	£402,500

NB. Leadership element not affected by school size or whether there is a sixth form

Table 2: Total Cost\*

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Max. Total
Primary (1FE)	£88,000	£75,000	£61,500	£48,000	£34,500	£21,000	£7,500	£335,500
Secondary 7 to 11 (6FE)	£215,000	£183,500	£152,500	£121,000	£90,000	-	-	£762,000
All Through 11-16 (1FE primary & 6FE Secondary)	£222,500	£222,500	£222,500	£125,000	£97,500	£7,500	£7,500	£905,000

\*Maximum cost assuming school growing 1 year group at a time. Cost would be subject to change depending on the timing of year groups being opened. Funding will be adjusted over the opening period in line with the maximum total paid.

#### **4. Growth Funding requirements for 2024/25**

4.1 For 2024/25 the growth funding requirements to support pupil growth in primary and secondary provision and to support the opening of new provision is estimated at £3.599 million (including recoupable amounts); of which:

- £3.228 million is required to support pupil growth in line with the growth funding criteria outlined in this report.
- £0.371 million is required to support the pre-opening and post opening of new LA presumption schools.
- The new rates will be applicable from September 2024

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### Schools Forum

**11 January 2024**

## 2023/24 Dedicated Schools Grant Financial Monitoring Report

This report relates to both maintained and academy schools and all members of the Schools Forum and is for information and comment.

### Recommendation

Schools Forum is recommended to:

- Note the DSG forecast financial outturn position for 2023/24, as at Period 8.
- Note the forecasted outturn position of the DSG reserve for 2023/24, as at Period 8.

### 1. Introduction

- 1.1. This report provides an update on the 2023/24 forecast outturn position of the Dedicated Schools Grant (DSG).
- 1.2. The total 2023/24 DSG allocation for Warwickshire, reported to Schools Forum in March 2023, was £542,787m (shown in the original allocation column in Table 1 below).
- 1.3. Since then, the DSG allocation has been updated to reflect the Academy/High Needs recoupment. Table 1 and Appendix A shows the latest allocations to reflect these changes.

Table 1: 2023/24 Revised DSG Allocations	Original Allocation	Change	Latest Allocation	Reason for Change
	£m	£m	£m	
<i>Total Schools Block</i>	425.638	0.000	425.638	<i>Academy recoupment</i>
<i>Less: NNDR</i>	(3.719)	0.000	(3.719)	
<i>Less: recoupment</i>		(280.527)	(280.527)	
<b>Schools Block</b>	<b>421.919</b>	<b>(280.527)</b>	<b>141.391</b>	
<i>Total High Needs</i>	94.682	(0.140)	94.543	<i>updated for Import/Exports and Special Free Schools</i>
<i>Less: recoupment</i>	(15.840)	(0.886)	(16.726)	<i>High Needs recoupment</i>
<b>High Needs Block</b>	<b>78.842</b>	<b>(1.025)</b>	<b>77.817</b>	
<b>Early Years Block</b>	<b>37.924</b>	<b>0.692</b>	<b>38.617</b>	<i>Update on allocations for new census data</i>
<b>Central School Services Block</b>	<b>4.102</b>	<b>0.000</b>	<b>4.102</b>	
<b>Total DSG Allocation</b>	<b>542.787</b>	<b>-280.860</b>	<b>261.927</b>	

## 2. 2023/24 Forecasts

- 2.1. Table 2 summarises the 2023/24 forecast position by DSG Block, as at the end of November 2023 (Period 8), and Appendix A provides a detailed breakdown:

Table 2: 2023/24 Forecasts	Latest Allocation	Drawdown from Reserves	Forecast @	Variance
	£m	£m	£m	£m
Schools Block	141.391		141.272	(0.119)
High Needs Block	77.817		95.330	17.514
Early Years Block	38.617		37.479	(1.138)
Central School Services Block	4.102		4.219	0.117
<b>Total DSG Allocation</b>	<b>261.927</b>	<b>0.000</b>	<b>278.300</b>	<b>16.373</b>

- 2.2. It should be noted that historically the DfE have required all local authorities to complete a recovery plan should the expenditure variance on the DSG exceed 1%. The forecast position of £16.373m equates to a 2.9% overspend, which exceeds the DfE threshold. Due to exceeding the 1% threshold in previous years, WCC does have a recovery plan – on which regular updates are provided to Schools Forum.
- 2.3. Although the total DSG position of the four blocks is used to calculate whether the DSG overspend is above the 1% threshold, the financial reporting is separated into the 4 Blocks. The key financial risk to be highlighted in Table 2 is the £17.514m overspend in the High Needs Block.

