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SCHOOLS' FORUM

Day: Tuesday
Date: 27 September 2022
Time: 10.00 am
Place: Zoom Meeting

Item No.	AGENDA	Page No
1.	APOLOGIES FOR ABSENCE To receive any apologies for the meeting from Members of Schools' Forum	
2.	DECLARATIONS OF INTEREST To receive any declarations of interest from Members of School's Forum	
3.	APPOINTMENT OF CHAIR AND DEPUTY CHAIR To appoint a Chair and Deputy Chair for the 2022-23 Academic Year	
4.	MINUTES To consider the minutes of the meeting of Schools' Forum, which was held on 21 June 2022	1 - 4
5.	SCHOOLS' FORUM MEMBERSHIP, CONSTITUTION AND TERMS OF REFERENCE To consider the attached report of the Chief Executive	5 - 14
6.	SCHOOL BALANCES To consider the attached report of the Assistant Director, Finance and Director, Education (Tameside and Stockport)	15 - 20
7.	SCHOOLS FINANCIAL VALUES STANDARD RETURNS To consider the attached report of the Assistant Director, Finance	21 - 24
8.	SCHOOL FUNDING UPDATE ON NFF AND SUMMER ANNOUNCEMENTS FROM DFE To consider the attached report of the Assistant Director, Finance and Director, Education (Tameside and Stockport)	25 - 32
9.	DSG MONITORING 2022/23 UPDATE To consider the attached report of Assistant Director, Finance and Director, Education (Tameside and Stockport)	33 - 40

From: Democratic Services Unit – any further information may be obtained from the reporting officer or from Natalie King, Democratic Services, natalie.king@tameside.gov.uk, 0161 342 2316, to whom any apologies for absence should be notified.

10. DATE OF NEXT MEETING

To note that the next meeting of Schools' Forum will be held on Thursday 1 December 2022 at 10am

SCHOOLS' FORUM

21 June 2022

Commenced: 10.00am

Terminated: 11.25am

Present:	Karen Burns (Chair)	Primary Schools – Academies
	Susan Marsh	Governor, Primary Schools – L/A Maintained
	Kirsty Rimmer	Primary Schools – L/A Maintained
	Lisa Lockett	Primary Schools – L/A Maintained
	Lisa Gallaher	Primary Schools – L/A Maintained
	Simon Brereton	Primary Schools – L/A Maintained
	Steve Marsland	Primary Schools – L/A Maintained
	John Cooper	Primary Schools – L/A Maintained
	Richard O'Regan	Secondary Schools – L/A Maintained
	Betty Jones	Governor, Secondary Schools – L/A Maintained
	Simon Wright	Primary Schools – Academies
	Andrew Foord	Headteacher, Special Schools – L/A Maintained
	Anthony Benedict	Pupil Referral Service
	Anne Morgan	Tameside Teachers' Consultative Committee
	Elaine Horridge	Diocesan Representative
	Clr Leanne Feeley	Executive Member
	Tim Bowman	Director, Education (Tameside and Stockport)
	Wendy Lees	Finance Manager
	Christine Mullins	Finance business Partner
Apologies for absence:	Donal Townson	Governor, Primary Schools – L/A Maintained
	Gemma Patterson	Primary Schools – L/A Maintained
	Anton McGrath	14-19 Sector
	Heather Farrell	Primary Schools – Academies
	Iain Linsdell	Primary Schools – Academies
	Clr Oliver Ryan	Executive Member

1 DECLARATIONS OF INTEREST

There were no declarations of interest from Members of Forum.

2 MINUTES

Consideration was given to the minutes of the meeting of the School's Forum, held on 15 March 2022.

RESOLVED

That the minutes of the meeting of Schools' Forum, which was held on 15 March 2022, be approved as a correct record.

3 DEDICATED SCHOOLS GRANT OUTTURN 2021-22 AND BUDGET UPDATE 2022-23

Consideration was given to a report from Director of Education (Tameside and Stockport) and the Assistant Director, Finance, which provided an update on the outturn position for 2021-22 and the budget position for the financial year 2022-23.

Members were made aware that the position for 2021-22 was an in-year overspend position and it

was noted that the High Needs budget continued to be under significant pressure despite the Schools Block transfer of £0.878m. Members were informed that this was predominantly in relation to the continued growth in the number of Education Health Care Plans (EHCP) across the borough.

An underspend of £0.178m in the Schools Block was highlighted, which was related to business rates being £0.049m lower than previously estimated, along with unallocated growth of £0.128m. In addition, Members were advised that there was a small surplus on the Central Services Schools Block of £7k. This related to a reduction in Schools' Forum costs due to remote meetings and reduced expenditure on non-staffing resources within the School Admission team.

Members noted that there was a surplus of £0.153m the Early Years Block. This was in relation to £0.147m in-year surplus and £6k additional funding from the final 2020-21 Early Years allocation from DfE. It was noted that a further £0.078m was due to be received in relation to the 2021-22 financial year and the final Early Years settlement would be announced in July 2022.

It was proposed that each of the surpluses discussed would be used to contribute to the overall Dedicated Schools Grant deficit and the overspend on the High Needs Block.

In relation to the DSG budget update for 2022-23, it was forecast that there would be a surplus on the Schools Block, which was in relation to a reduction in the PFI contributions for 3 schools. Members were informed that the value of the reduction (approx. £0.26m) would have resulted in minimal increases across all schools and, due to the timing of determining this reduction and DfE statutory deadlines, this surplus funding was added to the growth fund.

It was expected that the Central Services Schools Block would be fully utilised and the in-year deficit on the high Needs Block was expected to be £4.526m, which would be reduced to £2.884m with the £0.954m transfer from the Schools Block and a combination of savings and cost avoidance totalling £0.688m identified in the Deficit Recovery Plan.

Members were informed that the Early Years Block was currently forecasting a deficit of £0.236m and were advised that this would be updated in July 2022 with an anticipated increase of £0.323m to reflect January 2022 census data.

The Dedicated Schools Grant Reserve position for 31 March 2023 was outlined for Members. It was stated that, at the end of 2021-22 there was a £3.243m deficit and the spending detailed within this report was anticipated to bring this to a £5.786m deficit by the end of this financial year in line with the forecasts.

RESOLVED

That the contents of the report be noted and supported

4 DSG HIGH NEEDS SPENDING AND DEFICIT RECOVERY PLAN UPDATE

Consideration was given to a report from Director of Education (Tameside and Stockport), which provided an update on the current DSG deficit position and an update on the Delivering Better Value programme and action plan to address spending pressures.

Members were informed that cumulative deficit for the dedicated Schools Grant at the end of 2021-22 was £3.243m. This represented an increase of £1.687m from 2020-21.

It was highlighted that the High Needs element of the grant for 2021-22 (£28.196m) along with the transfer from Schools Block (£0.878m) had provided funds of £29.073m. However, the spend of £31.046m had exceeded this allocation by £1.973m.

It was noted that despite unprecedented investment in the High Needs sector, as highlighted in the Green Paper and a range of proposed management actions, which were outlined in the report,

Tameside continued to face significant deficits, both in-year and now on the overall dedicated Schools Grant. It was further explained that this was predominantly in relation to the cap on the High Needs National Funding Formula and a significant part of funding still being based on the 2017-18 baseline spend. A comparison was made between other GM authorities to illustrate this.

Growth projections in relation to the number of Education Health Care Plans (EHCPs) being requested was discussed, along with the impact of Covid-19. Concern was expressed that the demand for assessment and awarding of plans had grown exponentially and, at this stage, it was difficult to ascertain whether this increased demand would be temporary.

An overview on the previously agreed actions with regard to the management plan was provided, including service reviews, resource bases, Pupil Referral Service funding model, Element 3 savings, Top-up funding, Post 16 provision and contract reviews.

It was noted that, since the management plan had been put into place, there had been some delays in moving forwards, partly due to capacity issues within the SEND team. It was stated that resources had been diverted to respond to the recent SEND inspection, the associated Written Statement of Action and additional workload, which had been as a result of the pandemic. Members were also made aware that the Council had approved additional staffing for the SEND team to support increased demand and a number of additional posts had been created.

It was explained that Tameside were now part of the Delivering Better Value in SEND programme, which aimed to build capacity and capability within the system in order to help address existing challenges and pressures in anticipation of wider SEND reforms. It was also highlighted that this would promote further partnership work with Stockport, which would allow for joint capacity and collaborative activity.

Following presentation of the report, Forum Members expressed their continued support with regard to concerns surrounding the lack of funding and the disparity between Tameside and statistical neighbours. It was noted that local Members of Parliament had previously raised this issue and that there had been correspondence with the DfE in relation to these concerns. However, it was also acknowledged that there was perhaps more that could be done with regard to escalating these issues and obtaining further support. Following some detailed discussion, it was suggested that this would continue to be considered outside of the meeting.

