

Members of the **Schools Forum** are invited to the meeting due to be held at

**4pm-6pm, Thursday 11<sup>th</sup> January 2024**

Will be held on-line (via Microsoft Teams)

## Agenda

Time*	Item	
	1. Welcome & Apologies	Chair
	2. Membership, Register of Interests and Declaration of Interests	Chair
	3. Minutes from the Schools Forum meeting held 14 <sup>th</sup> December 2023 and matters arising	Chair
	4. DSG 2024/25 Settlement	Yoke Ying Kong
	5. High Needs Block 2023/24 update and 2024/25 budget setting	Adam Yarnold
	6. Schools Block 2024/25 budget setting	Yoke Ying Kong
	7. EY Block 2024/25 budget setting	Kathryn Shaw
	8. Central School Services Block 2024/25 budget setting	Yoke Ying Kong
	9. Licensed Deficits	Debbie Johnston
	10. Funding for deficit schools	Mark Whiffin
	11. TUFA and de-delegation – verbal update	Sara Tomlinson <i>NUT/NEU Union Representative</i> Brian Hazell <i>NAHT Union</i>
	12. Any other business	Chair
	13. Agreed dates of next meetings and location: <ul style="list-style-type: none"> <li>• 19<sup>th</sup> June 2024 – 4-6pm – <b>Note change to Wed</b></li> <li>• 10<sup>th</sup> October 2024 – 4-6pm</li> </ul> At present, these meetings will likely be on-line, unless agreed by SF.  See outline forward plan of agendas to follow	Chair

## Forward Plan for Schools Forum (Academic Year 2023/24)

### Summary

Item	19th June 2024	10 <sup>th</sup> October 2024	December 2024 TBC	January 2025 TBC
Election of Chair / Vice-Chair	✓	✓		
Standing items (membership issues, declaration of interests, minutes of last meeting, matters arising, AOB etc)	✓	✓	✓	✓
DSG Overview	✓	✓	✓	✓
Schools Block		✓	✓	✓
Central School Services Block		✓		✓
De-delegated services and Education Functions		✓	✓	
Early Years Block	✓	✓	✓	✓
High Needs Block	✓	✓	✓	✓
Licenced Deficits		✓		✓
School Places Strategy	✓			
Scheme for Financing Schools	✓			
Updates on HR issues (eg TTO, Annual Leave)	✓	✓		
Lambeth Schools Services	✓	✓		
Other Issues	TBC	TBC	TBC	TBC

## More detail

Meeting	Agenda item	Purpose	Lead officer
19 <sup>th</sup> June 2024	DSG Overview	<ul style="list-style-type: none"> <li>Report on outturn for DSG overall 2023-24 (comparison with final forecast in March 2024)</li> <li>Report on individual schools outturn (surpluses / deficits / trends)</li> <li>Identify overview position for the DSG in 2024-25 and any high level indications for future years.</li> </ul>	Yoke Ying Kong
	Early Years	<ul style="list-style-type: none"> <li>Report on outturn for Early Years in 2023/24</li> <li>Explain the arrangements for 2024/25</li> <li>Update on any issues affecting Early Years funding / providers</li> </ul>	Kathryn Shaw
	High Needs	<ul style="list-style-type: none"> <li>Report on outturn for High Needs in 2023/24</li> <li>Identify the emerging position for 2024/25, linked to activity</li> <li>Explain any strategies being pursued or work that needs to be done</li> </ul>	Adam Yarnold
	HR Update	<ul style="list-style-type: none"> <li>Any processes highlighted over the year that may affect schools</li> </ul>	Claire Cobbald
	Scheme for Financing Schools	<ul style="list-style-type: none"> <li>Update for schools on changes approved for scheme in 2024-25 and details on updates withing schools finance manual on financial process in schools</li> </ul>	Dominique Johnston-Franklin
	Pupil Place Planning Strategy	Update on plans regarding surplus places	Abrilli Philip
	Election of Chair / Vice-Chair	<ul style="list-style-type: none"> <li>Election of chair and vice-chair for start of the new academic year.</li> </ul>	Abrilli Philip

