



SCHOOLS FORUM

17 October, 2023 at 4.00 pm

Meeting to be held via: **Microsoft Teams**

MEMBERSHIP:	Mr M. Vlahakis	Primary Maintained Head Teacher, Cadmus Family of schools
	Mrs C. Draper	Primary Maintained Head Teacher, Short Heath Federation
	Mrs A. Arnold	Primary Maintained Head Teacher, Delves Infant School
	Mrs J. Garratt	Primary Maintained Head Teacher, Walsall Wood
	Mr S. Davies	Primary Maintained Head Teacher, Christ Church CE (C) JMI School
	Vacancy	Primary Maintained Governor
	Vacancy	Primary Maintained Governor
	Mrs S. Bowen	Secondary Maintained Head Teacher, St. Thomas More Catholic School
	Vacancy	Secondary Maintained Governor
	Vacancy	Primary Academy Head Teacher
	Mr M. Moody	Primary Academy Representative, Goldsmiths and Rivers Academies
	Vacancy	Primary Academy Governor
	Mr A. Seager	Secondary Academy Head Teacher, Bloxwich Academy
	Mr James Ludlow	Secondary Academy Head Teacher, Joseph Leckie Academy
	Mr David Smith	Secondary Academy Head Teacher, Blue Coat Academy
	Mr W. Downie	Secondary Academy Head Teacher, Streetly Academy
	Vacancy	Secondary Academy Head Teacher
	Mr I. Baker	Secondary Academy Governor, Grace Academy
	Mrs E. Phillips	Special School, Phoenix Academy
	Vacancy	Special School Academy Governor
	Mrs C. Fraser	Special School Maintained Head Teacher, Castle Business and Enterprise College
	Vacancy	Special School Maintained Governor
	Ms M. Turley	Nursery Head Teacher, Ogley Hay Nursery
	Vacancy	PVI Representative
	Mr S. Pritchard-Jones	Pupil Referral Unit representative
	Mr C. Bury	Principal, The Ladder School, Alternative Provision
	Vacancy	16-19 School Forum Representative
OBSERVERS:	Councillor M. Statham	Cabinet Portfolio holder for Education and Skills
	Mr A. Orlik	Observer, C of E Diocese
	Ms S. Guy	Observer, National Education Union
	Vacancy	Catholic Diocesan representative

Quorum – 8 members

A G E N D A

1.	Welcome and explanation of rules of procedure for virtual meeting	
2.	Apologies	
3.	Minutes – 25 th September, 2023 – Copy Enclosed	5 - 9
4.	Matters arising from the Minutes: To consider any matters arising from the minutes which do not occur elsewhere on the agenda.	
5.	Late items (urgent) to be introduced by the Chair.	
6.	Local Government (Access to Information) Act 1985 (as amended): To agree that the public be excluded from the private session during consideration of the agenda items indicated for the reasons shown on the agenda.	
7.	Proposed Early Years Supplement Grant 2023/24 – Copy Enclosed	10 - 13
8.	Proposed Schools Local Funding Formula 2024/25 - Copy Enclosed	14 - 20
9.	Maintained Schools De Delegation 2024-25 - Copy Enclosed	21 - 28
10.	Review of Maintained Schools Balances 2022/23 - Copy Enclosed	29 - 30
11.	Review of Dedicated Schools Grant – update on 2023/24 Forecast Position - Copy Enclosed	31 - 34
12.	Correspondence – to receive any other items of correspondence that might be of interest or have an effect on the Forum: <ul style="list-style-type: none"> • Walsall Wood Primary Academy Conversion – To note that from 1st January, 2024 - Walsall Wood will be an academy. 	
13.	Forward Plan – copy Enclosed	35 - 39
14.	Late items (if any)	
15.	Dates of future meeting:	

The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012

Specified pecuniary interests

The pecuniary interests that are specified for the purposes of Chapter 7 of Part 1 of the Localism Act 2011 are the interests specified in the second column of the following:

Subject	Prescribed description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	<p>Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by a member in carrying out duties as a member, or towards the election expenses of a member.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Regulations (Consolidation) Act 1992.</p>
Contracts	<p>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority:</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	<p>Any tenancy where (to a member's knowledge):</p> <p>(a) the landlord is the relevant authority;</p> <p>(b) the tenant is a body in which the relevant person has a beneficial interest.</p>
Securities	<p>Any beneficial interest in securities of a body where:</p> <p>(a) that body (to a member's knowledge) has a place of business or land in the area of the relevant authority; and</p> <p>(b) either:</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p>

Schedule 12A to the Local Government Act 1972 (as amended)

Access to information: Exempt information

Part 1

Descriptions of exempt information: England

1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the authority proposes:
 - (a) to give any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.
8. Information being disclosed during a meeting of a Scrutiny and Performance Panel when considering flood risk management functions which:
 - (a) Constitutes a trades secret;
 - (b) Its disclosure would, or would be likely to, prejudice the commercial interests of any person (including the risk management authority);
 - (c) It was obtained by a risk management authority from any other person and its disclosure to the public by the risk management authority would constitute a breach of confidence actionable by that other person.

Walsall Council Schools Forum

Minutes of meeting held on Monday, 25 September, 2023 at 4.00 pm

Digital Meeting via Microsoft Teams

Schools Forum Members Present:

Mr M. Vlahakis	Primary Head Teacher, Cadmus Family of schools
Mrs C. Draper	Primary Maintained Head Teacher, Short Heath Federation
Mrs A. Arnold	Primary Head Teacher, Delves Infant School
Mr S. Davies	Primary Maintained Head Teacher, Christ Church CE (C) JMI School
Mrs S. Bowen	Secondary Maintained Head Teacher, St. Thomas More Catholic School
Mr M. Moody	Primary Academy Representative, Goldsmiths and Rivers Academies
Mr A. Seager	Secondary Academy Head Teacher, Bloxwich Academy
Mr James Ludlow	Secondary Academy Head Teacher, Joseph Leckie Academy
Mr David Smith	Secondary Academy Head Teacher, Blue Coat Academy
Mr W. Downie	Secondary Academy Head Teacher, Streetly Academy
Mr I. Baker	Secondary Academy Governor, Grace Academy
Mrs E. Phillips	Special School, Phoenix Academy
Ms M. Turley	Nursery Head Teacher, Ogley Hay Nursery
Mr C. Bury	Principal, The Ladder School, Alternative Provision

Officers Present:

C. Male - Interim Executive Director: Childrens and Customer
R. Walley – Technical Accounting, Treasury Management & Education Finance Manager
L. Meredith – Interim Lead Accountant, Education
N. Picken – Principal Democratic Services Officer
R Thomas – Head of Access
J. Nash – Head of Inclusion
S. Hollins – Music Education Manager

Observers Present:

Mr A. Orlik – C of E Diocese
Ms S. Guy (National Education Union)