## 3. DSG Offset Reserve position

- 3.1. Table 3 below shows the opening position of the overall DSG reserve as at the 1<sup>st</sup> April 2023, and the forecasted effect of outturn that informs the forecasted closing (overdrawn) balance of the reserve on 31 March 2024.

Table 3: 2023/24 Reserves	Opening Balance 01/04/2023	In Year Drawdowns	Effect of outturn	Forecast Closing Balance as at 31/03/2024
	£m	£m	£m	£m
<b>Total DSG Reserve</b>	<b>(16.097)</b>	<b>0.000</b>	<b>16.373</b>	<b>(32.471)</b>

- 3.2. As part of Warwickshire's financial resilience, the authority holds a DSG offset reserve which currently totals £26.5050m. The existing MTFS 2023-28 (due to recalibrated for 2024-29 in February 2024) provides for a 2024/25 contribution to the DSG offset reserve of £5.992m, reducing to £2.394m in 2025/26 and then £1.394m each year from 2026/27. The current upward trajectory of the High Needs overspend is not in alignment with these planned contributions, and the December Cabinet paper recommends that no further contributions are made to the offset reserve beyond 2024/25, as it is no longer financially viable to do so.

#### 4. Explanations for Variances

The sections below explain the main reasons for the variances across the Blocks. A detailed breakdown of variances is shown in Appendix A.

##### Schools Block (£0.119m underspend)

- 4.1. The underspends on the Schools Block mainly relate to decreased demand on union reps, DBS checks, decreases in support to school leaders around on school improvement activities and general tightening on the forecast to reflect spend to date.

##### High Needs Block (£17.514m overspend)

- 4.2. The main material forecasted variances are within the High Needs Block (HNB), with an overall forecasted overspend of £17.514m. Forecasted variances include £3.375m in Mainstream school EHCP top ups, a £2.268m overspend in Special school EHCP top ups, a £9.370m overspend on Independent School places, £1.198m overspend on Specialist Resource Provision and a £1.293m overspend forecasted on Post 16 provision. There is an overall £0.250m overspend on Alternative Provision (AP).

- 4.3. This large forecast net overspend consists of a number of significant budgets which are subject to interventions by the SEND & Inclusion Change programme (SICP). The over-arching aim over the long term (as funding for SEND is a national issue) is to reduce high costs volumes while increasing lower costs areas of service. For example, reducing the reliance of Independent Specialist Provision and increasing "SEND Top-ups" to mainstream and special schools. A decision taken at the inception of the SICP to set budgets for individual services as they might be after several years of the change programme (i.e., aspirational) does lead to several large over/underspends because budget is set for the future while the forecasted costs are for the present. Therefore, a holistic view is best taken.

- 4.4. The following table compares forecasted expenditure, FTE and Unit cost between the current forecast and the final position of 2022/23.

2022/23				Current Period			Change since 2022/23		
Actual £	FTE	Raw Average Unit Cost	Service	Units forecast £	FTE	Raw Average Unit Cost £	Forecasted £ v 22/23	Forecast ed FTE v 22/23	Forecasted Unit cost v 22/23
10,336,964	1,899	5,443	Mainstream	15,983,977	1,618	9,876	5,647,013.02	-281	4,433
16,847,265	1,508	11,169	Spec Schs	23,172,119	1,631	14,204	6,324,853.40	123	3,034
15,022,209	277	54,199	ISP	24,923,279	381	65,501	9,901,069.90	103	11,302
1,074,183	116	9,300	Res Prov	2,059,511	180	11,429	985,328.51	65	2,129
7,241,521	548	13,227	Post 16	10,690,142	567	18,843	3,448,621.93	20	5,616

- 4.5. The increased expenditure is due to the mix of FTE and Unit cost rises, extrapolating from this data.