It was noted that, in terms of realising potential savings, there was still more work that could be done and it was acknowledged that the system needed to be provision led rather than needs led. It was emphasised that the high number of requests for statutory assessments was of significant concern. As a result, it was felt that a strong focus was required on effective use of the graduated approach to better identify and meet need early, with a view to improving provision and, in turn, helping to alleviate some of the financial pressures.

RESOLVED

- (i) That the contents of the report be noted and supported.**
- (ii) That further savings ideas continue to be shared**

5 SCHOOL BALANCES 2021-22

Consideration was given to a report from Director of Education (Tameside and Stockport) and the Assistant Director, Finance, which provided an update on the surplus balances held by schools at the end of the 2021-22 financial year.

Members were informed that overall balances had reduced by £0.060m or 1% compared to 2020-21. It was noted that primary balances had reduced £1.240m or 20% and that this was partly due to the term time only back pay primary schools had to absorb in 2021-22. Secondary balances had increased by £1.200m or 70%. Special school balances had reduced by £0.020m or 1%. Again,

this was, in part, attributable to the impact of term time only back pay.

It was explained that there were 17 schools with excess surplus balances at the end of 2021-22. These schools had either exceeded the approved surplus balance submitted to the Local Authority in June 2021, or the school didn't submit a return to hold balances above the sector threshold but their year-end actual balances had been above the threshold. In line with the Balance Mechanism Scheme, clawing these excess balances back at a rate of 50% would mean that £348,327 could potentially be clawed back.

Members were reminded that the Capital Reserve Scheme had previously been introduced and a request to utilise this had been received from 2 schools with a total ear-marked reserve of £390,000.

It was explained that the 17 schools at risk of potential claw back had been written to and this had been raised with Schools' Funding Group on 18 May 2022, who, although they acknowledged the pressures facing schools, supported the recommendation to invoke the clawback for 2021-22 balances.

Discussion ensued in relation to exceptional circumstances and the transfer of balances to capital reserve for 3 years.

RESOLVED

(i) That the contents of the report be noted

(ii) That the clawback mechanism for 2021-22 surplus balances be approved, in principle, with exceptions to be further discussed at the next meeting of Schools' Forum

6 SCHEME OF FINANCING FOR SCHOOLS 2022-23

Consideration was given to a report from the Assistant Director, Finance, which outlined the changes to Tameside Scheme of financing for Schools. It was noted that changes were needed to the scheme to update for DfE directed changes and to reflect local changes.

Members were made aware that there had been a directed revision of the Salix Scheme, which had now been removed from the Scheme of Financing and this scheme had now been closed.

With regard to local revisions, this was in relation to the budget share, which was payable from the LA to schools and was in response to feedback, which had highlighted previous, additional administrative burdens.

The revision was to change the payment of budget shares to schools from 12 monthly instalments to 10. The total sum would be divided in equal 11th's and paid to schools in 10 instalments, which would be paid in all months except March, with 2/11ths paid in July.

This change had undergone a period of consultation, where 79.17% of respondents had supported the suggested changes.

RESOLVED

(i) That the Secretary of State's directed revisions for inclusion in the scheme be noted

(ii) That changes to the Tameside Scheme of Financing for Maintained Schools be agreed

7 DATE OF NEXT MEETING

RESOLVED

That the next meeting of The Schools Forum be held on Tuesday 27 September 2022 at 10am.

CHAIR

Agenda Item 5

Report To:	SCHOOLS FORUM
Date:	27 September 2022
Reporting Officer:	Sandra Stewart – Chief Executive
Subject:	SCHOOLS FORUM TERMS OF REFERENCE, PRINCIPLES AND CONSTITUTION.
Report Summary:	A report for noting the updated Terms of Reference for Schools Forum, of the guiding principles and constitution for the Schools Forum.
Recommendations:	<p>Members of the Schools Forum are requested to note the contents of the report.</p> <p>It is recommended the Schools Forum support the publication of terms of reference, Forum principles, constitution and membership of Schools Forum on the council's website to comply with best practice of Schools Forum.</p>
Corporate Pan:	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and supports Aspiration and Hope through learning and moving with confidence from childhood to adulthood.
Policy Implications:	There are no policy implications as a result of this report.
Financial Implications: (Authorised by the Section 151 Officer)	There are no direct financial implications as a result of this report. However the terms of reference and constitution outlines the financial decisions and consultation that the Council need to be carried out with schools, to ensure we exercise our statutory duties with regards of schools funding.
Legal Implications: (Authorised by the Borough Solicitor)	Members should be aware of the Terms of Reference as they establish the rules for conducting Schools Forum business.
Risk Management:	<p>Local Schools are not given appropriate information to contribute to decision making as laid out in regulation.</p> <p>If Schools Forum protocol is not adhered to, funding decisions could be called in for scrutiny by the Secretary of State for Education.</p>


ACCESS TO INFORMATION

NON-CONFIDENTIAL

This report does not contain information which warrants its consideration in the absence of the Press or members of the public.

Background Papers

The background papers relating to this report can be inspected by contacting Natalie King, Democratic Services Officer:

 Telephone: 0161 342 2316

 e-mail: natalie.king@tameside.gov.uk

1. BACKGROUND AND INTRODUCTION

- 1.1 It is an annual requirement to update membership in at the first meeting of the academic year to review the membership, and appoint both Chair and Vice Chair of Forum. It is timely to review the Terms of Reference for the new academic year alongside this.

2. SCHOOLS FORUM

- 2.1 The attached document is a comprehensive document that covers the relevant governance expected surrounding schools forum. There are five areas within the document for members to note as follows;
- The Terms of Reference
 - Schools Forum Principles
 - Schools Forum Constitution
 - Schools Forum Membership
 - Schools Forum Voting Procedures
- 2.2 Terms of Reference have been established which provide an overview of the purpose and main functions for the Schools Forum.
- 2.3 A set of guiding principles have been established to cover expectations of all Schools Forum members in relation to their role as a member and to ensure that all consultation and decision making is effective and fair.
- 2.4 The Schools Forum constitution covers, in more detail, the powers of Schools Forum in relation to consultation and decision making with regard to approving Dedicated School Grant budgets and formula changes on the Schools Block funding.
- 2.5 It further outlines areas that Schools Forum must be consulted upon, membership and attendance of meetings, organisation and proceedings of meetings, expenses and future changes to the documents.
- 2.6 **Appendix A** outlines the protocols for decision making, voting and substitute attendance at meetings and provides a list of current Forum Membership, including vacancies.

3. RECOMMENDATIONS

- 3.1 As set out on the front of the report.

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APPENDIX A

SCHOOLS FORUM FOR TAMESIDE

Terms of Reference, Principles and Constitution for Schools Forum

TERMS OF REFERENCE

THE SCHOOLS FORUM

Representatives from schools, academies and free schools make up the Schools Forum. There is also some representation from non-school organisations, such as nursery and 16-19 education providers.

The Forum acts as a consultative body on some issues and a decision making body on others.

The Forum acts in a consultative role for:

- changes to the local funding formula (the local authority makes the final decision)
- proposed changes to the operation of the minimum funding guarantee
- changes to or new contracts affecting schools (school meals, for example)
- arrangements for pupils with special educational needs, in pupil referral units, and in early years provision

The Forum decides:

- how much funding may be retained by the local authority within the dedicated schools grant (for example, providing an admissions service, or providing additional funding for growing schools)
- any proposed carry forward of deficits on central spend from one year to the next
- proposals to de-delegate funding from maintained primary and secondary schools (for example, for staff supply cover, insurance, behaviour support)
- changes to the scheme of financial management

PRINCIPLES

Whilst members are representatives of their specific sectors or phase, they will be expected to seek feedback from the schools they represent.

Schools Forum members should consider the needs of the whole educational community, rather than using their position on the Schools Forum to advance their own sectional or specific interests.

Schools staff and governors should make sure that the representatives they choose are competent to act as their advocates.

They should also ensure that they are aware of Schools Forum business and make their views known about decisions affecting schools' finance.

Local authorities must publish all Schools Forum papers in advance of each meeting.

Any recommendations should be clear and local authority responsible officers should attend meetings to provide further information and advice.

All Schools Forum meetings must be open to the public. Observers do not have an automatic right to speak at meetings, but the chair may allow contributions where appropriate.

CONSTITUTION

The title of the Forum shall be the 'Schools Forum for Tameside' herein after referred to as 'The Schools Forum'.