		Action
1. 25.09.23	<p>Election of Chair</p> <p>A nomination was made for Mr. Vlahakis to be appointed Chair of the Forum for the 2023/24 academic year.</p> <p>The Clerk put the nomination to the vote by show of hands.</p> <p>Resolved (unanimously)</p> <p>That Mr. M. Vlahakis be appointed Chair of the Forum for the 2023/24 academic year.</p>	
2. 25.09.23	<p>Election of Vice Chair</p> <p>A nomination was made for Mr A. Seager to be appointed Vice Chair of the Forum for the 2023/24 academic year.</p> <p>The Clerk put the nomination to the vote by way show of hands.</p> <p>Resolved</p> <p>That Mr A. Seager be elected as Vice Chair of the Forum for the 2023/24 academic school year.</p>	
3. 25.09.23	<p>Welcome</p> <p>The Chair opened the meeting by welcoming everyone and explaining and rules of procedure and legal context in which the meeting was being held. He also directed members of the public viewing the meeting to the papers, which could be found on the Council's Committee Management Information System (CMIS) webpage.</p> <p>A roll call was taken of those members present who confirmed they could both see and hear the proceedings.</p>	
4. 25.09.23	<p>Apologies</p> <p>Apologies for absence were submitted on behalf of Mike Fox, Jenny Garratt and Sharon Kelly.</p>	Noted
3. 25.09.23	<p>Minutes</p> <p>The Schools Forum received the Minutes of the meeting held on 20th June, 2023 (see annexed).</p> <p>The clerk reported that the list of apologies should have included Mr I. Baker.</p>	

	<p>Resolved:</p> <p>The Minutes of the meeting held on 20th June, 2023 were approved as a true and correct record subject to Mr I. Baker being added to the list of apologies.</p>	
4. 25.09.23	<p>Matters Arising from the Minutes of 20th June, 2023</p> <p>None.</p>	Noted
5. 25.09.23	<p>Late Item/s (urgent) to be introduced by the Chair</p> <p>None</p>	
6. 25.09.23	<p>Local Government (Access to Information) Act 1985 (as amended)</p> <p>There were no items for consideration in the private session.</p>	
7. 25.09.23	<p>School Music Service</p> <p>A report was submitted: -</p> <p>(See annexed)</p> <p>The Music Education Manager highlighted that funding for music services across the UK would change from September 2024. At this time, prescribed geographic Music Hubs areas would be implemented across the UK to address the new national plan for music education.</p> <p>In response to questions, the Music Education Manager confirmed that the new arrangements would not affect services and emphasised that opportunities would arise for greater collaboration across the West Midlands.</p> <p>Resolved (by roll call)</p> <p>That:-</p> <ol style="list-style-type: none"> 1. £38,000 be granted to Walsall Music Education Hub and Service in 2023/2024, in line with previous years; and 2. The Music Education Manager bring further updates to Forum, when necessary. 	

8. 25.09.23	<p>Dates for 2023/24 Meetings</p> <p>The Forum considered a report of the Principal Democratic Services Officer (annexed)</p> <p>Resolved</p> <p>That the Schools Forum agrees to hold its meetings on the following dates at 4.00pm:</p> <p>2023</p> <ul style="list-style-type: none"> • Tuesday 17 October • Monday 18 December <p>2024</p> <ul style="list-style-type: none"> • Tuesday 16 January • Tuesday 5 March • Tuesday 18 June 	
11. 25.09.23	<p>Correspondence</p> <ul style="list-style-type: none"> • Walsall Trade Union Support Service – Forum noted a letter from Unions with regard to funding the Trade Union Support Service through de-delegation. • Resignation – Forum noted that Mr Mike Fox had tendered his resignation. 	
12. 25.09.23	<p>Forward Plan</p> <p>A copy of the Forward Plan was submitted (annexed)</p> <p>Resolved</p> <p>That the Forward Plan be noted.</p>	Noted
13. 25.09.23	<p>Late Items</p> <p>There were no late items for consideration.</p>	
14. 20.6.23	<p>Date of Future Meeting</p> <p>The next meeting of the Schools Forum is scheduled for Tuesday, 17 October 2023 at 4:00pm</p>	

The meeting terminated at 4:21pm.

Signed

Date

School Forum 17th October 2023

Proposed Early Years Supplementary Grant (EYSG) for two, three & four years olds - 2023/24

1. Purpose of report

- 1.1 Following the approval of the local Walsall Early Years Funding Formula for 2023/24 by Cabinet in March 2023, the government announced in the 2023 Spring Budget in April 2023 that they would be providing additional funding of £204m in 2023/24 to support existing early years entitlements for disadvantaged 2-year-old children and 3 and 4-year-old children.
- 1.2 This is on top of those existing hourly rates approved by Cabinet in March 2023, and so a further report to confirm how that funding will be allocated is now required, with the council able to increase the amount of funding paid to childcare providers for the existing childcare entitlement offers for the period September 2023 to March 2024. This report sets out the proposed method of distribution for this funding.

2. Recommendations

- 2.1 That Schools Forum notes the work undertaken by officers and recommends that the Early Years Supplementary Grant (EYSG) allocation is passed on to childcare providers in full for 2023/24 at the end of the autumn 2023 and spring 2024 terms following a reconciliation.
- 2.2 Schools Forum are asked to note that this recommendation will then be reported to Cabinet on 18th October 2023 to seek their approval.

3. Background

- 3.1 Following the approval of the local Walsall Early Years Funding Formula for 2023/24 by Cabinet in March 2023 the 2023 Spring Budget announced additional funding for the existing early years entitlements for disadvantaged 2-year-old children and 3 and 4-year-old children for the 2023/24 and 2024/25 financial years. This is on top of the previous settlements for those years.
- 3.2 For the 2023/24 financial year, the Government will provide £204m of supplementary funding to local authorities through a new Early Years Supplementary Grant (EYSG), and not through Dedicated Schools Grant (DSG). This will be used to increase the hourly amounts paid to local authorities, so that the amount of funding early years childcare providers receive for delivering the entitlements for the period September 2023 to March 2024 is also increased.
- 3.3 The EYSG hourly rate increases, as set out in **Appendix A**, for each local authority have been announced with EYSG allocations due to be published in late September 2023.

NB: final report will be updated with published allocation.

- 3.4 The EYSG payment made to each local authority will be based on January 2023 census data with a further reconciliation adjustment made during the spring term 2024 based on January 2024 census data.
- 3.5 EYSG will provide supplementary funding for all existing early years funding streams:
- 15 hours entitlement for disadvantaged 2-year-olds
 - 15 hours universal entitlement for 3 and 4-year-olds
 - 15 hours additional entitlement for 3 and 4-year-old children of working parents
 - maintained nursery schools supplementary funding
 - early years pupil premium
 - disability access fund
- 3.6 The amendment to the local funding formula will only be required for 2023/24 as for the 2024/25 financial year the additional funding (currently estimated to total £288m nationally) will be allocated to local authorities through the Dedicated Schools Grant (DSG) rather than as a supplementary grant, and this additional funding will be included within the hourly rates set within the Early Years Funding Formula for 2024/25.
- 4. Proposed distribution of Early Years Supplementary Grant for 2023/24**
- 4.1 It is proposed that the hourly rate increases set out in **Appendix A** are passed on in full to childcare providers. However because EYSG is a specific grant and not part of DSG, the council will make a supplementary payment (rather than adjusting the hourly rate approved by Cabinet in March 2023) at the end of the autumn 2023 and spring 2024 terms based on actual hours of provision for 2 year olds and 3 and 4 year olds, along with any entitlement for those other funding streams set out in paragraph 3.5.
- 4.2 Childcare providers will still receive their main three funding payments each term i.e. indicative payments of 75% of expected funding due at the start of the term, unvalidated payments of the remaining 25% of expected funding due toward the end of the term and a final validated payment based on actual hours of childcare delivered after the end of the term. EYSG payments will then be paid as an additional amount at the end of the term following a reconciliation of actual hours of childcare delivered.
- 4.3 This reconciliation will reduce the risk of clawback from government for EYSG as the indicative funding to the council is based on the January 2023 census, with the final allocation being updated based on the January 2024 census. By providing payments to childcare providers at the end of the autumn 2023 and spring 2024 terms this will reduce both the administrative costs for the council and reduce the need to clawback of funding from childcare providers should their January 2024 census be lower than their January 2023 census.