### **Addressing the financial pressures in the HNB**

- 4.6. DfE Delivering Better Value scheme. The Council is part of tranche 3 of the DfE Delivering Better Value scheme which is carrying out a diagnostic exercise on current spend and will then lead to case reviews in specific areas. The Council will then be eligible to apply to the DfE for a transformation grant to move forward transformation projects to address the High Needs challenge.
- 4.7. The Council's current response to the current challenge is the SEND & Inclusion Change Programme. Live projects currently include 'Inclusion Framework', Emotionally Based School Avoidance, EHC plan top-up funding, and Supported Internships which are all expected to have positive long term financial impact by reducing the pressure for specialist provision through best practice. Two completed projects include the establishment of the Warwickshire Academy (which will be full in 4 of the 5-year groups it supports in September) and growth of resourced provisions (with 4 more resourced provisions coming online in September bringing to total to 23).
- 4.8. As seen in the financial tables above, the rising demand and costs within the HNB are not sustainable within current funding levels. A national solution is urgently required. Material levels of additional resources are required from the Government as well as fundamental system changes at a national level.
- 4.9. If the Council is successful in its disapplication to the Secretary of State to transfer 0.5% of the DSG Schools Block to the High Needs Block, this would have a one-off impact of approx £2.4m in 2024/25. The Council understands the reasons that Schools Forum voted against the transfer but given the levels of demand and pressures within the High Needs Block, we are in a position where a disapplication was necessary. Alongside the necessary planned growth in resourced provision, the DBV planned mitigations mean it is as imperative as ever for the County's schools, academies, and the Council need to work together to ensure inclusivity for SEND pupils.

### **Early Years Block (£1.138m underspend)**

- 4.10. The Early Years Block is forecasting an underspend of £1.138m net position. The underspend is caused by the funding being based on census data at single points in time while payments are made to all providers based on actual usage throughout the year. The underspend equates to circa 2.9% of DSG grant received. Currently WCC is earmarking 96% of the funding received for providers.
- 4.11. There is a forecast underspend of £1.082m on 2- to 4-year-old provision.
- 4.12. There are minor underspends of £0.106m on EY Sufficiency & Business support and SEND Early Years due to staff vacancies across the services.
- 4.13. Schools Forum is asked to note that the Early Years forecast variance will change to reflect the updated allocation following the release of the January 2024 census data. (We are anticipating the release of the January 2024 Census data and updated allocation in February 2024.)



- 4.14. The DfE will subsequently, after the 2023/24 yearend (July 2024) re-adjust the EYB funding to take into account census data before the yearend.

**Central Schools Services Block- CSSB (£0.117 overspend)**

- 4.15. The Central School Services Block is currently forecasting a planned £0.117m variance to Budget. This is due to reduced funding in 2023-24 which was planned to be appropriated to reserves.

**Impact of DSG overspend.**

- 4.16. This overall size of the High Needs DSG overspend has increased significantly and is significantly above the MTFS expected overspend of £4.855m (i.e., the amount allocated to the DSG offset reserve in the MTFS for 2023/24) and will impact on the overall recovery plan and the contributions from the MTFS to cover the cumulative deficit.
- 4.17. At present the forecasted cumulative deficit for the HNB following 2023/24 outturn is £37.930m. The DSG offset reserve currently totals £26.5050m. The existing MTFS 2023-2028 (due to recalibrated for 2024-29 in February 2024) provides for a 2024/25 contribution to the DSG offset reserve of £5.992m, and this reduces to £2.394m in 2025/26 and then £1.394m each year from 2026/27. The current upward trajectory of the High Needs overspend is not in alignment with these planned contributions, and the December Cabinet paper recommends that no further contributions are made to the offset reserve beyond 2024/25.

**Brian Smith**

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## Appendix A

*Note that there may be rounding differences between the figures presented in this Appendix compared to the Tables in the body of the report.*

Schools Block	Latest Budget	Latest Forecast @	Forecast Variance
	£m	£m	£m
Mainstream Individual School Budgets	137.153	137.153	0.000
Growth Fund (exceptional pupil numbers)	3.471	3.465	(0.006)
Schools Block Transfer to High Needs Block	0.000	0.000	0.000
<b>De-delegated budgets</b>			
School Performance	0.189	0.138	(0.051)
STS SEND Support	0.030	0.020	(0.010)
Ethnic Minority & Traveller Achievement Service	0.235	0.253	0.018
Free School Meals	0.019	0.013	(0.006)
Teaching Union Cover	0.064	0.025	(0.039)
Non-Teaching Union Cover	0.016	0.016	0.000
HR – Occupational Health (Primary Only)	0.013	0.013	0.000
Central Establishment Charges	0.039	0.039	0.000
Education Functions - DBS	0.163	0.138	(0.025)
<b>Total Schools Allocations</b>	<b>141.392</b>	<b>141.272</b>	<b>(0.119)</b>