Introduction

The Schools Forum has been established in accordance with the provisions of the Schools Forums (England) Regulations 2012 (S.I. 2012/2261). The following document lays out a revised constitution and terms of reference of The Schools Forum, building upon the original documentation drawn up in June 2003. The Schools Forum is a separate statutory body and, as such, is not a committee of the local authority.

The School and Early Years Finance (England) Regulations 2021 amended The Schools Forums (England) (Coronavirus) (Amendment) Regulations 2020 to make permanent provisions to enable Schools Forum meetings to be held remotely. This includes (but is not limited to) telephone conferencing, video conferencing, live webcast, and live interactive streaming. Where a Schools' Forum decides to hold a public meeting by remote means only, the Forum should provide support or make alternative arrangements so that any interested parties who do not have telephone or online access can attend virtual meetings.

Functions of the Forum

To make decisions in relation to:

- de-delegation from mainstream maintained schools budgets (separate approval will be required by the primary and secondary phase members of schools forum), for prescribed services to be provided centrally
- to create a fund for significant pupil growth in order to support the local authority's duty for place planning (basic need), including pre-opening and diseconomy of scale costs, and agree the criteria for maintained schools and academies to access this fund
- to create a fund for falling rolls for good or outstanding schools if the schools' surplus capacity is likely to be needed within the next three years to meet rising pupil numbers and agree the criteria for maintained schools and academies to access this fund
- agreeing other centrally retained budgets, including for local authority statutory responsibilities (where these relate to maintained schools only, voting is by the primary, secondary, special and PRU members of schools forum)
- funding for central early years expenditure, which may include funding for checking eligibility of pupils for an early years place, the early years pupil premium and/or free school meals
- authorising a reduction in the schools budget in order to fund a deficit arising in central expenditure, or from de-delegated services, which is to be carried forward from a previous funding period in the 2019 to 2020 funding year. The Schools Block is ring-fenced. Local authorities require Schools Forum approval in order to move up to 0.5% from the Schools Block to other blocks
- in each of these cases, the local authority can appeal to the Secretary of State if the Schools Forum rejects its proposal.

The Local Authority must consult the Schools Forum in relation to:

- amendments to the school funding formula, for which the voting is restricted by the exclusion of non-schools members, except for PVI representatives
- arrangements for the education of pupils with special educational needs in particular the places to be commissioned by the local authority and schools, and the arrangements for paying top-up funding
- arrangements for the use of pupil referral units and the education of children otherwise than at school, in particular the places to be commissioned by the local authority and schools, and the arrangements for paying top-up funding
- arrangements for early years provision
- administrative arrangements for the allocation of central government grants paid to schools via the local authority

Membership and Attendance

The Schools Forum will be made up of schools, academies and free schools members and non-school members as listed below. Non-schools members will make up no more than a third of a Schools Forum's total membership

Schools members

Members should be headteachers, governors or bursars (they may be represented by other senior members of staff within their school). Governors can include interim executive members of an interim executive board. Membership will be determined in accordance with regulation.

Non-Schools members

A representative of providers of 16-19 education must be elected from those providers. Early years' providers from the private, voluntary and independent (PVI) sector.

Other attendees who are permitted to contribute to a Schools Forum meeting:

- the Director of Children's Services at the authority or their representative;
- the Chief Finance Officer at the authority or their representative;
- any elected member of the authority who has primary responsibility for Children's Services or education in the authority;
- any elected member of the authority who has primary responsibility for the resources of the authority;
- any person who is invited by the Forum to attend in order to provide financial or technical advice to the Forum;
- an observer appointed by the Secretary of State; and
- any person presenting a paper or other item to the Forum that is on the meeting's agenda, but that person's right to speak shall be limited to matters related to the item that the person is presenting.

Tameside's membership can be found at **Annexe A**

Meetings will be open to the public, although there is no automatic opportunity for members of the public to speak. Public involvement can come through Forum invitation only. Where the Forum discusses matters of a confidential nature e.g. contracts where there is a commercial interest, then this should be considered private and confidential and members of the public excluded. In all cases the principles of the Local Government (Access to Information) Act apply.

Meetings and Proceedings of the Schools Forum

The local authority shall act as clerk to The Schools Forum and ensure that all of the procedural aspects of Forum performance are complied with.

The Schools Forum shall meet at least four times per year.

The Forum shall be quorate if at least 40% of the voting membership is available at the meeting.

A Chair and Vice Chair shall be elected annually from those members present at the first meeting of the academic year; the term of office being one year. Any elected member or officer of the authority cannot stand as Chair.

A member of Schools Forum may nominate an alternate to attend a meeting if he or she is unable to do so, but the alternate must also fulfil the same criteria as the member; they must be from the same category of school within the local authority. The appointed member, prior to the meeting, shall notify the name of the substitute member to the officer acting as clerk to the Forum.

Any member who fails to attend four consecutive meetings of Schools Forum, even where a substitute attended on his or her behalf, may have their membership terminated.

A draft agenda shall be agreed for the 12 month period. The Chair of Forum must decide upon the agenda for the meeting following consultation with members of the Forum. The final agenda and written papers are to be circulated 5 working days before the start of the meeting. Verbal or tabled reports will only be accepted in extenuating circumstances.

Voting procedures at Forum are covered in **Annexe B** attached.

Charging of expenses

All expenses of the Forum shall be met by the Authority, and charged to the schools budget. Expenses can be claimed in line with the forum expenses procedure.

Future Amendments to the Terms of Reference

Membership and terms of reference will be reviewed by the Local Authority at the start of each academic year.

ANNEXE A

SCHOOLS' FORUM MEMBERSHIP 2022-23

MAINTAINED PRIMARY SCHOOL MEMBERS (9)	SCHOOL
Steve Marsland	Headteacher – Russell Scott Primary School
Lisa Gallaher	Headteacher – Milton St John Primary School
Lisa Lockett	Headteacher – Stalyhill Infants School
Susan Marsh	Governor - Governors' Forum
Donal Townson	Governor – St John Fisher
Gemma Patterson	Headteacher – Lyndhurst Primary School
Kirsty Rimmer	Headteacher – St Anne's Primary School
Simon Brereton	Headteacher – Holy Trinity Primary School
John Cooper	Headteacher – Greswell Primary School
ACADEMY PRIMARY SCHOOL MEMBERS (5)	ACADEMY
Karen Burns	CEO, Victorious Academies Trust
Simon Wright	Headteacher - St Paul's Primary Academy, Stalybridge
Heather Farrell	Headteacher - Oakfield Primary School
Mark Bidgood	Headteacher - Canon Johnson C of E Primary School
Iain Linsdell	Headteacher – Poplar Street Primary Academy
MAINTAINED SECONDARY SCHOOL MEMBERS (2)	SCHOOL
Richard O'Regan	Headteacher – Alder Community High School
Betty Jones	Governor – St Damian's RC College
ACADEMY SECONDARY SCHOOL MEMBERS (2)	ACADEMY
Vacancy	
Gill McFadden	Business Manager – All Saints Catholic College
MAINTAINED SPECIAL SCHOOLS (1)	SCHOOL
Pierre Coiffat	Headteacher – Thomas Ashton School
ACADEMY SPECIAL SCHOOLS (1)	SCHOOL
Rosario Sarno	Governor – Hawthorns
PUPIL REFERRAL (1)	SCHOOL
Anthony Benedict	Whitebridge & Elmbridge Learning Centres
NON SCHOOL MEMBERS (5)	REPRESENTING
Anne Morgan	Tameside Teachers' Consultative Committee
Elaine Sagar	Early Years Private Voluntary & Independent Sector
Elaine Horridge	Church of England Diocese
Vacancy	Roman Catholic Diocese
Lisa Richards	14-19 Sector
NON VOTING MEMBERS & OBSERVERS	REPRESENTING
DFE/EFA Representative	DFE/EFA Representative
Councillor J North	Executive Member Finance, Resources and Transformation
Councillor L Feeley	Executive Member Education, Achievement and Equalities
Tim Bowman	Director of Education (Tameside and Stockport)
Report Presenters	
Council Officers Providing Financial or Technical Advice	