- 4.4 Payments for Maintained Schools Nursery Supplement, Early Years Pupil Premium and Disability Access Fund will also be made at the end of the autumn 2023 and spring 2024 terms.

5. Financial implications

- 5.1 The exact financial impact on individual providers cannot be predicted at this time as this will be dependent on actual hours of funded childcare that are delivered during 2023/24.
- 5.2 This report proposes passing on the additional funding in full, but to reduce financial risk of clawback or overspend to the council (and to providers) also proposes that the additional funding is paid at the end of each term based on actual hours delivered (which is in line with the way in which the funding will be allocated to the council).

6. Legal Implications

- 6.1 The DfE has prescribed the way in which early years providers should be financed for the 2023/24 financial year. These guidelines are set out in the Early Years Entitlement 2023 to 2024 operational guide, and can be found at the following link:

[Early years entitlements: local authority funding operational guide 2023 to 2024 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/early-years-supplementary-grant-2023-to-2024)

- 6.2 The purpose of these arrangements is to help secure greater consistency in the way in which funding is distributed to early years providers. The Council must follow the rules issued by DfE within The School and Early Years Finance (England) Regulations, and the proposed Walsall local early years funding formula sets out how funding will be allocated to early years providers in Walsall within the prescribed arrangements.
- 6.3 The DfE have also provided Guidance for local authorities on the early years supplementary grant, which can be found at the following link:
- <https://www.gov.uk/government/publications/early-years-supplementary-grant-2023-to-2024>
- 6.3 Following the meeting of Schools Forum the proposed financial arrangements will be reported to Cabinet for decision on 18th October 2023, with the outcome communicated with all early years providers in Walsall.

7. School Improvement

- 7.1 As part of making any decisions regarding possible changes to the funding formula, the potential impact on the desired outcomes of the Walsall school improvement programme should be considered.

8. Members eligible to vote

- 8.1 All elected members with voting rights are eligible to vote on this matter.

Appendix A

Early years supplementary grant (EYSG) rates on existing Early Years Rates

Funding Factor	2023 to 2024 funding rate (April to March) (£ per hour)	2023 to 2024 EYSG rate (September to March) (£ per hour)	2023 to 2024 Combined rate (September to March) (£ per hour)	Change to 2023 to 2024 EYLFF rate (%)
Early Years Entitlement for Disadvantaged 2 year olds	£5.51	£1.66	£7.17	30.1%
3 & 4 year olds - Universal Hourly Base rate	£4.86	£0.31	£5.17	6.4%
3 & 4 year olds - Extended Hourly Base rate	£4.86	£0.31	£5.17	6.4%
Maintained Nursery Schools Supplement for 3 & 4 YO provision	£3.80	£0.21	£4.01	6.0%
Early Years Pupil Premium (EYPP)	£0.62	£0.04	£0.66	6.5%
Disability Access Fund (DAF)	£828.00 pa lump sum	£30.92 (7/12 months) (£53.00 annual increase)	£858.92 (7/12 months) (£881 full year)	3.7% (6.4% full year)

Schools Forum 17 October 2023

Proposed Schools Local Funding Formula 2024/25

1. Purpose of report

- 1.1 In December 2022, following a full consultation with all mainstream schools in Walsall in October 2022, Schools Forum endorsed, and Cabinet approved, a gradual transition to full National Funding Formula (NFF) rates over a period of two years (2023/24 and 2024/25).
- 1.2 The first stage of the transition was implemented in 2023/24 where funding factor rates were moved 50% closer to NFF rates and previously unused funding factors (Free Schools Meals 6 and Pupil Mobility) were added and used for the first time.
- 1.3 The aim of this report is to obtain the endorsement of Schools Forum to continue with the second and final stage of the transition and implement NFF rates in full in 2024/25 funding year, with that being the recommended basis for the local Mainstream Schools Funding formula for the year.

2. Recommendations

- 2.1 That Schools Forum notes that the recommendation for the basis of the local mainstream schools funding formula for 2024/25 is to implement the NFF rates in full from that year, which is in line with the full consultation exercise undertaken in 2022 and the endorsement of Schools Forum and approval of Cabinet following that in December 2022.
- 2.2 Schools Forum to note the provisional Schools Block allocation of Dedicated Schools Grant (DSG) funding that the modelling for 2024/25 has been based on.
- 2.3 That Schools Forum note that, once the final Dedicated Schools Grant (DSG) allocations for 2024/25 have been issued in December 2023, a further report will be presented to Schools Forum at their meeting in January 2024 confirming the final allocation and funding factor values.
- 2.4 Schools Forum are asked to note that the recommendation from this report will then be reported to Cabinet on 18 October 2023 to seek their approval.

3. Funding Formula Background

- 3.1 The schools local funding formula is the process that is utilised (informed by national guidance which details the funding factors that can be incorporated) to allocate the Schools Block of the Dedicated Schools Grant (DSG) funding that the Council receives to the mainstream schools in the Borough of Walsall. The Department for Education (DfE) requires each Local Authority, in consultation with their Schools Forum, to produce a schools local funding formula for the following financial year, by the third week in January each year. Due to the timing of Schools Forum and Cabinet meetings this therefore normally requires the agreement in advance of the DfE informing each Local Authority of their Dedicated Schools

Grant (DSG) for that year (as this is not normally provided until the last week in December each year).

- 3.2 The implementation of the schools National Funding Formula (NFF) commenced from April 2018 to allow for a more equitable and comparable distribution of funding to schools across the country compared to the previous methodology (which was in the main based on historic spending on education in each area rather than on the basis of need).
- 3.3 Allocations for each school are calculated nationally by the Education & Skills Funding Agency (ESFA) under the values associated with the NFF, and the totality of that funding is then allocated to Walsall as a whole as the local authority is still then able to operate a local funding formula to calculate individual school budgets due to national delays in implementing the NFF in full.
- 3.4 Following DfE consultations during 2021 and 2022, the Government announced their response which confirmed their intention to move forward with plans to implement the NFF in full with a period of transition and to ensure all allowable NFF factors are used in local formulae from 2023/24.
- 3.5 Due to Walsall being a local authority that had a local formula that differed significantly from NFF rates and did not include all allowable funding factors a full consultation exercise with all mainstream schools in Walsall was completed ahead of 2023/24 funding year.
- 3.6 The outcome of the consultation was in favour of implementation of NFF in full as soon as possible, but to allow time for schools who may have been negatively impacted by that to manage that change Schools Forum endorsed a recommendation to transition in full to the NFF over a two year period (a move half way to the full NFF in 2023/24 and then a move to the full NFF from 2024/25) which was also supported by Cabinet.