High Needs Block	Latest Budget	Latest Forecast @	Forecast Variance
	£m	£m	£m
SEN – Place Funding for Maintained Mainstream, Special and Resourced Provision	6.138	5.994	(0.144)
SEN Top up – Mainstream Schools & Academies	13.355	16.730	3.375
SEN Top up – WCC Special Schools & Academies	20.812	23.080	2.268
SEN Top up – Independent & OLA Special Schools	16.167	25.537	9.370
Tier 4 Hospital Education	0.400	0.308	(0.092)
Resourced Provision – SEN Support	1.411	2.599	1.188
SEND Speech & Language	0.000	0.000	0.000
Post 16 Funding	9.400	10.693	1.293
SEND Commissions	1.450	1.482	0.032
SEND Integrated Services (Low incidence SEND)	1.094	1.122	0.028
SEND Integrated Services (Flexible Learning)	0.883	0.753	(0.129)
Area Behaviour Partnerships (Primary and Secondary Exclusions)	2.911	3.079	0.168
Contribution to Early Intervention Behaviour Panels	0.064	0.064	0.000
SENDAR Alternative Provision	0.904	0.986	0.082
SEND Integrated Services (Specialist Teaching Service)	1.055	0.991	(0.064)
Integrated Disability Service SEN Inclusion Grant (EY)	0.485	0.485	0.000
High Needs Contingency/ (Shortfall)	(0.140)	0.000	0.140
Central Establishment Charges	1.428	1.428	0.000
<b>High Needs Allocations</b>	<b>77.817</b>	<b>95.330</b>	<b>17.514</b>

Early Years Block	Latest Budget	Latest Forecast @	Forecast Variance
	£m	£m	£m
Nursery Funding 3- & 4-year-olds	22.169	23.256	1.087
Nursery Funding 3- & 4-year Olds (Additional 15 hours)	10.515	10.773	0.258
Maintained Nursery Supplement	0.857	0.000	(0.857)
DSG Pupil Premium	0.252	0.661	0.409
Funded 2-year-olds	2.965	3.229	0.264
Disability Access Fund	0.200	0.155	(0.045)
IDS TL Early Years	0.967	0.881	(0.086)
Early Years - Sufficiency & Business Support	0.282	0.268	(0.014)
Early Years Quality & Development	0.097	0.090	(0.006)
Early Years Contingency/ (Shortfall)	0.000	0.390	0.390
EYB Central Establishment Charges	0.314	0.314	0.000
Early Years Supplementary Grant	0.000	(2.538)	(2.538)
<b>Early Years Allocations</b>	<b>38.617</b>	<b>37.479</b>	<b>(1.138)</b>

Central Schools Services Block	Latest Budget	Latest Forecast @	Forecast Variance
	£m	£m	£m
Admissions	0.799	0.799	(0.000)
DSG SF Allocation - Historic Pension Contribution	0.737	0.737	0.000
DSG SF Allocation - North Leamington School Prudential Borrowing	0.266	0.266	0.000
DSG SF Allocation - Copyright Licences	0.527	0.527	0.000
Employers Liability Insurance	0.045	0.045	0.000
Teachers Pensions Employer Contribution Grant (TPECG)	0.424	0.424	0.000
CSSB Contingency	(0.086)	0.031	0.117
Planning for the education service as a whole (Sch 2, 15b)	0.663	0.663	0.000
CSSB Central Establishment Charges	0.727	0.727	0.000
<b>Central Schools Services Allocations</b>	<b>4.102</b>	<b>4.219</b>	<b>0.117</b>
<b>2021/22 DSG Total</b>	<b>261.927</b>	<b>278.300</b>	<b>16.373</b>

**Schools Forum****11 January 2024****SEND & Inclusion Change Programme Update & Delivering Better Value Programme****Recommendation**

Schools Forum is recommended to:

- Note the forecast on the High Needs Block from the Delivering Better Value Programme
- Note and support the projects put in place to achieve the 'Lower Bound Target Mitigation'

**1. Introduction**

- 1.1. The Council is required to submit a Dedicated Schools Grant recovery plan if the overspend within a financial year is more than 1% of the total budget. This last occurred in 2020, leading to the establishment and delivery of the SEND & Inclusion Change Programme. The implementation of the change programme, along with the movement of funding from schools block to high needs block and additional funding from central government meant that overspend was within 1% in 2021, 2022 and 2023.
- 1.2. As noted earlier in the meeting the High Needs Block is forecast to be significantly overspend in 2023/24, by over 1% of the total DSG. This is due to increases in the number of children with EHC plans, increases in the number of children placed in specialist provision and increases in unit costs. As a result, a deficit management plan will be need to be submitted to the DfE.
- 1.3. Schools Forum is also aware that the Warwickshire has taken part in the Delivering Better Value programme. The programme has been established by DfE for 55 local authorities (with 34 in the Safety Valve programme) to address overspend on the High Needs Block. The programme includes forecasting future spend, and then identifying a small number of high impact projects. The DfE consider grant applications of up to £1m for one year of transformation funding. Warwickshire has submitted a grant application in December 2023 and is awaiting decision. A condition of the grant is to provide a deficit management plan. A summary of this is provided below.
- 1.4. Please note that the SEND & Inclusion Change Programme is being incorporated into a wider Education Transformation Programme for 2024/25. Whilst the Delivering Better Value Programme will form part of this wider programme, the intention is to provide updates on progress on the Delivering Better Value element to Schools Forum going forward.

## 2. Delivering Better Value

### *Analysis*

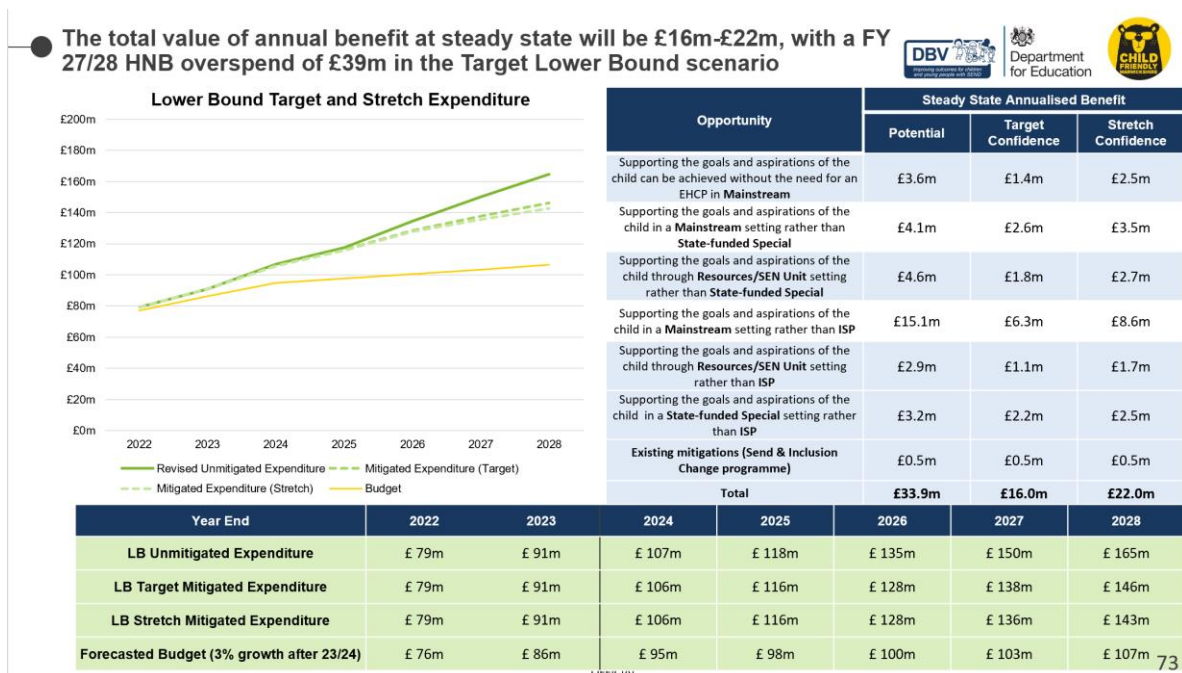
- 2.1. At the November meeting of Schools Forum, a number of slides were shared showing the analysis of the Delivering Better Value programme. This included:
- Warwickshire has a higher number of requests for EHC needs assessments per head of population compared to national averages
  - Warwickshire has less children with EHC plans in mainstream schools compared to other areas
  - A lack of parental confidence in school inclusion and communication (eg. reasonable adaptations)
  - Through case reviews, it was considered that a significant proportion of children with EHC plans could be supported in SEND resourced provisions rather than special schools
  - Numbers of children in independent specialist provision had been declining until 2022/23
  - Unit costs had remained steady until 2023