# LONDON BOROUGH OF LAMBETH

## SCHOOLS' FORUM

Draft minutes of the meeting of the Schools' Forum held remotely on Thursday 14th December 2023 at 4:00pm – 6.00pm

### School Forum Members:

<u>Schools:</u>	<b>Present, Apologies, Absent</b>	<u>Schools:</u>	<b>Present, Apologies, Absent</b>
Alison Moller (AM) Julian's Primary School <b>(Chair)</b>	Present	Joanna Tarrant (JT) Elm Court	Present
Melanie Miah (MM) Lambeth Nursery Schools' Federation – Rep	Apologies	Coral Hayes Ruskin House School	Absent
Jayne Mitchell (JM) St. Andrew's Primary	Present	Michael Holland (MH) Sunnyhill Primary	Present
Martyn O'Donnell (MOD) (PCA)	Absent	Gay Wenban-Smith (GWS) Henry Cavendish Primary School	Present
Humaira Saleem (HS) Iqra	Apologies	Eleanor Donegan (ED) Woodmansterne School	Present
Andrew Chaplin (AC) Walnut Tree Walk Primary School <b>(Vice-Chair)</b>	Present	Tom Prestwich Jubilee Primary School	Present
Nicole Lyons	Present		
<u>Officers:</u>	<b>Present</b>	<u>Observers:</u>	<b>Present</b>
Andrea Parker (AP) Director – ELS	Present	Sara Tomlinson (ST) NUT/NEU	Present
Kathryn Shaw (KS) School Quality Improvement Lead	Present	Christine Golding (CG) GMB Union	Present
Bunmi Idowu (BI) Early Years	Present	Andrew Tullis (AT) Unison Union	Absent
Dominique Johnston- (DJF) Franklin - Finance	Present	Ryan Foster (RF) NASUWT Union	Absent

Yoke Ying Kong (YYK) (Education Finance Advisor)	Present	Brian Hazell (BH) NAHT Union	Absent
Mark Whiffin (MW)- Finance	Present	Lorna Burg (LB) Henry Cavendish	Present
Cllr Judith Cavanagh	Present	Christopher Gyton (CG) Finance	Present
Cllr Ben Kind	Present	Kevin McCully SEND Accountant	Present
Claire Cobbold (CC) – HR	Absent	Debbie Johnston	Present
Gerald Mehrtens (GM) - Interim Assistant Director Standards, Safeguarding and Partnerships	Present		
Sophie Garner (SG) Assistant Director Education Strategy, Access and Inclusion	Present		
Adam Yarnold	Present		

**SF Clerk:** Maria Gabrielczyk (MGab) [mgabrielczyk@lambeth.gov.uk](mailto:mgabrielczyk@lambeth.gov.uk)

## MINUTES

**1. Welcome & Apologies**

The Chair welcomed everyone to the meeting and confirmed it was quorate.

**2. Constitution, Membership and Register of Interests and Declaration of Business Interests**

The proposed new Constitution was circulated with the meeting papers showing the revised membership needed to cover school closures, pupil number changes and showing vacancies. SF Members **agreed** the new Constitution.

The Declaration of Business Interests form was also sent out with the meeting papers, for anyone who has still not completed the form.

**3. Minutes from the Schools Forum meeting held on 5<sup>th</sup> October 2023 and matters arising**

The minutes were agreed as a true and accurate record of the meeting and signed by the Chair.

### **Matters arising**

The Constitution had been reviewed under Agenda item 2, above.

A sub group was formed to look at the Schools Block 2024/25 proposals, including consultation with schools on it, and it had met twice.

The HN sub group has been formed with members and is due to meet in January/February 2024.

#### **4. DSG Overview - 2023-24 update on current position**

The paper was for information.