4. NFF Provisional Allocations 2024/25

- 4.1 The DfE have published provisional allocations for 2024/25, with Mainstream Schools Additional Grant (MSAG) (one off funding received in 2023/24 to support schools with increases in costs for pay awards and energy costs) rolled in, setting out the funding that would be received under an NFF calculation assuming no underlying changes in pupil numbers and characteristics from October 2022 census data.
- 4.2 This provisional data shows a potential increase in Schools Block funding of £7.8m for 2024/25 (prior to any amendments to funding relating to any increases or decreases in the overall number of pupils being supported). This equates to a 2.7% increase in funding.
- 4.3 It should be noted though that the actual level of Schools Block DSG that will be payable to Walsall Council for 2024/25, which is normally provided during the last week in December each year, will be based on the pupil numbers and characteristics set out within the Schools Census carried out during October 2023.

- 4.4 There are also a number of schools within Walsall where, due to increased need for places, the Council have completed expansions within the last 7 years which are not yet full in each year group. This group of schools are therefore expected to see an increase in pupil numbers, above those contained within the October 2023 census, for the period September 2024 to March 2025.
- 4.5 As these pupils will not be in place when the October 2023 census is completed the local funding formula must recognise these additional children and seek to allocate funding for them from within the 'Growth Funding' allocation that is provided to authorities within the Schools Block of DSG to account for these potential changes.

5. Financial Modelling for 2024/25 Individual School Budgets

- 5.1 Financial modelling using the 2024/25 provisional NFF allocation and October 2022 pupil numbers and characteristics has been completed, assuming that in line with the previous agreement the local funding formula mirrors the NFF in full from that year, and shows a positive outcome for the majority of schools.
- 5.2 The modelling shows a financial gain for all schools with the exception of one primary school which shows a small reduction of £7.6k (-0.77%). As above though the modelling can only be based on October 2022 pupil data at present, and the final position for this school may change once October 2023 pupil data is applied.
- 5.3 The modelling shows an average gain for a primary school of circa £30k (+1.61%) and an average gain for a secondary school of circa £256k (+3.53%).
- 5.4 The maximum allowable Minimum Funding Guarantee (MFG) of +0.5% has been used in the modelling. This offers protection against per-pupil funding losses between the funding years.
- 5.5 The overall position shows that the NFF factor rates and MFG of +0.5% are affordable within the provisional allocation. If this should change when the final allocation and October 2023 pupil data are announced, then further modelling will be carried out with proposed adjustments to factor rates recommended to Schools Forum in January 2024.

6. Primary / Secondary Funding Ratio Split

- 6.1 The funding ratio split between primary and secondary schools was 1:1.27 for 2023/24 and the proposed local formula for 2024/25 would move that to a ratio of 1:1.29, based on the modelling undertaken – which is more aligned to the national split of funding under the NFF of 1:1.30 and which the DfE / government would expect local authorities to be working toward.

7. Funding Formula Factors

- 7.1 Set out below is a brief summary of the factors that must be included within any proposed funding formula for 2024/25:

Age Weighted Pupil Unit (AWPU)

- 7.2 AWPU is the biggest part of the funding formula, it is the funding which has not been allocated to the other specific factors and is allocated on a per pupil basis. The AWPU rates are different for Primary and Secondary children.

Deprivation

- 7.3 Walsall allocates funds to schools to meet the additional needs that children from deprived backgrounds may face for both the Income Deprivation Affecting Children Index (IDACI) measure of deprivation and the number of children who receive free school meals (FSM). The updated regulations now also include the ability to allocate funding via an 'FSM6' Free School Meals factor (which represents the number of pupils per school who have been eligible for free school meals at any point in the last 6 years). Previous work has highlighted that this composite measure should ensure that all schools experiencing deprivation will receive some funding to help them. DfE also allocate Pupil Premium funding outside of Walsall's formula to support deprivation, and this is also allocated utilising the 'FSM6' Free School Meals measure.

Lump Sum

- 7.4 A lump sum is an amount of funding that each school receives without reference to pupil numbers, deprivation, buildings etc. This is designed to cover the costs all schools need to meet regardless of their size. The maximum lump sum allowable under the regulations is currently £175,000 per school.

Low Attainment

- 7.5 The only factor allowable to take account of Special Educational Needs (SEN) in the funding formula for mainstream schools is low attainment, which looks at the number of Primary pupils identified as not achieving the expected level of development. The Walsall funding formula then allocates an amount of funding to provide schools with the resources required to support these children.

English as an Additional Language

- 7.6 For pupils where English is an additional language funding is allocated through the formula to allow schools to provide additional support for a period of up to 3 years after they enter the statutory school system.

Pupil Mobility

- 7.7 This measure allows authorities to allocate additional funding to schools based on numbers of pupils who entered a school during the last three academic years but did not start in August or September (or January for reception pupils).

Business Rates

- 7.8 Business rates for each school are funded through the formula based on an estimate of cost.

Split Sites

- 7.9 The purpose of this factor is to support schools which have unavoidable extra costs because the school buildings are on separate sites.

Premise Rental – Exceptional Factor

- 7.10 One school in the Borough has to pay extra costs relating to rent. The rationale for allowing this funding factor is that it is similar to business rates. There has been individual agreement with the DfE to allow this factor.
- 7.11 The following factors are allowable but have either not been used in the Walsall funding formula or do not apply:
- Private Finance Initiative (PFI) contracts – Not applicable as there are no schools in Walsall where there are additional unfunded costs due to PFI contracts.
 - London fringe – Not applicable as this is only applicable to local authorities who have some but not all of their schools within the London fringe area.
 - Sparsity – Not applicable as this factor is used to support schools in rural areas where there are on average smaller year groups.

8. Financial implications

- 8.1 After analysing the provisional level of Schools Block funding of the provisional Dedicated Schools Grant (DSG) available for 2024/25 and comparing it to the proposed formula and values set out in Appendix A (which are based on replicating the NFF in full), this report confirms the formula would be affordable for 2024/25.
- 8.2 The modelling that has been completed in relation to the proposed formula indicates that one school may see a small reduction in overall funding between the 2023/24 and 2024/25 financial year but, however the final position for this school may change once October 2023 pupil data is applied.
- 8.3 If schools see fluctuations in pupil numbers between years this will impact on allocations, as has been the case in previous years. This could result in both increases or decreases in funding dependent on changes in pupil numbers and characteristics.
- 8.4 Once the authority receives final details of its DSG allocation for 2024/25 a further review of proposed funding factor values may be required to ensure that the final factor values that are utilised are affordable within the overall level of funding that will be available to the authority.

9. Legal implications

- 9.1 The DfE has prescribed the way in which schools should be financed for the 2024/25 financial year. These guidelines are set out in the Schools revenue funding 2024 to 2025 operational guide, and can be found at the following link:

[Schools operational guide: 2024 to 2025 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/115421/schools-revenue-funding-2024-to-2025-operational-guide.pdf)

- 9.2 The purpose of these arrangements is to help secure greater consistency in the way in which funding is distributed to schools. The Council is bound to adhere to the rules issued by DfE, and the proposed Walsall Funding Formula sets out how funding will be allocated to schools in Walsall within the prescribed arrangements.

10. School Improvement

- 10.1 As part of making any decisions regarding possible changes to the funding formula factor values, consideration should be made of the potential impact on the desired outcomes of the Walsall school improvement programme.

11. Members eligible to vote

- 11.1 All elected members with voting rights are eligible to vote on this matter.