### *Forecasting*

- 2.2. All local authorities follow a standard methodology for forecasting future spend on the High Needs Block based upon caseload, placement and duration.
- 2.3. At time of writing, the number of children and young people with EHC plans is 5,898. The unmitigated forecast shows that this will increase to 7,741 by 2028 on current trends. Due to an expectation of continued demand for specialist provision and the limited number of state special school places, the percentage placed in independent specialist provision is expected to rise to 11.3% (currently 6.1%).
- 2.4. The forecast includes an upper bound and a lower bound. In order to reduce this, Councils have been asked to identify projects to mitigate the overspend with 'target' reduction and 'stretch' reduction.
- 2.5. Through consultation with stakeholders, including Schools Forum, four projects have been identified for use of grant funding:
- Roll-out of the Inclusion Framework trial to two further families of schools (three in total) to improve SEN Support in schools
  - A workforce development programme – to be designed with school leaders to maintain support and confidence for supporting children with EHC plans in mainstream schools
  - Establishment of more SEND Resourced Provisions – as an additional level of provision and an alternative to specialist provisions where appropriate
  - Digital infrastructure – investment and development of the system supporting children with EHC plans to improve communication and confidence

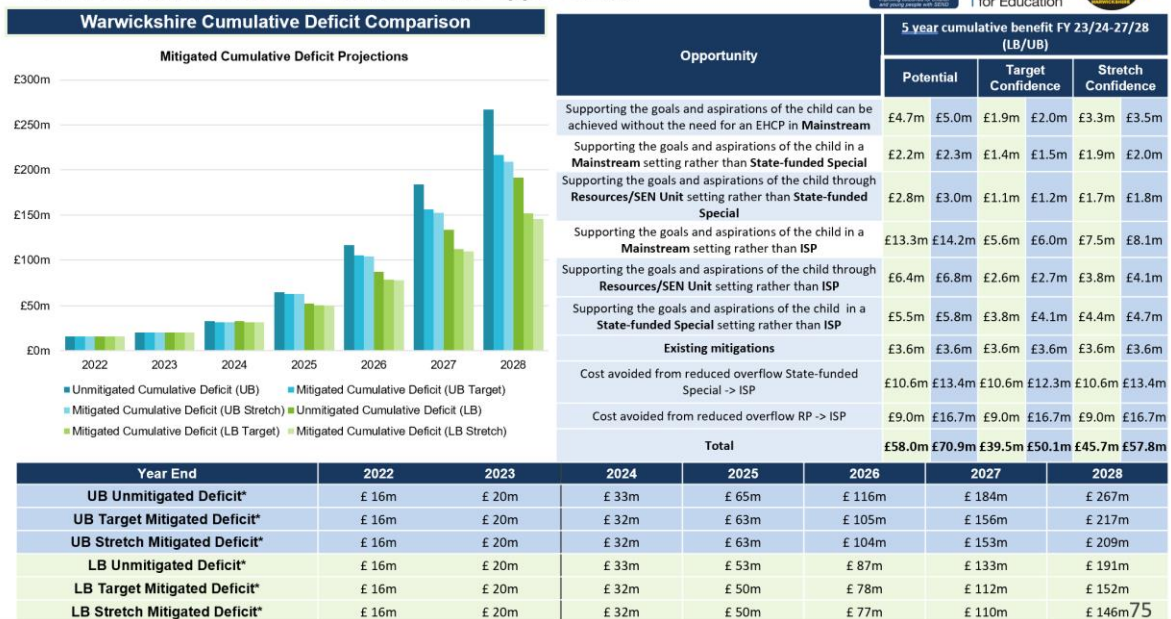
2.6. There are existing mitigations already in place through the growth of the Warwickshire Academy (special school established in 2022), extensions to Oak Wood and Evergreen special schools and development of the supported internships offer.