There is a small change to the High Needs Block allocation from what was reported in July, due to the ESFA update for imports/ exports. This resulted in a reduction of £24K. The 2023-2024 in year forecast spend is currently in line with the budget.

There was an error made by the DfE on the 2024/2025 Indicative NFF Allocation. Local Authorities were notified and the reduction for Lambeth from the previous draft allocation is £0.7m. Table 3 showed the Indicative DSG funding for 2024/25, using 2023/24 pupil numbers and totalling £341.7m.

There are large changes for 24/25: in the EY funding as new entitlements for 2-year-old and under start; and for mainstream schools additional grant being rolled into the Schools Block.

Schools Forum Members:

**Noted** and **commented** on the content.

#### **5. High Needs Block Update**

The paper was for information.

In January 2023, 5.7% of Lambeth school pupils had an EHCP, the 7th highest of any English local authority. The percentages of state funded primary and secondary school pupils with an EHCP were also well above England averages, ranking 7th and 6th in England respectively.

The forecast position remains unchanged of a £980K cumulative surplus.

The outline budget plan for 2024/25 was presented alongside considerations and risks, and it was noted the 2024/2025 detailed budget will be presented to the January 2024 meeting.

Schools Forum Members:

a) **Noted** the High Needs Budget position for 2023/24 and 2024/25.

#### **6. EY Block – 2023/2024 update**

BI informed that the paper was for information only.

It was noted the DfE has given an Early Years Supplementary Grant to LAs providing them with an uplift from September 2023 to March 2024. The budget allocation for this

for 2023/2024 is £754k, with a predicted spend of £667K. The confirmed hourly rates for Lambeth are £2.62 for 2-year-olds and £0.08 for 3-and-4-year olds. This grant will be rolled into the main EY NFF for 2024/25.

From the next financial year there will be an expansion of the free childcare offer so that eligible working parents in England will be able to access 30 hours of free childcare per week for 38 weeks per year from the term after their child turns 9 months to when they start school.

The provisional EY Block for 2024/25 was noted, estimated at £37.5m and to be confirmed in January 2024.

The DfE will do headcounts on a termly basis. In Lambeth there is a downward trend in numbers. The proposals for 2024/2025 show a risk to the EY block because of reduced participation and increases in the hourly rate. The risk of the headcount movement may become unsustainable.

There is a continued risk of any headcount movements higher than 1 -2 % up or down being unsustainable in future years. Although there is a current contingency for this, this may diminish in future years, removing the ability to pay for starters outside of the termly headcount, which currently supports the Early years sector.

**Q.** Why is it bad if the numbers go up?

**A.** If the numbers go up in the term, then Lambeth do not immediately get the funding, if it is after the census day. It has an overall lagged impact. Lambeth only gets the money based on census day and not if children start mid-term.

**Q.** What if you had a higher than 2% increase?

**A.** The census on the particular census date determines the amount of money given by the DfE on that date. The higher the number of children joining in between, means the contingency money is having to be used. This will not be sustainable.

There is a known drawback with how the formula works with a lag in the EY funding and any clawback is received the following year, which means it can be difficult to manage.

Schools Forum Members:

**Noted** the report.

## **7. De-delegation Proposals for 2024-25**

The paper was for a decision which will be in place for 2024/2025.

For 2024-25, there are two items where maintained schools were invited to confirm their continued intention to pool funding for particular services and functions:

- **Trade Union Facilities Arrangement (TUFA)** (de-delegation within the mainstream funding formula for maintained primary / secondary only)
- **Education Support** (treated as de-delegation in the mainstream funding formula for maintained primary / secondary schools, but also applying to special schools).
- **Additional Schools Improvement – New** (de-delegation within the mainstream funding formula for maintained primary / secondary only)

Schools Forum Members **agreed** the following:

**Maintained primary school representatives agreed:**

- to continue the de-delegation for the Trades Union Facilities Agreements in 2024-25 at a rate of **£5.48** per pupil.
- to the de-delegation for Additional School Improvement Services in 2024-25 at a rate of **£7.25** per pupil.