Detail of proposed funding formula factor values for 2024/25

Factor			2023/24 Local value	2024/25 NFF value including ACA	Current variance	Proposed 2024/25 Local value	
			£	£	£	£	
Basic Entitlement (AWPU)		Primary	3,405	3,610	(204)	3,610	
		Secondary	KS3	4,801	5,090	(289)	5,090
			KS4	5,411	5,737	(326)	5,737
Free School Meals		Primary	870	492	378	492	
		Secondary	995	492	503	492	
Free School Meals 6		Primary	354	833	(479)	833	
		Secondary	517	1,214	(698)	1,214	
Deprivation	Band F	Primary	225	236	(11)	236	
		Secondary	324	346	(23)	346	
	Band E	Primary	268	286	(18)	286	
		Secondary	435	457	(21)	457	
	Band D	Primary	413	452	(39)	452	
		Secondary	585	637	(52)	637	
	Band C	Primary	448	492	(44)	492	
		Secondary	638	697	(59)	697	
	Band B	Primary	479	522	(43)	522	
		Secondary	686	753	(66)	753	
	Band A	Primary	647	687	(40)	687	
		Secondary	904	953	(50)	953	
Lump Sum		School	161,214	136,176	25,037	136,176	
Low Prior Attainment		Primary	1,015	1,189	(174)	1,189	
		Secondary	1,529	1,796	(267)	1,796	
English as Second Language		Primary	565	597	(32)	597	
		Secondary	1,059	1,611	(551)	1,611	
Mobility		Primary	474	973	(499)	973	
		Secondary	682	1,400	(718)	1,400	
MFG			0.5%	0.5%	-	0.5%	

School Forum

17 October 2023

Maintained Schools De-delegation 2024/25

1. Purpose of report

- 1.1 To provide maintained schools with the opportunity to decide whether to de-delegate funding for relevant services back to the local authority for the 2024/25 financial year.

2. Recommendations

- 2.1 That Schools Forum note the insurance options available under the DfE's 'Risk Protection Arrangement', and the work that has been undertaken by the council to seek to be able to offer a comparative insurance package.
- 2.2 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of the Free School Meal Eligibility Service (estimated at £19.08 per free school meal eligible pupil).
- 2.3 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Insurance Services (estimated at £24.00 per pupil).
- 2.4 Maintained Secondary School members of Schools Forum **approve or do not approve** utilisation of the DfE's Risk Protection Arrangements for insurance cover (set at £23 per pupil for the 2023/24 financial year but subject to potential increase for 2024/25).
- 2.5 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Staff Costs – Teaching Union and Public Duties (estimated at £4.99 per pupil).
- 2.6 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Behaviour Support Services (estimated at £4.70 per pupil).
- 2.7 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Additional School Improvement Services (estimated at £6.00 per pupil).
- 2.8 Maintained Primary School members **approve or do not approve** de-delegation of Free School Meal Eligibility Service (estimated at £19.08 per free school meal eligible pupil).
- 2.9 Maintained Primary School members **approve or do not approve** de-delegation of Insurance services (estimated at £24.00 per pupil).
- 2.10 Maintained Primary School members of Schools Forum **approve or do not approve** utilisation of the DfE's risk protection arrangements for insurance cover

(set at £23 per pupil for the 2023/24 financial year but subject to potential increase for 2024/25).

- 2.11 Maintained Primary School members **approve or do not approve** de-delegation of Staff Costs – Teaching Union and Public Duties (estimated at £4.99 per pupil).
- 2.12 Maintained Primary School members of Schools Forum **approve or do not approve** de-delegation of Behaviour Support Services (estimated at £4.70 per pupil).
- 2.13 Maintained Primary School members of Schools Forum **approve or do not approve** de-delegation of Additional School Improvement Services (estimated at £6.00 per pupil).
- 2.14 Maintained Primary and Secondary School members recognise that library services, maternity support and contingency are not being offered under de-delegation and they will have to purchase individually any service they require.

3. Background

- 3.1 As part of the funding changes introduced for the 2013/14 financial year, the Education Skills Funding Agency (ESFA) introduced the concept of de-delegation. The process of de-delegation only applies to maintained schools and not to academies. Within maintained schools it only applies to primary and secondary schools and not to special, PRU or stand-alone nursery schools.
- 3.2 The ESFA definition of de-delegation is reported in depth later in this report. In simple terms there are various services that prior to 1 April 2013 the local authority could hold money centrally for if it wished to deliver the service. Now the value of those funds is highlighted as a funding factor. These funds are passed to schools to commission their own services. However, if schools in a phase (e.g. primary / secondary) and the local authority both want the local authority to deliver that service then a decision can be made to pass those funds back (de-delegate) to the local authority.
- 3.3 Clearly while the decision to de-delegate can be informally discussed anywhere, the formal legally binding vote takes place within Schools Forum. The purpose of this report is therefore to ensure that Schools Forum has the opportunity to make an appropriate formalised vote.
- 3.4 This report does not include the significant data about each service where there is the option for de-delegation, as that supporting information has already been provided to those making the decision. An example of this is that Primary Forum discussed this issue at their meetings on 5 October 2023 and received detailed information on each service to inform their conversation. Primary representatives on Schools Forum can use that conversation to inform their vote as they wish. Additionally the relevant secondary heads all received the same detailed information directly prior to today's meeting. However it must be clear that it is only the Schools Forum vote that is binding.

4. Guidance from DfE

- 4.1 The operational guidance from the DfE in relation to de-delegation states the following:

De-delegated services are for maintained schools only. Funding for de-delegated services must be allocated through the formula but can be passed back, or de-delegated for maintained mainstream primary and secondary schools with Schools Forum approval.

De-delegation does not apply to special schools, nursery schools, or PRUs. Where de-delegation has been agreed for maintained primary and secondary schools, our presumption is that the local authority will offer the service on a buy-back basis to those schools and academies in their area which are not covered by the de-delegation.

In the case of special schools and PRUs, the funding to buy such services will be included in any top-up payments. Any decisions made to de-delegate in 2023/24 related to that year only, so new decisions will be required for any service to be de-delegated in 2024/25.

From 2022/23, schools forums have been able to agree to de-delegate funding for local authorities' core school improvement activities in relation to maintained schools. In addition, since 2017/18, schools forums have been able to agree to de-delegate further funding for additional school improvement provision for maintained schools. From 2023/24, the school improvement monitoring and brokering grant is no longer being paid to local authorities.

Schools forum members for primary maintained schools and secondary maintained schools must decide separately for each phase whether the service should be provided centrally, and the decision will apply to all maintained mainstream schools in that phase.

They must decide on fixed contributions for these services so that funding can then be removed from the formula before schools budgets are issued.

There may be different decisions for each phase. The services which may be de-delegated are:

- *School improvement services*
- *Contingencies (including schools in financial difficulties and deficits of closing schools)*
- *Behaviour support services*
- *Support to underperforming ethnic groups and bilingual learners*
- *Free school meals eligibility*
- *Insurance*
- *RPA*
- *Museum and library services*
- *Licences / subscriptions (other than those paid by the DfE)*
- *Staff costs supply cover (e.g. long-term sickness, maternity, trade union and public duties).*

Local authorities should make a clear statement of how the funding is being taken out of the formula for each de-delegated service (for example – primary insurance £20 per pupil, secondary behaviour support services £30 per FSM pupil).