SCHOOLS FORUM VOTING PROCEDURE

1. The decision as to whether a ballot is held will normally be determined by the requirements of the paper tabled. In exceptional circumstances where members wish to hold a ballot and record the outcome to an item not previously considered to require a vote, then a vote can be triggered by a formal proposition by a member and subsequently agreed by the Chair.
2. Votes shall be cast by a show of hands unless the chair decides that a secret ballot is appropriate.
3. Each member of the Schools Forum, or their substitute, shall have one vote. Non-members (e.g. officers, observers) are not entitled to vote.
4. Non-schools members, other than those who represent early years' providers, must not vote on matters relating to the formulae to be used by the local authority to determine the amounts to be allocated to schools and early years' providers in accordance with regulations.
5. Only the maintained primary schools members of The Schools Forum may vote to decide whether or not to authorise the de-delegation proposals for their phase of maintained schools only.
6. Only the maintained secondary schools members of The Schools Forum may vote to decide whether or not to authorise the de-delegation proposals for their phase of maintained schools only.
7. The proceedings of the Forum are not invalidated by:
 - any vacancy among their number;
 - any defect in the election or appointment of any member;
 - or any defect in the election of the chair.
8. Issues put to the vote shall be decided by a majority of the members, or their substitutes, present at the meeting and voting on the issue.
9. In the case of equal votes, discussion will continue to try to achieve consensus if this cannot be achieved, the Chair will be deemed to have a second or casting vote, with no restriction on either how or whether this is exercised.
10. The numbers of votes and abstentions cast shall be reconciled and recorded.
11. If the members feel that the consultative process is best served by advising decision-makers of the wider views represented in the Forum, then these will be recorded in the minutes together with the weight of each opinion as indicated by votes cast.
12. When casting a vote, members exercise their judgement to decide on issues, bearing in mind the views of their constituent organisations.
13. Declarations of special interest should be made before a vote and recorded in the minutes to cover situations where the decision would affect an individual, the school they represent specifically, or where they, or a related party, have a personal interest in an organisation tendering for a contract with the local authority. For this purpose, a related party is deemed to be where you, or a close relative or member of your household, own a company or have a major shareholding in said company.

Agenda Item 6

Report to:	SCHOOLS' FORUM
Date:	27 September 2022
Reporting Officer:	Caroline Barlow – Assistant Director, Finance Tim Bowman – Director of Education (Tameside and Stockport)
Subject:	SCHOOL BALANCES
Report Summary:	This reports provides: <ul style="list-style-type: none">• Further review of 2021-22 Excess Surplus Balances at risk of clawback• Details of the 2022-23 Surplus Balances approved in line with the Balance Mechanism Scheme
Recommendations:	School Forum members are asked to consider the following recommendations; <ul style="list-style-type: none">• Forum members are asked to consider the 2021-22 excess surplus balances at risk of claw back and the exceptional circumstances for having excess balances included at Appendix one.• Forum members are asked to review on a line-by-line basis and agree or reject the recommended treatment of the claw back or movement to capital reserve for individual schools.• Forum members are asked to approve that any balances clawed back from schools will be used to offset the High Needs Deficit.• Forum members are asked to note the 2022-23 excess surplus balance position.
Corporate Plan:	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and supports Aspiration and Hope through learning and moving with confidence from childhood to adulthood.
Policy Implications:	In line with financial policies and financial regulations.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	School funding is primarily given from the Dedicated Schools Grant, which is ring-fenced for educational purposes. Under the Scheme of Financing, schools are able to hold reasonable balances and any excess balances are subject to clawback by Schools Forum. Schools Forum have agreed any clawback of funds would be utilised to support the High Needs deficit recovery.
Legal Implications: (Authorised by the Borough Solicitor)	The legal implications in relation to the operation of the balance Mechanism Scheme are included in the main body of the report.
Risk Management:	The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring

and closure of accounts to ensure that this is achieved. These are subject to regular review

Access to Information:

NON-CONFIDENTIAL

This report does not contain information, which warrants its consideration in the absence of the Press or members of the public.

Background Information:

The background papers relating to this report can be inspected by contacting



Telephone: 0161 342 3216



e-mail: christine.mullins@tameside.gov.uk

1. INTRODUCTION

- 1.1 This report covers 2 elements of surplus school balances. The first is a further detailed review of the excess surplus balances at risk of claw back at the end of 2021-22 financial year as requested and discussed at the last schools forum in June 2022. The second element is to update members of the 2022-23 surplus balances currently held by schools and approved in line with the Balance Control Mechanism Scheme.
- 1.2 All schools receive their delegated budget share based on the Local Funding Formula and governing body have delegated powers and responsibilities to manage and deploy their financial resources in accordance with their agreed aims and objectives to achieve the best outcomes for pupils.
- 1.3 Maintained schools are permitted to carry forward any year-end surplus/deficit recorded at the 31 March to the following financial year as long as they conform to rules of the Balance Control Mechanism Scheme.

2. 2021-22 EXCESS SURPLUS BALANCES AT RISK OF CLAWBACK

- 2.1 The report submitted to forum in June 2022 identified 17 schools with excess surplus balances above permitted levels and of these 10 schools had carried an excess surplus balances for 2 consecutive years so 50% of the balance is at risk of clawback.
- 2.2 At the June 2022 meeting, Forum members took a decision in principle to invoke the claw back mechanism to 2021-22 excess surplus balances subject to giving schools an opportunity to provide details of any exceptional circumstances.
- 2.3 Schools were contacted to ask if they wanted to put forward a case of exceptional circumstances as to why the balance hadn't been spent. Of the 10 schools contacted, 8 put forward letters for consideration.
- 2.4 **Appendix 1** below includes an anonymised summary of the correspondence reviewed from schools based on the previous Forum 'in principle decision' to claw back and recommendations. The review also includes a recommendation on whether the exceptional circumstance impacts or has caused the 2021 excess surplus.
- 2.5 It is recommended that 2 schools are asked to move the funds held to capital reserves to support the delayed capital works the school is due to undertake. The other 8 letters received outline what they would spend the balance on, rather than what the exceptional reasons were for still holding the balance, one school has outlined the reasons for holding higher balances.
- 2.6 Schools Forum are asked to approve or reject invoking the clawback for each school.

3. 2022-23 SURPLUS BALANCES CURRENTLY HELD BY SCHOOLS

- 3.1 Following submission of the approved budget plans in May 2022, 11 schools (9 primary, 1 secondary schools and 1 special school) submitted plans with surplus balances above the sector thresholds for the financial year 2022-23.
- 3.2 In line with the Balance Mechanism Scheme, these schools have also submitted an approved Utilisation of School Balances form identifying reasons for holding the surplus.
- 3.3 Schools Finance Team will continue to monitor schools balances in year.

- 3.4 A further update will be brought to Forum once school balances for 2022-23 are finalised. Forum Members will be asked to review any action in line with the Balance Mechanism Scheme regarding invoking the claw back on 2022-23. Schools' Forum will be asked to consider any exceptional circumstance that should be taken into account

4. RECOMMENDATIONS

- 4.1 Forum members are asked to consider the review of the 2021-22 excess surplus balances at risk of claw back and exceptional circumstance requests included at **Appendix 1**.
- 4.2 Forum members are asked to review on a line-by-line basis and agree or reject the recommended claw back or movement to Capital reserve on each school.
- 4.3 Forum members are asked to approve that any excess balances clawed back from schools will be used to offset the High Needs Deficit.
- 4.4 Forum members are asked to note the 2022-23 excess surplus balance position.

APPENDIX 1- Review of Year 2 Excess Surplus Balances 2021-22


School	Surplus Balance 2021-22 £	Surplus Balance 2021-22 %	Excess above Permitted Levels £	Excess above Permitted Levels %	Potential Claw Back at 50%	Movement to Capital Reserve £	Note	Recommendation for Schools Forum Approval
1	£513,713	25.51%	£272,022	13.51%	£136,011	-£275,000	School accessed Capital Reserve	No further action required
2	£566,862	11.47%	£106,060	2.18%	£53,030	£0	Delays on capital project. £14k identified on the balances approval has been removed the remaining excess was not approved. School confirm they have a delayed £250k capital project underway which is still affordable from the £513k excess that will remain.	Remove Excess
3	£183,746	18.28%	£63,133	6.28%	£31,566	£0	No formal request from school in last 2 years school always budgeted to be under the excess balance limit. A letter from school indicates they are facing cost issues relating to the roof and SEND but no reasons as to why balances haven't been spent	Remove Excess
4	£353,315	18.05%	£60,430	3.09%	£30,215	£0	Letter received does not show any exceptional circumstances why balances haven't been spent. School indicates it would spend balances on supporting SEND provision in school.	Remove Excess
5	£208,229	18.75%	£54,738	4.93%	£27,369	£0	School citing poor previous financial advice from previous Business Manager and One Education so hadn't realised that they had spare balances. They have emergency health and safety works they could have done, and capital works that have not carried out that are needed.	Remove Excess
6	£260,694	14.50%	£35,123	1.96%	£17,562	£0	No exceptional circumstances received	Remove Excess
7	£274,840	13.65%	£33,234	1.65%	£16,617	£0	School identified rising capital cost going forward but doesn't show exceptional circumstances why balances haven't been spent.	Remove Excess
8	£224,120	13.98%	£31,793	1.98%	£15,897	£0	No exceptional circumstances received	Remove Excess
9	£138,877	15.25%	£29,925	3.25%	£14,963	£0	No letter received, School surplus relates to delayed on capital projects. Schools Forum are asked to recommend money is put in separate capital reserve.	School move to Capital Reserve or Remove Excess
10	£144,224	12.93%	£10,195	0.93%	£5,097	£0	Letter received does not show any exceptional circumstances why balances haven't been spent although school do have pressures on capital spend going forward	Remove Excess
Totals	£2,868,620				£348,327			