**Maintained secondary school representatives agreed:**

- to continue the de-delegation for the Trades Union Facilities Agreements in 2024-25 at a rate of **£5.48** per pupil.
- to the de-delegation for Additional School Improvement Services in 2024-25 at a rate of **£7.25** per pupil.

**Maintained primary, secondary, all-through and special school representatives agreed:**

- to continue to de-delegate for Education Functions for 5-16 year old in 2024-25, at a rate of **£22.00 per pupil for pupils in primary and secondary schools** and **£44.00 per commissioned place in maintained special schools and maintained resource bases.**

**8. Schools Block - 2024/25 Consultation update**

This report set out the financial position in the Schools Block for 2023/24 and the issues that Schools Forum would need to consider in the January meeting in making recommendations to Cabinet and Council about the mainstream funding formula for 2024/25. It fed back the outcome of the consultation on the mainstream funding formula for 2024/25 and the Schools Block Sub-Group's consideration of the consultation.

The consultation papers recommended a transfer 0.5% to the HNB, setting MFG at 0.5% and the setting up of a Falling Pupil Rolls fund. It was noted Lambeth would also be mirroring the NFF that the DfE introduced.

Schools Forum Members:

- a) **Agreed** Lambeth's continued adoption of 2024/25 ACA adjusted National Funding formula values.
- b) **Agreed** to 0.5 % MFG be set for Schools funding formula.
- c) **Agreed** to transfer 0.5% from Schools Block to High Needs Block for 2024/25.
- d) **Agreed** for any remaining funding to be held in the Falling Pupil Roll Fund for agreement of distribution factors by the schools block sub group.

**9. Scheme for Financing Schools & Governance Changes**

The Scheme for Financing Schools is the basis on which local devolved financial management of maintained schools operates. It applies to all maintained schools and to the local authority. The Department for Education provides statutory guidance about the contents, but there is local discretion on some aspects of it.

The scheme has to be reviewed annually. Lambeth had consulted with schools on the proposed changes and received 22 responses. 44% of schools agreed with the changes. A key point raised by schools was the change to the submission date for the budget to 1<sup>st</sup> May (from 1 June), which schools felt was unreasonable. It was noted that many schools are going into licensed deficit budgets and the LA had struggled to get a clear picture of the projections of the schools and an earlier deadline would help with that. It had been agreed to change to the first Friday in May, to give slightly more scope to schools.



Schools Forum Members:

**Agreed** the changes in Appendix 1 to the Lambeth Scheme for financing schools.

**10. AOB**

There were no items for AOB.

**11. Future Meeting Dates**

The following meeting dates were agreed for the next academic year:

- **19th June 2024 – 4-6pm (Note change to Wed)**
- **10<sup>th</sup> October 2024 – 4-6pm**

There being no further business to discuss, the Chair closed the meeting at 5.00pm.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

**Alison Moller**  
**Chair of the School Forum**

**Agenda Item 4**

**Title: Dedicated Schools Grant 2024-25 Settlement**

**Date: 11<sup>th</sup> January 2024**

**Report to: Schools Forum**

**Report for: Information X                      Decision                      Consultation                      Action**

**Author: Yoke Ying Kong – Education Consultant**

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**1 Background**

1.1 This report provides a briefing on the 2024/25 DSG Settlement announced in December 2023.

**2 DSG 2024/25**

2.1 The Secretary of State for Education published the schools funding settlement for 2024/25 on 19<sup>th</sup> December 2023. Much of this was anticipated from announcements in July/ October 2023. Final differences in the DSG announcements are attributed to using October 2023 pupil numbers.