2.7. The Council submission has taken the lower bound of the unmitigated forecast as the forecast position and has set the 'target' level as its ambition. The forecast below shows the 5 year forecast. In the lower bound target mitigated expenditure scenario, the impact of the programme will be to reduce annual expenditure from £165m to £146m in 2028 (reducing the overspend from £58m to £39m in year).



2.8 As the High Needs Block is not expected to balance, there cumulative deficit is forecast to increase. In the unmitigated scenario, this is a £267m deficit by 2028. In the lower bound target mitigated scenario this is a £152m deficit by 2028.

5 Year cumulative benefit by 2027/28 will be £39.5m-£45.7m in the Lower Bound, and £50.1m - £57.8m in the Upper Bound



2.9 Whilst information regarding other local authorities in the programmes is not disclosed, a report in a weekly educational journal reported that 22 local authorities ahead of Warwickshire in the Delivering Better Value Programme with deficits ranging from £10m to £560m.

### 3. Other measures

- 3.1. Council representatives, both elected and officer, continue to make representations to the Department for Education for additional funding.
- 3.2. Following the decision of Schools Forum not to move any funding from Schools Block to High Needs Block in November 2023, the Council has also submitted a disapplication for consideration by the Department for Education for a decision in January 2024.
- 3.3. As noted in the earlier paper, the December Cabinet paper recommends that no further contributions are made to the offset reserve from Council tax funding for overspend on the DSG.

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## Item 8

## Schools Forum – Forward Plan 2023-24

The table below contains provisional items for the Schools Forum for the next year. This table will be updated and reported to each meeting of the Forum.

Date	For Decision	For Information / Comment
<b>21 March 2024</b> <b>2pm to 4pm</b> <b>Microsoft Teams</b>	<ul style="list-style-type: none"> <li>• DSG 2024-25 Budget</li> <li>• Section 48 – Scheme for Financing Schools (subject to any ESFA guidance changes)</li> <li>• Annual review of future meeting</li> </ul>	<ul style="list-style-type: none"> <li>• DSG Recovery Plan Update 2023-24</li> <li>• SF Membership update</li> <li>• Update on Academisation of Schools</li> </ul>
<b>20 June 2024 (TBC)</b> <b>2pm to 4pm</b> <b>Face-to-Face (TBC)</b>	<ul style="list-style-type: none"> <li>• De-delegation &amp; Disapplication Consultation Timetable 2025-26</li> <li>• Section 48 – Scheme for Financing Schools (subject to any ESFA guidance changes)</li> </ul>	<ul style="list-style-type: none"> <li>• DSG 2023-24 Outturn</li> <li>• DSG Recovery Plan Update</li> </ul>
<b>26 September 2024 (TBC)</b> <b>2pm to 4pm</b> <b>Microsoft Teams</b>	<ul style="list-style-type: none"> <li>• De-delegation 2025-26</li> </ul>	<ul style="list-style-type: none"> <li>• DSG 2024-25 Forecast</li> <li>• 2025-26 National Funding Formula (year 6) Timetable and consultation</li> <li>• Estimated Schools Budget 2025-26</li> <li>• DSG Recovery Plan Update</li> <li>• Academy Update</li> <li>• Early Years &amp; Childcare Place Sufficiency</li> </ul>
<b>21 November 2024 (TBC)</b> <b>Extraordinary</b> <b>(Date is Subject to change)</b> <b>2pm to 4 pm</b> <b>Microsoft Teams</b>	<ul style="list-style-type: none"> <li>• 0.5% transfer (if required)</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>
<b>16 January 2025</b> <b>2pm to 4pm</b> <b>Microsoft Teams</b>	<ul style="list-style-type: none"> <li>• 2025-26 National Funding Formula</li> <li>• 2025-26 Early Years Funding Formula</li> <li>• 2025-26 Pupil Growth Fund</li> </ul>	<ul style="list-style-type: none"> <li>• DSG 2024-25 Forecast</li> <li>• DSG Recovery Plan Update</li> <li>•</li> </ul>

Further meetings will be set up once dates for Cabinet have been set so as to avoid any meeting conflicts.

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