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Agenda Item 7

Report to:	SCHOOLS' FORUM
Date:	27 September 2022
Reporting Officer:	Caroline Barlow, Assistant Director of Finance.
Subject:	SCHOOLS FINANCIAL VALUE STANDARD (SFVS)
Report Summary:	To provide an update on the requirement for schools to complete the self-assessment process against the Schools Financial Value Standard by 31st March 2022.
Recommendations:	Schools Forum note the contents of the report
Corporate Plan:	Appropriate managed schools finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and supporting aspiration and hope through learning and moving with confidence from childhood to adulthood.
Policy Implications:	<p>Schools spending must be in line with financial policies and financial regulations.</p> <p>Overall effective use of resources across Tameside schools is a key component in the Authority's Annual Use of Resources Statement.</p>
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	<p>The SFVS returns are an assessment of how well school governors are equipped to carry out their financial safeguarding duties</p> <p>To ensure a robust mechanism is in place to support schools in recognising and addressing any weaknesses in their Financial management and allow Internal Audit Team use the information to support the internal audit programme</p>
Legal Implications: (Authorised by the Borough Solicitor)	<p>The council has continuing responsibility for financial regularity in the schools that they maintain and the council's chief financial officer (CFO) is responsible for making the necessary arrangements for local financial and management controls, under section 151 of the Local Government Act 1972.</p> <p>The CFO is required to submit a signed assurance statement to the Department of Education annually confirming that they have in place a system of audit for schools that gives adequate assurance over their standards of financial management and the regularity and propriety of their spending. This statement includes a breakdown of the numbers and types of schools within the local authority that have submitted the SFVS return.</p> <p>The SFVS returns also assist schools by providing assurance that they are meeting the basic standards necessary to achieve a good level of financial health and resource management.</p>
Risk Management:	There are no direct risks as a result of this report. Any areas of concern or risk identified in the returns will be reported to Internal Audit to use in their assessment of schools on a rolling audit programme
Access to Information:	This report does not contain information which warrants its consideration in the absence of the Press or members of the public

Background Information: The background papers relating to this report can be inspected by contacting Christine Mullins

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 e-mail: Christine.mullins@tameside.gov.uk

1. INTRODUCTION

- 1.1 The schools financial value standard (SFVS) is a mandatory requirement for Local Authority (LA) maintained schools. The SFVS has been designed with schools to help them in managing their finances and to give assurance that they have secure financial management in place.
- 1.2 Governing bodies of maintained schools or management committees of pupil referral units (PRUs) have formal responsibility for the financial management of their schools, and so the standard is primarily aimed at governors or management committees.
- 1.3 The standard consists of questions which governing bodies or management committees should formally discuss annually with the headteacher and senior staff. It concentrates on the key elements of financial management and efficiency and is aimed mainly at governors as they have a statutory responsibility for financial management in schools. In doing so, governors manage a considerable amount of public money and carrying out the SFVS assessment will assist in this task and give assurance to the Local Authority that schools have sound financial management in place. Areas covered include:
- Governance
 - Schools Strategy
 - Setting the annual budget
 - Staffing
 - Value for money
 - Protecting Public Money
- 1.4 The standard itself is self-explanatory and support notes are included to guide schools through the process. If a school answers no or in part to any question governors or management committees are required to outline any remedial actions with specified deadlines and must monitor progress to ensure all actions are cleared with in the deadlines
- 1.5 There is no prescription of the level of evidence that the governing body or management committee should require. The important thing is that governors and the management committee are confident and honest in their self-assessment
- 1.6 New for 2021-22 schools are now asked to record and complete a template to record any Party Related transactions and these must be submitted to the LA along with the return.
- 1.7 The requirement on schools to complete a 'self-assessment dashboard' has been removed as the Dfe's school benchmarking website ([benchmarking website](#)) has been updated to include an individualised 'SFVS dashboard' which schools must review and evidence as part of the SFVS self-assessment.

2. THE ROLE OF THE LOCAL AUTHORITY (LA)

- 2.1 The school must send a copy of a governor approved return to their local authority's finance department.
- 2.2 LA's should consider any Related Party Transactions submitted by schools, paying particular attention to any over £20,000 and ensure they are satisfied with the financial controls in place related to these transactions.
- 2.3 Local authorities will use schools' SFVS returns to inform their programme of financial assessment and audit. The SFVS will not be externally assessed. Local authority and other auditors will have access to the standard, and when they conduct an audit can check whether the self-assessment is in line with their own judgment. Auditors should make the governing body, the management committee and the local authority aware of any major discrepancies

in judgments. Auditors should also ensure that all actions have been addressed before a SFVS review takes place for another year.

3. POSITION OF TAMESIDE SCHOOLS

3.1 Of the 58 schools open at the start of 2021-22, the LA received 57 returns, one school that had an academy order in place did not submit and this is in line with an eligible exemption.

3.2 No schools in Tameside returned a Related Party Transaction above £20,000.

3.3 **Table 1** below shows Tameside school submissions:

TABLE 1

	Primary	Secondary	Special	PRU
Total number of eligible schools in LA	47	6	4	1
Number of eligible schools that completed the SFVS	47	6	3	1
Number of eligible schools that did not complete the SFVS (non-compliant, without exemptions)				
Number of eligible schools that did not complete the SFVS (with exemptions)			1	

4. ASSURANCE STATEMENT

4.1 The LA was required to submit an assurance statement signed by the Chief Financial Officer detailing which schools completed the SFVS to the DfE by 31 May 2022. This statement was signed and sent to the EFSA by the deadline as required.

5. RECOMMENDATIONS

5.1 As set out at the front of the report.

Agenda Item 8

Report to:	SCHOOLS' FORUM
Date:	27 September 2022
Reporting Officer:	Caroline Barlow – Assistant Director, Finance Tim Bowman – Director, Education (Tameside and Stockport)
Subject:	2023-24 SCHOOL FUNDING UPDATE ON NFF AND SUMMER ANNOUNCEMENTS FROM DFE
Report Summary:	This report provides an update on the latest school funding announcements
Recommendations:	<ol style="list-style-type: none">1. Members of the Schools' Forum are requested to note the contents of the report.2. Agree in principle to 0.50% transfer from schools block to high need block in 2023-24 subject to affordability.
Corporate Plan:	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and supports Aspiration and Hope through learning and moving with confidence from childhood to adulthood.
Policy Implications:	In line with financial and policy framework.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	<p>The Dedicated Schools Grant is a ring fenced grant solely for the purposes of schools and pupil related expenditure. The provisional allocations for 2023-24 are outlined within the report.</p> <p>The allocation of the High Needs element of this grant is insufficient to meet current spending or growth in number of pupils requiring support.</p> <p>The Schools Forum and the Council must identify savings to address the growing High Needs deficit and continue to update DfE with progress against the DSG deficit recovery plan.</p>
Legal Implications: (Authorised by the Borough Solicitor)	There are no immediate legal implications arising from this report save that the Forum needs to be aware of the comments in the financial implications that the grant is insufficient to meet the current spending. Therefore savings need to be identified to address the deficit.
Risk Management:	The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring and the closure of accounts to ensure that this is achieved. These will be subject to regular review.
Access to Information:	NON-CONFIDENTIAL This report does not contain information which warrants its consideration in the absence of the Press or members of the public.

Background Information: The background papers relating to this report can be inspected by contacting Caroline Barlow – Assistant Director of Finance, Financial Management, Children’s and Safeguarding Services



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1. INTRODUCTION

- 1.1 This report provides information with regards to the DfE spending announcements and some context for the potential impact of the Tameside MBC position. The DSG announcements at this stage only cover the Schools Block, High Needs Block and the Central Service Support Block. Early Years Block information is not shared at this point. Updates on this and confirmation of all other allocations are expected in December 2022.
- 1.2 These are indicative figures the information released at this stage is based on the 2022-23 data set (October 2021 census data) and will change in some areas to take account of October 2022 census returns.
- 1.3 2023-24 is the second year of a three year funding settlement which has seen core school funding increase by £1.5bn from 2022-23 across Schools Block, High Needs and Central Services, there is an increase in funding rates of 1.9% nationally
- 1.4 The provisional 2023/24 allocation for Tameside has increased by £7.5m, this is after increasing the 2022/23 allocation to take account to the supplementary funding that was allocated in 2022/23.