2.2 The main difference, however, in the December announcement is the introduction of the 2-year-old working parents' entitlement and under 2's entitlement (from 9 months old) for working parents, which was announced by the Chancellor of the Exchequer in the 2023 Spring and Autumn Statements.

2.3 As reported at the December 2023 Schools Forum, the Mainstream Schools Additional Grant for mainstream schools has been rolled into the National Funding Formula for Schools from April 2024.

2.4 **Table 1** sets out the Provisional DSG for 2024/25 and how it compares to the 2023/24 DSG and the estimated 2024/25 DSG previously advised to Schools Forum. (These figures include, at this stage, amounts that will be recouped by the ESFA).

**Table 1: Provisional DSG funding for 2024/25, and comparisons to 2023/24 DSG and previously estimated 2024/25 DSG**

Block	2023/24 DSG	Estimated 2024/25 DSG (based on July/Oct 23 announcement)	Provisional 2024/25 DSG (December 23 announcement)	Difference from estimated 2024/25 DSG based on July/Oct 23 announcement	Difference from 2023/24 DSG
	£'000	£'000	£'000	£'000	£'000
Schools Block	(226,567)	(236,572)	(232,023)	4,549	(5,456)
CSSB	(1,275)	(1,365)	(1,322)	43	(47)
Early Years	(25,021)	(36,505)	(36,690)	(185)	(11,669)
High Needs	(65,671)	(67,263)	(67,434)	(171)	(1,763)
<b>Total DSG</b>	<b>(318,534)</b>	<b>(341,705)</b>	<b>(337,469)</b>	<b>4,236</b>	<b>(18,935)</b>

- 2.4 **Schools Block (£232.023m)** is based on October 2023 pupil numbers (which reflect falling rolls from 2022: 712.50 fewer primary pupils (-3.66%), and 277.50 fewer secondary pupils (-2.35%) and the funding rates for primary and secondary pupils announced in October 2023 has increased by £266.86 per Primary pupil and £378.44 per Secondary pupil. The Schools Block allocation has increased by 1.45% per pupil, among the lowest increase nationally because the National Funding Formula does not favour London schools. The ESFA is funding falling pupil rolls for the first time in 2024-25 as part of the Growth Fund allocation, and this has had a positive influence in the increase of Schools Block funding. Consequently, the Growth Fund has increased by £1.56m due to the increase in falling pupil rolls.
- 2.5 **Central School Services Block (£1.322m)** is based on October 2023 pupil numbers and therefore it has a lower increase of £43k than previously advised. The CSSB continues to be a small allocation for Lambeth £43.61 per pupil, compared to Haringey for example, with £81.06 per pupil. Some London boroughs are benefitting from funding for historic commitments that are now being unwound and reduced - Lambeth was never funded for these, so will not experience that reduction.
- 2.6 **Early Years (£36.690m)** is an indicative allocation as it based on January 2023 census. The Teachers Pay and Pension Grant and Early Years Supplementary Grant has been incorporated into the Early Years DSG for 2024-25. The DFE have also introduced the new 2-year-old Working Parent Entitlement with effect from 1<sup>st</sup> April 2024 and the under 2 Working Parent Entitlement with effect from September 2024 following the Chancellor of the Exchequer's Spring and Autumn 2023 Statements. Early Years Block DSG will continue to change during the year to reflect the January 2024 census participation levels as well as the termly participation levels for the new 2-year-old and under 2-year-old Working Parent Entitlements. The final Early Years Block DSG for 2024/25 will therefore be based on 5/12th Jan 2024 and 7/12ths Jan 2025 plus the termly participation levels for the new 2-year-old and under 2-year-old Working Parents Entitlements in July 2025.

- 2.7 **High Needs Block (£67.434m)** is £171k more than notified in July 2023. The £1.763m increase year-on-year represents a 2.69% increase on the 2023/24 allocation and is an acknowledgement of the cost and demand pressures in the High Needs Block nationally. Although the funding floor was set to 3% nationally and the minimum gains in per-head funding a local authority can receive compared to 2023-24 will be 3%, Lambeth's basic entitlement factor (area cost adjusted) unit of funding have reduced by £10 per unit of funding even though number of pupils in special schools and academies have increased by 35 pupils.