There should be a clear statement of how contingencies and other resources will be allocated. Academies will continue to receive a share of funding for these services in their delegated budget.

2024/25 de-delegation arrangements for schools converting to academy status are as follows:

- conversion date on or before 1 April 2024 – no de-delegation*
- conversion date between 2 April 2024 and 1 September 2024 – local authority retains any de-delegation funding until 1 September 2024.*
- conversion date between 2 September 2024 and 31 March 2025 – local authority retains any de-delegation funding until 31 March 2025*

After the dates specified, the academy will receive the full formula allocation and the department will recoup this from the local authority.

The local authority should continue to provide the services to new academies where funding is de-delegated, if they are asked to do so. If the local authority is unable to provide the requested service, the department expects the local authority and the academy to come to an arrangement to pay the funding directly to the academy.

Exceptions to this would be in cases where contractual arrangement to pay services in advance have already been made, and the local authority does not have the ability to continue to provide this service.

Where there has been agreement that a school is entitled to receive an allocation from a de-delegated contingency fund, that agreement should be honoured if the school converts to an academy at any point in the year.

Where a school converts to an academy in the period 2 April 2024 to 1 September 2024, local authorities will have an opportunity to present an evidence-based case to request a recoupment adjustment for the period 2 September 2024 to 31 March 2025.

Local authorities should report any unspent de-delegated funding remaining at year-end to their schools forum.

Local authorities can carry funding forward to the following funding period as with any other centrally retained budget and can choose to use it specifically for de-delegated services.

5. Insurance Cover Options

- 5.1 Currently a Traded insurance Service is offered to all Walsall maintained schools (via de-delegation for primary and secondary schools and via traded offer to special schools, PRU's and nurseries – as these schools are not subject to de-delegation) to buy back the full portfolio of covers including Property, Public & Employer's Liability, School Journey and Minibus insurances. The Council's proposed charge for 2024/25 is £24 per-pupil per year.

- 5.2 By comparison, a 'risk protection arrangement' (RPA) set up by the DfE in 2014 is now also available to maintained schools. The RPA does not technically constitute an insurance 'policy', but in practical terms it operates in identical fashion.
- 5.3 The scope and terms of covers provided by the RPA are at least equal to the Council's corporate insurances policies in nearly all areas – the only exceptions being:
- Motor / minibus insurance is not offered / covered by RPA but is available on the open insurance market, however the authority can also offer this as standalone cover at a rate of £850 per vehicle per year;
 - Contract Works cover is limited to £250,000 (compared to unlimited cover provided under the council insurance provision), which for the vast majority of capital projects will be adequate, but if works exceeding this value are planned, then additional cover needs to be arranged. The authority's cover is unlimited;
 - Statutory inspection (known as engineering inspection) of lifts, boilers, etc is not provided by the RPA, however this is included within the authority package.
 - The Zurich 'Safer Schools' app is free for all maintained schools within the authority's package. This is not offered by the RPA and would incur a charge if schools opted to move to the RPA but wished to retain the app.
- 5.4 The RPA also provides a full claims handling service directly to schools purchasing its service, details of which are available on the RPA website.
- 5.5 Although historically the RPA has only been available to academy schools, following consultation during the autumn of 2019 the DfE decided to extend the RPA offer to all Local Authority Maintained schools.
- 5.6 Following a price increase late last year the current rate, for 2023/24, for the RPA is £23pppy – this represents an increase from the price of £21pppy offered by the RPA in previous years.
- 5.7 It is not yet known whether the RPA will therefore increase prices further for the 2024/25 financial year, however the proposed rate for insurance cover set out by the authority is fixed for that period.
- 5.8 Following the change by the DfE to open the RPA to maintained schools, these schools are now able to choose to opt into the RPA scheme with effect from 1st April 2024, as an alternative to choosing to de-delegate their insurance arrangements back to the authority.
- 5.9 This decision would need to be made en-masse for all primary and secondary maintained schools via a formal vote at Schools Forum, with a vote in support meaning all primary and secondary maintained schools would be opted in to the RPA scheme (similar to a vote for de-delegation to the authority). This option would see charges for the service deducted directly from the Council's Dedicated School Grant (DSG) allocation, with a corresponding reduction in the funding then paid to individual maintained schools.

- 5.10 The insurance de-delegation offer to maintained schools provides the full range of covers (with the exception of motor / minibus insurance which would still see a charge of £850 per vehicle per year) at a rate of £24 per pupil, per year.
- 5.11 Whilst this is slightly higher than the current rate offered by the RPA it does still include engineering inspection cover within the price (which the RPA does not, and which is likely to cost more than £1 per pupil if purchased on the open insurance market), and also provides schools with the benefit of retaining the local knowledge of each school and a local named response / support for managing insurance activity and claims. It also provides schools now with a fixed rate for the 2024/25 year and removes any risk of additional increases that may need to be proposed by the RPA.
- 5.12 A full comparison of the covers proposed by the council, and those currently offered by the RPA are set out at Appendix 1.

6. School Improvement Grant

- 6.1 The DfE have abolished the school improvement grant from 2023/24 onwards, following 50% reduction in 2022/23. However, the DfE recognises that local authority maintained schools value the early support and challenge which councils provide to maintained schools as part of their core school improvement activities and want this to continue, and are therefore enabling councils to deduct funding from maintained school budgets, via the de-delegation process, going forward to provide this.
- 6.2 If de-delegation is not supported the government reserves the right to permit de-delegation against the wishes of Schools Forum in order to ensure councils have sufficient funds to deliver their core school improvement activities, if satisfied that the local authority has demonstrated such de-delegation was necessary to ensure they were adequately funded to exercise their core school improvement activities as set out in the Schools Causing Concern guidance.

7. Financial implications

- 7.1 Where the decision to de-delegate is not approved schools will need to identify the costs of procuring the service directly and ensure that they account for these costs when setting their school budget.

8. Legal Implications

- 8.1 Where the decision to de-delegate is not approved schools will need to ensure they follow the correct rules in terms of procuring alternate services.

9. School Improvement

- 9.1 No issues directly arising from this report.

10. Members eligible to vote

Page 26 of 39

- 10.1 Only maintained secondary members (or their nominated representative) with

voting rights are eligible to vote on this issue for Secondary Schools.

- 10.2 Only maintained primary members with voting rights are eligible to vote on this issue for Primary Schools.