TABLE 1 – Provisional DSG Allocation

	2022-23 £m	2023-24 £m	Inc £m	Tameside %	National %
Schools Block **	195.025	200.215	5.190	2.66%	1.94%
High Needs Block	32.867	35.143	2.276	6.93%	6.37%
Central Services Block (CSSB)	1.182	1.251	0.069	5.86%	-4.12%
Total Funding Less Growth	229.074	236.609	7.536	3.29%	2.67%

**Schools Block funding (excluding growth).

2. SCHOOLS BLOCK UPDATE 2023-24

- 2.1 The schools block allocation is based on October 2021 census data. The provisional 2023-24 allocation for Tameside MBC has increased by £5.190m, which currently excludes Growth funding which will be allocated once the final allocation is announced in December 2022. A full breakdown of the funding elements can be found at **Appendix A** along with the detailed national funding amounts.

TABLE 2 – Tameside MBC Provisional 2023-24 Schools Block Funding

	Total 2022-23 Funding Allocated £m	Total 2023-24 Provisional Funding £m	Increase £m
Pupil Led Funding #	£191.033	£196.302	£5.269
Premises Funding	£3.992	£3.913	(£0.079)
Total Funding Less Growth	£195.025	£200.215	£5.190

including the Schools Supplementary Grant in 2022/23.

- 2.2 The main changes are as follows:
- 2.3 **IDACI and the FSM6 Factors** - A greater proportion of the national funding has been targeted to FSM6 and IDACI factors. These factors have been increased by at least 4.3% compared to 2022/23 levels. This is positive for Tameside due to the levels of deprivation in the borough.

- 2.4 **Sparsity Factor** - This factor is payable to schools that are both small and remote, a school has to be both to attract this funding. DfE believe due to these circumstances the schools have very little scope to make efficiencies. The NFF rates continue to increase, the rate for Primary schools has increased since last year by £1,000 and Secondary by £1,900.

TABLE 3 – Sparsity Factor increase levels since 2020-21

Sparsity	2020-21	2023-24	Cumulative Increase	Cumulative % Increase
Primary Sparsity	26,000	56,300	30,300	117%
Secondary Sparsity	67,000	81,900	14,900	22%

The allocation of funding affects the national allocation this factor increases from £95m to £97m, the increase in this factor will not benefit schools in Tameside. The distance change and tapered measurement between schools has been modelled through for Tameside schools are there are still no schools in Tameside that would attract this factor under NFF despite the change in measurement.

- 2.5 **Prior Attainment** - The prior attainment factor uses pupil attainment data as a measure to allocate funding for pupils with low prior attainment. The 2019 assessment data will be used as a proxy measure, which prior to 2022 was the last formal assessment due to the pandemic to allocate this funding.
- 2.6 **Business Rates** - this funding will no longer come to the LA or Academy Trusts for them to pay the council. These costs will be paid directly by DfE to each LA on behalf of all schools and Academies in its area.
- 2.7 **Minimum Funding Guarantee (MFG)** - LA's can set the MFG in local formulae between +0.0% and +0.5% per pupil (was +0.5% and 2% per pupil in 2022-23)
- 2.8 **Minimum Per Pupil Funding Levels (MPPL)** - There is the continuation of compulsory MPPL. This means that all primary schools will receive at least £4,405 per pupil and all secondary schools £5,715 per pupil (£5,503 KS3 and £6,033 KS4) for MPPL.
- 2.9 In general, the rest of the factor increases are between 2% and 3%. The funding floor has been raised in the formula to ensure every school should attract at least 0.5% more pupil led funding compared to 2022-23 levels.
- 2.10 This is the first year the DfE are moving LA's closer to a direct NFF meaning every LA must use only NFF factors and they must use all of the NFF factors. They must also move 10% closer to the NFF factors. Tameside is already in line with NFF therefore these changes will not impact on Tameside schools.

3. HIGH NEEDS BLOCK UPDATE 2023-24

- 3.1 High Needs funding has increased 6.3% nationally £570m, local authorities have seen an increase between 5% minimum and 7% capped increase. The 7% increase is before recoupment and the hospital factor is included. Tameside have received the maximum increase possible capped at 7%. Without the cap at 7% Tameside would have received an additional £3.479m. This increase is after adding in the supplementary grant that has been added to the 2022/23 baseline.
- 3.2 The current announcements are provisional and will be subject to further updates as below:

- Import / Export 2023-24 – will be notified July 23 and updates based on January 2023 school census for special schools and R06 individualised learner record (ILR) data from academic year 2022/23 for FE Colleges
- Basic Entitlement Update 2023-24 – will be notified December 22 and updated based on October 2022 school census for special schools and January 2022 AP census for independent schools.
- Any adjustments to hospital education funding following the data collection by DfE in autumn 2022.

3.3 Table 4 shows the provisional allocation for 2023-24 compared to the current 2022-23 allocation. Tameside are seeing an overall increase of £2.276m (before recoupment and any further adjustments) or 7%.

TABLE 4 - Provisional High Needs Allocation 2022-23

	2022-23 Allocation £000	23-24 Provisional Allocation £000	Difference £000	%
2022-23 Historic spend factor	£8,818	£8,818	£0	0%
2022-23 Other proxy factor funding	£22,703	£26,807	£4,105	18%
2022-23 Funding floor factor	£0	£0	£0	0%
2022-23 Gains limit adjustment	(£2,988)	(£3,479)	(£491)	16%
Additional funding for special free schools	£42	£0	(£42)	-100%
Supplementary funding	£1,300	£0	(£1,300)	-100%
Adjusted 2022-23 baseline	£29,875	£32,146	£2,271	8%
Basic Entitlement	£3,633	£3,633	(£0)	0%
AP Factor	£187	£192	£5	3%
Less Import	(£828)	(£828)	£0	0%
Published 19-07-22	£32,867	£35,143	£2,276	7%
Less Recoupment	(£4,125)	(£4,125)	£0	0%
Total HN Block (After Recoupment)	£28,742	£31,018	£2,276	8%

Note: further adjustments are expected for pupil growth and recoupment

3.4 The table also shows although Tameside is seeing increases in funding of £2.276m (after recoupment) we expected this to be offset by an estimated increased spend of £8.455m, if demands for EHCP's continue to grow at the current rate would still leave us an estimated in year gap of £4.165m, there will also be a carry forward overspend to recover from 2022-23 totalling £6.871m which would give an estimated £11.036m deficit to address in 2023-24. Any changes in growth up or down will clearly affect this.

TABLE 5 - Provisional High Needs Allocation 2022-23

	Current Year 2022/23	Provisional 2023/24	Change
<u>Funding</u>	£m	£m	£m
High Needs Funding Pre Recoupment	33.653	35.971	2.318
Top slice from the Schools Block at 0.50%	0.954	1.001	0.047
Import/Export Adjustment	(0.786)	(0.828)	(0.042)
Additional Basic Entitlement (expected Dec 22)		0.188	0.188
Less Recoupment	(4.125)	(4.125)	0.000
Total Funding	29.696	32.207	2.511
<u>Expenditure</u>			
Current Forecast Spend	(27.922)	(27.917)	0.005
Estimated Growth	(5.402)	(8.455)	(3.053)
Total Estimated Spend	(33.324)	(36.372)	(3.048)
In-Year Funding Gap	(3.628)	(4.165)	(0.537)
DSG Deficit Brought Forward	(3.243)	(6.871)	(3.628)
Total DSG Deficit	(6.871)	(11.036)	(4.165)
Carried Forward Deficit to Recover	(6.871)	(11.036)	(4.165)

4. BLOCK TRANSFER 2023-24

- 4.1 Local Authorities will continue to be able to transfer up to 0.50% of the Schools Block allocation to another block within the DSG, with Schools Forum approval. A disapplication process to the DfE will continue to be in place for any amounts over 0.50% or for any amount without Schools Forum approval.
- 4.2 Table 5 gives an overview of the High Needs funding and forecast spending for 2022-23 and 2023-24. Based on current Growth projections the table shows even continuing with a 0.50% transfer (as in 2021-22) of £1.001m this would still leave a potential in-year deficit on the High Needs Block of £4.165m in 2023-24 and a 1.00% transfer would still leave an in year deficit of £3.164m.
- 4.3 Tameside continues to have a significant funding gap. As in previous years Schools Forum are asked to support the 0.5% transfer to the High Needs block to support spending for additional needs. Consultation with schools will be carried out in the normal way to seek opinion on the block transfer. Consultation with regard to the application of the Schools Block NFF is no longer needed as we comply with DfE's requirements. School Forum are requested to support in principle the transfer from Schools Block to High Needs Block of 0.5% subject to affordability within the schools block allocation.