There is also the continuation of the DSG terms and conditions of grant requiring the local authorities for specialist high needs institutions (ie special & AP schools and academies) to:

- set a Minimum Funding Guarantee between 0% - 0.5%
- allocate the 12-month equivalent of teachers' pay grant and teachers' pension employer contribution grant allocated per place by the local authority for the period September 2020 to March 2021, using the place numbers funded by the local authority in the period April 2024 to March 2025, subject to a minimum of 40 places per school.
- allocate the 12-month equivalent of the teachers pensions supplementary fund allocated by the local authority to those settings for the period September 2020 to March 2021
- allocate the additional 3.4 % high needs funding as set out in the additional conditions of grant at Annex B.

## 2.8 Grants for 2024-25

- a) **Pupil Premium** will continue in the 2024/25 financial year. The October 2023 school census data will be used to allocate the pupil premium, just as the October 2022 census was used for the 2023-24 pupil premium allocations.

<b>Pupil eligibility criteria</b>	<b>Amount of funding for each primary-aged pupil per year</b>	<b>Amount of funding for each secondary-aged pupil per year</b>	<b>Funding is paid to</b>
Pupils who are eligible for free school meals, or have been eligible in the past 6 years	£1,480	£1,050	School
Pupils previously looked after by a local authority or other state care	£2,570	£2,570	School
Service Children	£340	£340	School
Children who are looked after by the local authority	£2,570	£2,570	Local authority

- b) **Mainstream Schools Additional Grant** has been rolled into the National Funding Formula allocation and now forms part of Schools Block.

- c) There will be a separate **Teachers' Pay Additional Grant** (TPAG) for 2023-24 and 2024-25 which reflects the additional costs of the 2023 teachers' pay award. The [methodology for the 2024 to 2025 TPAG](#) has now been published. Further information on TPAG 2023-24 can be found at [teachers' pay additional grant for 2023 to 2024](#).
- d) There will also be an additional grant for 2024-25 to reflect the additional costs of the increase of 5 percentage points, to 28.6%, to the employer contribution rates to the teachers' pensions scheme from April 2024. A similar approach to the TPAG to distribute funding will be taken. This methodology allocates funding such that all schools benefit, but with a weighting towards greater need, as per the schools NFF. A lump sum element will ensure that small schools receive a higher amount of funding, per pupil, than larger schools. This ensures the grant can be efficiently rolled into the NFF in future years, so that schools receive most of their funding through their core allocations. Further details will be announced in due course.

### 3 DSG budget plan for 2024/25

- 3.1 **Overall strategy.** Table 2 sets out the overview of the budget planned for 2024/25. It is planned that all the DSG blocks will spend their full 2024/25 allocation except for High Needs Block which has planned to incur an in year deficit of £2.8m in 2024/25. With an estimated brought forward DSG Reserve of £4.762m from 2023/24, it is anticipated that DSG Reserve will reduce by £2.844m leaving a forecast surplus of £1.981m at the end of 2024/25 which will be carried forward to 2025/26.
- 3.2 At a school level, the financial position is not good. 19 out of 68 maintained schools are seeking licenced deficits for 2023/24 financial year. Lambeth has among the lowest increases in funding nationally, particularly the % change from the 2023-24 effective rate for combined 3- & 4-year-old (2.9%) and for the Schools Block (1.45%).
- 3.3 Schools Forum has agreed to transfer up to 0.5% of the Schools Block to the High Needs Block. The final Schools Block DSG settlement of £232.023m allows Lambeth to set an MFG of 0.5% for Schools budgets, transfer 0.5% to High Needs Block (£1.16m) and a budget of £2.69m set aside for Falling Pupil Roll Fund.