Appendix 1 – Comparison of Insurance Covers Offered by the council and the RPA

Perils	Council De-delegated Offer		RPA	
	Cover	Excess	Cover	Excess
Lightning	✓	£0	✓	See Note 2
Explosion	✓	£0	✓	See Note 2
Aircraft	✓	See Note 1	✓	See Note 2
Riot	✓	£0	✓	See Note 2
Civil commotion	✓	£0	✓	See Note 2
Earthquake	✓	See Note 1	✓	See Note 2
Malicious damage	✓	See Note 1	✓	See Note 2
Fire	✓	£0	✓	See Note 2
Storm	✓	See Note 1	✓	See Note 2
Terrorism	✓	£0	✓	See Note 2
Flood	✓	See Note 1	✓	See Note 2
Escape of water	✓	See Note 1	✓	See Note 2
Impact by vehicles	✓	See Note 1	✓	See Note 2
Falling trees/branches	✓	See Note 1	✓	See Note 2
Leakage of oil	✓	See Note 1	✓	See Note 2
Glass breakage	✓	See Note 1	✓	See Note 2
Theft	✓	See Note 1	✓	See Note 2
Accidental damage	✓	See Note 1	✓	See Note 2
Business interruption	✓	£0	✓	See Note 2
Works in progress	✓ - unlimited	£0	✓ - £250k	See Note 2
Money	✓	£0	✓	See Note 2

Fidelity Guarantee	✓	£0	✓	See Note 2
Computers	✓	See Note 1	✓	See Note 2
Public Liability	✓	£0	✓	£0
Employer's Liability	✓	£0	✓	£0
Hirer's Liability	✓	£0	✓	£0
Motor / minibuses	✗ (*)	£250	✗	n/a
Engineering Inspection	✓	n/a	✗	n/a
Governors' Liability	✓	£0	✓	£0
Libel and slander	✓	£0	✓	£0
Personal Accident	✓	£0	✓	£0
School Journey	✓	£15	✓	£0
Safer Schools app	✓	n/a	✗	n/a
PRICE PER PUPIL PER YEAR	£24 (fixed until end of March 2025)		£23 (at time of writing; potential increase in late 2023)	

Note 1 – Excess of £500 applies to primary schools and £1,000 to secondary schools.

Note 2 - Excess of £250 applies to primary schools and £500 to secondary schools.

(*) Minibus cover – available at an additional charge of £850 per vehicle per year

Schools Forum

17 October 2023

Review of Maintained School Balances 2022-23

1. Purpose of report

- 1.1 To provide a summary of balances held by maintained schools at 31st March 2023 as reported to the Department for Education (DfE) under consistent financial reporting regulations.

2. Recommendations

- 2.1 That Schools Forum note the contents of the report.

3. Background

- 3.1 Consistent financial reporting regulations require local authorities to submit details of all income and expenditure incurred by its maintained schools during the financial year and to confirm the level of committed and un-committed surplus balances held by each school at 31 March each year.

4. School Balances 2022/23

- 4.1 As at 31 March 2023 Walsall maintained schools reported surplus revenue balances totalling £11.896m of which £8.199m was uncommitted at year end with a further £3.697m reported as committed, largely due to prior year commitments and approved Properly Assigned Sum projects.

- 4.2 Capital balances reported for maintained schools totalled a further £2.117m.

- 4.3 In addition, surplus balances totalling £0.344m were held by schools in respect of Community Facilities provision, i.e. extended school activities, were also reported.

- 4.4 A summary of these balances are shown in the following table:

Sector	Total Surplus Balances	Uncommitted Surplus Balances	Surplus as % of Income to Schools	Capital Balances	Community Facility Balances
Primary	£8,473,793	£5,697,940	4.35%	£1,679,450	£257,463
Secondary	£970,094	£970,094	5.23%	£0	£0
Special	£1,799,571	£1,361,234	6.16%	£173,535	£0
PRU	(£149,837)	(£360,350)	(13.09%)	£97,168	£0
Nursery	£802,859	£260,412	3.52%	£166,644	£86,063
Total	£11,896,480	£8,199,330	4.36%	£2,116,797	£343,526

4.4 A number of schools reported year-end deficits totalling (£0.547m) overall. Deficits were reported by 5 Primary schools and 1 Pupil Referral Unit.

4.5 The Council is working with these schools, and one of them has now moved back to a balanced budget position for 2023/24 onwards, and one is subject to a licenced deficit process with updated recovery plans being put in place to implement actions to move back to a balanced budget. Monitoring of that updated recovery plan will then take place on at least a termly basis.

5. Financial implications/Value for Money

5.1 Following the implementation of the balance control mechanism in 2012 the total level of uncommitted balances across all maintained schools remains within the balance control mechanism of 8%, with surplus uncommitted balances for all schools at the end of 2022/23 equating to 4.36% of the total income.

5.3 Uncommitted revenue balances have reduced overall from £8.904m in 2021/22 to £8.199m in 2022/23.

5.4 Devolved Formula Capital (DFC) balances have increased from £1.336m in 2021/22 to £2.117m in 2022/23.

5.5 Schools will also be aware that there is ongoing uncertainty around the longer-term impacts of the continued move toward the National Funding Formula, and therefore the Council would expect the current level of balances to continue to reduce going forward, and do not therefore recommend that there is a need to review the Councils current balance control mechanism at this point.

6. Legal Implications

6.1 Balances held by maintained schools as at 31 March each year are reported to the DfE under the consistent financial reporting regulations.

7. School Improvement

7.1 DfE's intention is that schools should avoid building up excessive balances and should instead utilise the funding they receive for the benefit of pupils that are currently attending the school. However, they also recognise the fact that reserves allow schools to plan for wider developments or respond to unforeseen cost pressures, and as such some level of reserves will normally be required.

8. Members eligible to vote

8.1 The report is for information only and no vote is required.

Schools Forum

17 October 2023

Review of Dedicated Schools Grant - Update on 2023/24 Forecast Position

1. Purpose of report

- 1.1 To inform Schools Forum of the Dedicated Schools Grant (DSG) forecast outturn position for 2023/24.

2. Recommendations

- 2.1 That Schools Forum note the updated position set out in the report.

3. Background

- 3.1 Schools Forum has been monitoring DSG expenditure in recent years, and this report provides an update for the 2023/24 financial year.
- 3.2 As the Schools and Central Schools Services blocks of the DSG are fully committed at the beginning of the year, in agreement with Schools Forum, the forecast will not change through the year and these blocks are therefore not included within this report.
- 3.3 Dedicated Schools Grant (DSG) reserves at the end of 2022/23 totalled a cumulative deficit of £0.232m, and Table 1 below provides a breakdown of this deficit split between allocated and unallocated balances:

Table 1 – DSG Surplus as at end 2022/23	
Area	Amount (£m)
Balances Previously Allocated to Specific Areas of Investment:	
School Readiness / Early Help	0.029
Sector Led Improvement Model	0.358
Subtotal – Allocated Reserve	0.387
Prior year DSG overspend – Unallocated Reserve	(0.619)
Net DSG Reserve	(0.232)

- 3.4 The prior year DSG overspend of £0.619m has been carried forward and will be offset against 2023/24 funding allocations.