5. CENTRAL SERVICES SCHOOLS BLOCK (CSSB)

- 5.1 The CSSB covers funding allocated to Local Authorities to carry out central functions on behalf of pupils in maintained schools and academies in England. CSSB funding is split into two elements: funding for ongoing responsibilities and funding for historic commitments, Tameside receives only for on-going responsibilities in its allocation.

- 5.2 The CSSB has reduced overall by 4.1%, however Tameside will see an increase in funding as the formula continues to reduce historic funding for LA's by 20%. Tameside is not affected by this reduction as it has no historic funding. Details of the increase are included in Table 6.

TABLE 6 – Provisional CSSB Funding 2023-24

	Current Year 2022-23 £m	Provisional 2023-24 £m	Increase £m
CSSB Provisional Funding	£1.182	£1.251	£0.069

6. CONCLUSION

- 6.1 Tameside will see increases in funding across all funding blocks under the proposed 2023-24 DSG funding announcements, however the funding for High Needs in borough will remain insufficient to meet the need in the borough.

7. RECOMMENDATIONS

- 7.1 As set out at the front of the report.


APPENDIX A


Item	2022-23 Unit Value	Supp Funding Unit Value	2022-23 Unit Value Adjusted to include Supplementary Grant	2023-24 Unit Value	% Increase	% Increase with Supplementary Funding	Total Funding (Including ACA) £m	Proportion of core total %
Basic per pupil Funding							£31,566	76.0%
Basic entitlement (AWPU)							£31,342	75.5%
Primary basic entitlement	3,217	97	3,314	3,394	5.50%	2.40%	£15,549	37.5%
KS3 basic entitlement	4,536	137	4,673	4,785	5.50%	2.40%	£9,235	22.2%
KS4 basic entitlement	5,112	155	5,267	5,393	5.50%	2.40%	£6,558	15.8%
Minimum Per Pupil							£223	0.5%
Minimum Per Pupil Level Primary	4,265	119	4,384	4,405	3.30%	0.50%	£178	0.4%
Minimum Per Pupil Level Secondary	5,525	164	5,689	5,715	3.40%	0.50%	£46	0.1%
Additional Needs Funding							£7,209	17.4%
Deprivation							£4,062	9.8%
Primary FSM	470	0	470	480	2.10%	2.10%	£510	1.2%
Secondary FSM	470	0	470	480	2.10%	2.10%	£332	0.8%
Primary FSM6	590	85	675	705	19.50%	4.40%	£799	1.9%
Secondary FSM6	865	124	989	1,030	19.10%	4.10%	£887	2.1%
Primary IDACI A	640	0	640	670	4.70%	4.70%	£103	0.2%
Primary IDACI B	490	0	490	510	4.10%	4.10%	£151	0.4%
Primary IDACI C	460	0	460	480	4.30%	4.30%	£139	0.3%
Primary IDACI D	420	0	420	440	4.80%	4.80%	£122	0.3%
Primary IDACI E	270	0	270	280	3.70%	3.70%	£146	0.4%
Primary IDACI F	220	0	220	230	4.50%	4.50%	£113	0.3%
Secondary IDACI A	890	0	890	930	4.50%	4.50%	£93	0.2%
Secondary IDACI B	700	0	700	730	4.30%	4.30%	£146	0.4%
Secondary IDACI C	650	0	650	680	4.60%	4.60%	£135	0.3%
Secondary IDACI D	595	0	595	620	4.20%	4.20%	£118	0.3%
Secondary IDACI E	425	0	425	445	4.70%	4.70%	£158	0.4%
Secondary IDACI F	320	0	320	335	4.70%	4.70%	£111	0.3%
Low Prior Attainment (LPA)							£2,662	6.4%
Primary LPA	1,130	0	1,130	1,155	2.20%	2.20%	£1,472	3.5%
Secondary LPA	1,710	0	1,710	1,750	2.30%	2.30%	£1,190	2.9%
English as an additional language (EAL)							£434	1.0%
Primary EAL	565	0	565	580	2.70%	2.70%	£318	0.8%
Secondary EAL	1,530	0	1,530	1,565	2.30%	2.30%	£116	0.3%
Mobility							£50	0.1%
Primary Mobility	925	0	925	945	2.20%	2.20%	£40	0.1%
Secondary Mobility	1,330	0	1,330	1,360	2.30%	2.30%	£11	0.0%
School Led Funding							£2,739	6.6%
Lump Sum							£2,642	6.4%
Primary lump sum	121,300	3,680	124,980	128,000	5.50%	2.40%	£2,207	5.3%
Secondary lump sum	121,300	3,680	124,980	128,000	5.50%	2.40%	£435	1.0%
Sparsity							£97	0.2%
Primary Sparsity	55,000	0	55,000	56,300	2.40%	2.40%	£91	0.2%
Secondary Sparsity	80,000	0	80,000	81,900	2.40%	2.40%	£6	0.0%
Premises		0					£539	1.3%
Area Cost Adjustment							£1,060	
Core total (excluding funding floor)							£41,513	
Floor		0					£326	
Primary floor funding		0					£175	
Secondary floor funding		0					£151	
TOTAL		0					£42,378	

Agenda Item 9

Report to:	SCHOOLS' FORUM
Date:	27 September 2022
Reporting Officer:	Caroline Barlow – Assistant Director of Finance Tim Bowman – Director of Education (Tameside and Stockport)
Subject:	DSG MONITORING 2022-23 UPDATE
Report Summary:	A report on the Dedicated Schools Grant (DSG) budget position for the financial year 2022-23 and an update on the Early Years final outturn for 2021-22.
Recommendations:	Members of the Schools' Forum are requested to note and support the contents of the report.
Corporate Plan:	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and supporting aspiration and hope through learning and moving with confidence from childhood to adulthood.
Policy Implications:	In line with financial policy and framework.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	<p>The Dedicated Schools Grant is a ring fenced grant solely for the purposes of schools and pupil related expenditure.</p> <p>The current projection for 2022-23 is expected to be a deficit on the DSG of £5.496m at the end of the financial year.</p> <p>The report details the in year movements and forecast on the 4 main blocks of the DSG. The High Needs Block continues to be under pressure with a forecast in-year shortfall of funding of £2.939m.</p> <p>Work is needed to resolve the deficit position, as outlined in the June 2022 Forum report Tameside is part of the Delivering Better Value program with DfE Advisors.</p>
Legal Implications: (Authorised by the Borough Solicitor)	<p>The details in relation to the Dedicated Schools Grant and the deficit position are set out in the main body of the report.</p> <p>The Forum needs to be content that the plans to manage the deficit and in year short fall are deliverable.</p>
Risk Management:	<p>The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring and the closure of accounts to ensure this is achieved.</p> <p>The Council is responsible for the effective administration and management of the DSG. The cumulative deficit brought forward from 2021-22 is subject to a deficit recovery plan with the DfE. There is a risk this may impact on the effective support and education of our most vulnerable children.</p>
Access to Information:	This report does not contain information, which warrants its consideration in the absence of the press or members of the public.

Background Information: The background papers relating to this report can be inspected by contacting Caroline Barlow Assistant Director of Finance Services

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1. INTRODUCTION

- 1.1 This report is presented to provide Schools' Forum with an update on the Dedicated Schools Grant (DSG) budget for 2022-23 and the DSG reserve position. The report sets out:
- A budget update for the DSG for 2022-23 (Section 2)
 - A detailed update for High Needs for 2022-23 (Section 3)
 - A detailed update for Early Years (Section 4)
 - The DSG reserve position at 31 March 2022 and the estimated DSG reserve position at 31 March 2023 (Section 5)

2. DSG BUDGET UPDATE FOR 2022-23

- 2.1 The current DSG settlement for 2022-23 and forecast distribution/spend is included in Table 1.

TABLE 1 – DSG Forecast for 2022-23

DSG Funding Blocks	DSG Settlement 2022-23 at March 2022 £000	Block Transfer 2022-23 £000	Revised DSG 2022-23 £000	Forecast Distribution / Spend 2022-23 £000	Forecast Surplus / (Deficit) £000
Schools Block	190,743	(954)	189,789	189,535	254
Central School Services Block	1,182	0	1,182	1,182	0
High Needs Block	32,867	954	33,820	36,760	(2,939)
Early Years Block	17,304	0	17,304	16,875	429
Total	242,095	0	242,095	244,352	(2,257)

Note the table above includes rounding's

- 2.2 There is a forecast surplus of £0.254m on the schools block. This relates to £0.257m unallocated growth offset by a £3k retrospective business rates charge. The final growth allocation is based on pupil numbers at the October 2022 census point and the figures will be updated once this has been finalised. This may impact on the current surplus forecast. It is proposed that any surplus on the schools block contributes to the DSG deficit.
- 2.3 The Central School Services Block is expected to be spent in full.
- 2.4 The projected in-year deficit on the high needs block is expected to be £4.581m, which reduces to £2.939m with the £0.954m transfer from the schools block and a combination of both savings and cost avoidance totalling £0.688m identified in the Deficit Recovery Plan. The projection also includes £2.482m of estimated remaining in-year growth to cover the autumn and spring term and this is related to further increases in the number of EHCP's and the planned new Resourced bases. Further information on high needs is included in Section 3.
- 2.5 There is a forecast surplus on the early years block £0.429m. Further information on the early year's position is included in Section 4.