**Table 2: Proposed DSG budget 2024/25**

<b>Block</b>	<b>Estimated Bought Forward 2023/24 £'000</b>	<b>Provisional DSG 2024/25 £'000</b>	<b>Transfer between blocks £'000</b>	<b>Proposed budget requirement 2024/25 £'000</b>	<b>Estimated Carry Forward 2024/25 £'000</b>	<b>Comment</b>
Schools Block	(91)	(232,023)	1,160	230,863	(91)	Transfer 0.5% to High Needs Block. Set aside £2.69m for Falling Pupil Roll Fund. All else distributed through formula.
Central School Services Block	(2)	(1,322)	0	1,322	(2)	2024/25 CSSB will be fully committed.
Early Years Block	(949)	(36,690)	0	36,690	(949)	Plan to allocate all of 2024/25 Early Years Block. Any underspend is clawed back by ESFA due to decrease in participation.
High Needs Block	(3,629)	(67,434)	(1,160)	71,438	(785)	It is expected that High Needs Block will have an in year deficit in 2024/25 and will need to call on brought forward surplus from 2023/24.
De-delegated Budgets	(91)	0	0	0	(91)	Historic Vulnerable Schools Fund will be spent but no formal budget will be set for it.
<b>Total</b>	<b>(4,762)</b>	<b>(337,469)</b>	<b>0</b>	<b>340,313</b>	<b>(1,918)</b>	

3.4 Table 2 is the high level budget plan for 2024/25 by DSG block, subject to comments from Schools Forum and final decisions by Cabinet and Council.

3.5 The individual DSG block reports make it clear where Schools Forum is being asked to decide and where it is being asked to comment before the LA (i.e. Cabinet and Council) make final decisions. Broadly, Schools Forum are making decisions about De-delegation of Schools Block, Growth Fund and Falling Pupil Roll Fund, most of the Central School Services Block activities and the proposed centrally retained spending in Early Years. The LA will make decisions on overall funding levels, mainstream and early years formulae and the High Needs budget arrangements. Where the LA is making the decision, it would be helpful for Schools Forum to indicate (where the recommendations prompt for comments) whether it is supportive of the proposed arrangements.

#### **4 Recommendations**

4.1 **Schools Forum is invited to note and comment on the overarching approach because decisions on each block are set out in separate papers.**

**Agenda Item 5**

<b>Title:</b>	<b>High Needs Block 2023/24 and 2024/25</b>		
<b>Date:</b>	<b>11th January 2024</b>		
<b>Report to:</b>	<b>Schools Forum</b>		
<b>Report for:</b>	<b>Information x</b>	<b>Decision</b>	<b>Consultation x</b>
<b>Authors:</b>	<b>Action</b>		
	<b>Sophie Garner – AD: Education Strategy, Access &amp; Inclusion</b>		
	<b>Adam Yarnold – Lead, Special Education Needs &amp; Disability</b>		
	<b>Kevin McCulley – SEND Accountant</b>		

**1. Purpose of this report.**

- 1.1 This report sets out how the LA proposes to set the High Needs Block (HNB) budget for 2024/25 in the context of the forecast carried forward HNB surplus from the current year and the current basis for using the High Needs Block.
- 1.2 Decisions on the High Needs budget are for Cabinet and Council to make, but the LA is formally consulting Schools Forum on its proposals before they go forward for political decision.

**2. High Needs budget 2023/24**

- 2.1 The Council agreed in March 2023 that the High Needs budget could balance in-year for 2023/24 and that the £0.980m surplus brought forward would be carried forward into the medium term. **Table 1** below indicates that the latest forecast position is pointing to a **forecast cumulative surplus of £3.629m**. This is a £2.649m improvement from the position that was presented to Schools Forum in December 2023.