4. 2023/24 High Needs Block Monitoring

- 4.1 The 2023/24 High Needs budget and projected expenditure as at September 2023 which is based on current EHCP levels plus modelled growth, is shown in Table 2 below:

Table 2 – High Needs Position as at September 2023			
High Needs Expenditure 2023/24	Annual Budget at April'23 (£m)	Spend Forecast at Sep'23 (£m)	Forecast Variance at year end over/underspend (£m)
Place funding - Specialist Provision	9.284	9.505	0.221
Top-up funding - Mainstream Provision plus Specialist Units in Mainstream	11.629	13.634	2.005
Top-up funding - Out of Borough Schools	1.550	1.550	0.000
Top-up funding – Specialist Provision	15.442	14.369	(1.073)
Placements fees – Independent Special Schools/Colleges & Top-up funding Post 16 Provision	9.900	10.000	0.100
SEN Support Services	3.104	3.104	0.000
Other alternative provision incl. home & hospital tuition & outreach	1.800	1.800	0.000
Tuition Costs	0.500	0.500	0.000
Personal Budgets	0.150	0.150	0.000
Balance to fund previous year's deficit	1.060	0.710	(0.350)
Updated HNB – July 2023 updated allocation	0.141	0.000	(0.141)
Total Budget / Expenditure	54.560	55.322	0.762

4.2 The High Needs Block forecast for 2023/24 set out above, clearly shows that a forecast overspend of £0.762m is currently estimated (which would continue the trend seen in 2022/23 which also saw an overspend on the High Needs Block). Details of the main areas of variance leading to this are set out below:

- Place Funding – currently forecasting a pressure of £0.221m due to an increase in commissioned specialist places from September 2023 across various schools.
- Top-up funding – currently forecasting a total pressure (across all Top-up lines shown above) of £0.932m due to an increase in EHCP's during the summer term 2023 plus the full year effect of an increase throughout 2022/23.
- Independent Schools / Post 16 – currently forecasting a pressure of £0.100m due to a forecast increase in education contributions for social care led placements.
- Prior year deficit – currently forecasting an underspend of £0.350m as the budget was set based on the forecast pressure for 2022/23 assumed during the spring term of 2023 which then subsequently reduced by year end.
- Updated HNB – currently forecasting an underspend of £0.141m based on the Education, Skills and Funding Agency (ESFA) update to the High Needs Block allocation in July 2023 (which is done annually) which

provided an additional £0.141m of income. This is largely due to a reduction in the import/export adjustment within the funding allocation. This indicates that even though Walsall is still a net exporter (Walsall pupils with EHCP's attending out of borough schools compared to out of borough pupils with EHCP's attending Walsall schools), the pupil number difference is smaller.

- 4.3 As the High Needs block continues to forecast a deficit position, the LA is required to develop, maintain and present a DSG Management Plan to the ESFA which identifies mitigating actions that can be put in place to manage current and future years pressures. Schools Forum will be aware that work on an initial plan was carried out in 2022/23, and presented to Schools Forum in March 2023, and now that further information relating to 2023/24 is available a further review and update of the plan is currently taking place. A meeting with the ESFA to review the draft update took place in September 2023 and a further update will be presented to the ESFA again in February 2024, following which the final updated position will be reported to Schools Forum (currently included in the forward plan for the March 2024 meeting).

5. 2023/24 Early Years Block Monitoring

- 5.1 The 2023/24 Early Years budget and projected expenditure, as at September 2023, is shown in Table 3 below:

Table 3 – Early Years Position as at September 2023			
Early Years Expenditure 2023/24	Annual Budget (£m)	Spend Forecast as at Sep'23 (£m)	Forecast Variance at year end over/ (underspend) (£m)
EYSFF - 2yr old entitlement	3.314	3.314	0.000
EYSFF – 3 & 4 year old Universal and Extended Entitlement	16.376	16.376	0.000
EYSFF - Maintained Nursery School supplement	1.596	1.596	0.000
EYSFF – Contingency to manage increases in provision throughout the year	0.500	0.500	0.000
Disability Access Fund for 3 & 4 year olds	0.140	0.140	0.000
SEN Inclusion Fund for 2 year olds	0.020	0.020	0.000
SEN Inclusion Fund for 3 & 4 year olds	0.070	0.070	0.000
Early Years Pupil Premium for 3 & 4 yr. olds	0.288	0.288	0.000
Early Years Support Team	0.500	0.500	0.000
Total Budget / Expenditure	22.804	22.804	0.000

- 5.2 The forecast is currently in line with budget, however this may change when actual pupil data is available for the autumn and spring term when the October 2023 and January 2024 census data is finalised. Should this risk materialise then actions to manage that pressure would need to be identified.

6. Financial Implications

- 6.1 Taking account of the current pressures and risks on DSG funding shown within the report, the overall DSG reserve balance and the council's DSG Management Plan will continue to need to be regularly reviewed going forward.

7. Legal Implications

- 7.1 No issues directly arising from this report.

8. School Improvement

- 8.1 No issues directly arising from this report.

9. Members eligible to vote

- 9.1 This item provides an update on the financial position and no vote is required.

WALSALL

SCHOOLS FORUM

FORWARD PLAN OF DECISIONS

The forward plan sets out decisions which the Schools Forum intend to take over the following 4 months. Preparation of the forward plan helps the Schools Forum to programme its work. The purpose of the forward plan is to give plenty of notice and an opportunity for consultation on the issues to be discussed. The plan is updated in the middle of each month with the period of the plan being rolled forward by one month and republished. The plan is available for public inspection on the Council's website at www.walsall.gov.uk. Copies of the plan can be obtained from Neil Picken, Democratic Services, Walsall MBC, Council House, Lichfield Street, Walsall, WS1 1TW, 01922 654369 or e-mail neil.picken@walsall.gov.uk. Please note that the decision dates are indicative and are subject to change. Please contact the above addressee if you wish to check the date for a particular item.

The Schools Forum agenda and reports are available for inspection by the public 7 days prior to the meeting of the Forum. The papers are available on the Council's website referred to above shortly before the meeting. Background papers are listed on each report submitted to the Schools Forum and members of the public are entitled to see these documents unless they are confidential. The report also contains the name and telephone number of a contact officer. These details can also be found in the forward plan.

Meetings of the Schools Forum are held on Microsoft Teams and live streamed online and available to the public to view. Occasionally there are items included on the agenda which are confidential and for those items the public will be asked to leave the meeting.

www.walsall.gov.uk

**FORWARD PLAN OF DECISIONS TO BE TAKEN
BY SCHOOLS FORUM
FROM SEPTEMBER, 2023**

DECISION TO BE CONSIDERED	BACKGROUND PAPERS AND CONTACT OFFICER	DATE ITEM TO BE CONSIDERED
School improvement working group	Chair	Standing Item for each meeting
Election of Chair and Vice Chair for 2023/24	Democratic Services Officer	September 2023
School Music Service	Walsall Music Education Hub & Service. Walsall Arena & Arts Centre (Forests Arts Centre)	September, 2023
Update on Local Government Pension Scheme Charges (if required)	Finance Manager	September, 2023
Early Years Funding Formula	Finance Manager	October, 2023
School improvement working group	Chair	October, 2023
Proposed Mainstream Schools Local Funding Formula 2024/25	Finance Manager	October, 2023
Maintained Schools De Delegation	Finance Manager	October, 2023

Review of Maintained Schools Balances 2022/23	Finance Manager	October, 2023
Review of Dedicated Schools Grant – update on 2023/24 Forecast Position	Finance Manager	October, 2023
Disapplication Request (If Required)	Finance Manager	October, 2023
School improvement working group	Chair	January, 2024
Mainstream Funding Formula 2023/24	Finance Manager	January, 2024
Central Expenditure Budgets 2023/24	Finance Manager	January, 2024
Early Years Funding Formula	Finance Manager	March, 2024
High Needs Funding Formula (Outcome)	Finance Manager	March, 2024
School improvement working group	Chair	March, 2024
Walsall Learning Alliance – termly update	Mrs C. Draper , Primary Head Teacher, Short Heath Federation	March 2024
Review of Schools Forum Membership	Democratic Services Officer	June, 2024

School improvement working group	Chair	June, 2024
Schools Forum Annual Report	Democratic Services Officer	June, 2024
Dates for 2024/25 meetings	Democratic Services Officer	June, 2024