3. HIGH NEEDS BUDGET UPDATE FOR 2022-23

- 3.1 The high needs budget has now been updated following the summer term real time exercise and the impact on the budget is shown in Table 2 below.

TABLE 2 – High Needs Budget Position at August 2022

High Needs Budget Position 2022-23	2022-23 Original Forecast	2022-23 Forecast Budget Summer Term	2022-23 Variance	% Change
Mainstream	3,642	4,101	(459)	13%
Special	12,129	12,697	(568)	5%
TRPS	2,767	2,771	(4)	0%
Resourced Units	523	580	(57)	11%
Independent Schools	2,500	3,431	(931)	37%
PVI Settings	77	94	(17)	22%
NMSS	385	409	(24)	6%
OOB (Pre 16)	1,478	1,833	(355)	24%
Post 16	3,051	3,498	(447)	15%
Hospital Education	95	95	0	0%
SEN Support Services	1,882	1,882	0	0%
Income OOB	(405)	(388)	(17)	-4%
Exclusions	(160)	(160)	0	0%
Total Spend	27,964	30,843	(2,879)	10%
Original Funding	31,617	31,617	0	
Supplementary Grant	1,300	1,300		
Academy Recoupment	(4,125)	(4,125)	0	
Adjusted Import / Export	0	(51)	51	
Total Funding	28,792	28,741	51	
In Year Deficit Before Growth	828	(2,102)	2,930	
Projected in Year Growth:				
Summer Term Real Time	2,341	(579)		
Autumn Term Real Time	1,823	1,823		
Spring Term Real Time	1,237	1,237		
Total Growth	5,401	2,481		
0.5% transfer Schools Block	954	954		
High Needs Block In Year 2022-23 Deficit	(3,619)	(3,629)		

Note the table above includes rounding's and excludes the identified savings in Table 4 below

- 3.2 The position is similar is the original budget which is a forecast in-year deficit of £3.629m, a slight increase of £0.010m in the original position.
- 3.3 The original budget included growth of £5.401m and to date approx. 54% of this budget has been spent. Growth was predicted to be spent more or less equally over the financial year so we would have expected to have spent around 42% of the budget so far, at 54% this could indicate growth could be slightly higher than expected. Also some of the growth was in areas not anticipated as Table 3 below shows there has been higher than expected growth in the Post 16 sector and in out of borough placements. Growth will continue to be monitored closely and a more detailed review will need to be carried out following updated intelligence from the SEN team as well as updates on the new resourced units.

TABLE 3 – Review of Growth Spend to date

Sector	Growth Provision £000	Actual Growth to Date £000	% Spent	Remaining Growth £000	% Left
Mainstream	2,108	517		1,591	
Special	1,387	572		815	
Resourced Units	767	57		710	
Independent Schools	908	931		(23)	
PVI	0	17		(17)	
NMSS	0	24		(24)	
OOB (Pre 16)	0	356		(356)	
Post 16	231	446		(215)	
Totals	5,401	2,920	54%	2,481	46%

- 3.4 As referred to in section 2.4, the forecast in-year deficit on high needs block alone is expected to be £2.939m, included in this are a number of savings or areas of cost avoidance that were agreed as part of the Deficit Recovery Plan. These total £0.688m and there are potential risks in realising these, there has been delays in the work due to capacity, if they do not materialise the in-year deficit will increase and impact on future year projections. Details are included below in Table 4.

TABLE 4 – Savings at Risk and included in Deficit Recovery Plan

Planned Savings Included in Template	2022-23
	£000
Resource Base Review	152
Growth and Overcapacity	50
Contract Review	288
TPRS and improved inclusive practice	98
Total Savings	688

4. **EARLY YEARS BUDGET UPDATE FOR 2022-23 AND FINAL SETTLEMENT FOR 2021-22**
- 4.1 Details of the final early years' settlement for 2021-22 are included in Table 5. For 2021-22 the overall settlement for early years has increased by £81k resulting in a final surplus of £0.228m. As reported in June 2022, the surplus contributed to the DSG deficit.

TABLE 5 – Early Years Outturn 2021-22 Final Position

Early Years Funding Block	Actual Distribution / Spend 2021-22 £000	Estimated Outturn Surplus / (Deficit) £000	Final Settlement for 2021-22 £000	Final Outturn Surplus / (Deficit) £000
3 and 4 Year Olds Universal Entitlement	8,395	140	8,533	138
3 and 4 Year Olds Extended Entitlement	3,911	149	4,060	149
2 Year Olds	2,847	(55)	2,792	(55)
Early Years Pupil Premium	181	(4)	181	(0)
Disability Access Fund	38	35	73	35
Central Retention	647	134	780	134
SEN Inclusion Fund	405	(173)	232	(173)
Total	16,424	225	16,652	228

Note the table above includes rounding's

4.2 A detailed update of the early years block for 2022-23 is included in Table 6.

TABLE 6 – Early Years Forecast 2022-23

Early Years Funding Block	Early Years DSG Settlement 2022-23 at July 2022 £000	Forecast Distribution / Spend 2022-23 £000	Forecast Outturn Surplus / (Deficit) £000
3 and 4 Year Olds Universal Entitlement	8,756	8,613	144
3 and 4 Year Olds Extended Entitlement	4,291	3,965	327
2 Year Olds	2,761	2,778	(17)
Early Years Pupil Premium	198	247	(49)
Disability Access Fund	94	70	25
Central Retention	764	764	0
SEN Inclusion Fund	439	439	0
Total	17,304	16,875	429

Note the table above includes rounding's

4.3 Table 6 reflects the updated early year's settlement announced in July 2022 compared with the forecast distribution/spend. The forecast distribution/spend for 3 and 4 year old universal and extended entitlements and 2 year olds is based on the actual participation for the Summer Term and the estimated participation for the Autumn and Spring Terms. Participation is difficult to estimate but is continuing to reduce which is why there appears to be surpluses against 3 and 4 year olds. There will be a further funding adjustment based on the Spring Term census data and if the estimates are accurate, there will be a clawback of funds, which will reduce the anticipated surplus.

4.4 The reduction in participation for 3 and 4 years olds is partly due to the birth rate reducing but take up of places has also dropped. Historically Tameside has seen a high level of take

up at approx. 98% but more recently, this is closer to 95% as based on the latest census information.

4.5 The forecast on the SEN Inclusion Fund is currently a nil variation. However, a full review of this is required as the demand on the fund for the Summer Term appears to be high. A review of the Summer Term and estimated demand for the Autumn Term and Spring Term will be undertaken and an update will be provided to the next Schools Forum.

4.6 This is a complex area of funding which will continue to be closely monitored and reported to Schools Forum.

5. DSG RESERVE AT 31 MARCH 2022 AND ESTIMATED POSITION AT 31 MARCH 2023

5.1 Table 7 provides details on the closing position of the DSG reserve for 2021-22 and the estimated position of the DSG at 31 March 2023.

TABLE 7 – DSG Reserve

	2021-22 Surplus / (Deficit) £000	2022-23 Forecast Surplus / (Deficit) £000
DSG Reserve Brought Forward	(1,686)	(3,243)
Schools Block Changes		
In year position on business rates	49	(3)
In year position on the growth fund	128	257
Schools Block Subtotal	178	254
In year position on Central Schools Services Block	7	0
In year position on High Needs Block	(1,973)	(2,939)
In year position on Early Years	147	429
Early Years 2020-21 final adjustment	6	0
Estimated Early Years 2021-22 Adjustment and Final Adjustment as confirmed in July 2022	78	4
DSG Reserve after Commitments	(3,243)	(5,496)

Note the table above includes rounding's

5.2 If the 2022-23 projections materialise there would be a deficit of £5.496m on the DSG. A deficit recovery plan has been developed and submitted to the DfE. Discussions are continuing with the DfE and are ongoing. Further information on the high needs deficit recovery will be brought to December Forum meeting. The position will continue to be closely monitored and updates reported to Schools' Forum

6. RECOMMENDATIONS

6.1 As set out at the front of the report.

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