**Table 1. High Needs DSG budget 2023/24 and latest forecast (P09)**

<b>Component</b>	<b>Latest Budget 2023-24</b>	<b>Forecast net spend (P09) 2023-24</b>	<b>Forecast Variance at Period 9</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
1. Places only	12,504	12,067	(437)
2. SEND Top-Ups	50,568	47,282	(3,286)
3. AP Top-Ups	1,184	1,284	100
4. Other High Needs provision	2,239	3,213	974
<b>Total Commitment (gross)</b>	<b>66,495</b>	<b>63,846</b>	<b>(2,649)</b>
Balance brought forward	980	980	0
Funding transferred from Schools Block	824	824	0
High Needs DSG Funding (gross)	65,671	65,671	0
<b>Total funding</b>	<b>67,475</b>	<b>67,475</b>	<b>0</b>
<b>Net position</b>	<b>(980)</b>	<b>(3,629)</b>	<b>(2,649)</b>



- 2.2 **Appendix 1** sets out the details supporting this forecast.
- 2.3 **Funding.** No change from December 2023 position.
- 2.4 **Places.** The additional funding for import/ export adjustment of £0.813m, included in the £65.7m funding, mitigates a £0.376m increase in costs of high needs places compared to the growth originally provided for in the budget. 77 new places were agreed to accommodate the rising number of EHCPs, however only 36 new places were originally budgeted for.
- 2.5 **SEND Top-ups.** Top-ups in special schools, both in and out of borough, and FE colleges have been lower than original projections, with an increase in top-ups for mainstream schools and resource bases. This variance to initial assumptions was projected at a £0.602m reduction in initial forecast costs. Initial assumptions for accrued expenditure from the prior financial year were larger than the amounts that have materialised in the current year. Of the £5.186m accrued for, only £3.485m has been billed, resulting in a £1.795m credit to the HNB this year. Fewer than expected independent and out-of-borough providers have requested inflationary increases in year, and with the academic year well underway, provisions for inflationary increases from these providers have now been removed from the forecast, improving the position by a further £0.912m, to a total forecast variance of £3.286m.
- 2.6 **Alternative Provision Top-ups.** Some AP providers used by the LA have recently had difficulties with staffing or OFSTED ratings, resulting in the use of more expensive alternative providers. The increased cost of provision has led to a forecast overspend of £0.100m for AP. Permanent exclusions are difficult to predict, so this position may still fluctuate as the year progresses.
- 2.7 **Other High Needs Provision.** Other High Needs Provision is currently forecast at a £0.974m overspend, driven primarily by the creation of an Exceptional Needs Fund of £1m in year. This unplanned expenditure is partially reduced by an overall underspend of £0.026m from Sensory Support, Early Years SEN, ASD, and Outreach teams.
- 2.8 **Exceptional Needs Fund 2023/24.** There was no budget allocation for such a fund during the 2023/24 budget setting process, however due to the scale of the forecast underspend to budget in the current year the LA has chosen to create the fund in the final quarter of 2023/24 with an intent for schools and academies with the top 10% most complex SEN Support pupils to apply for additional funding of up to £6,000 per pupil annually.

### 3. High Needs budget proposal for 2024/25

- 3.1 The July 2023 DfE schools funding announcement confirmed that High Needs DSG for 2024/25 will increase by at least 3% per head for the 2-18 population, with most authorities seeing gains of more than 3%. This increase is lower than received in recent years, with last year's increase being a 5% increase per head of the 2-18 population.
- 3.2 The provisional High Needs DSG for 2024/25 is £67.4m, £1.7m (2.6%) more than the current 2023/24 HN DSG of £65.7m. **Table 2** shows this and indicates that with increases to top-up rates of between 2% and 2.5% (based on setting) the in-year position for 2024/25 would be a spending requirement of £71.4m, £2.8m more than the available in-year

funding. This additional requirement will be met from the forecast carried forward surplus in the HNB of £3.6m. Based on the stated assumptions, the forecast cumulative surplus at the end of 2024/25 would be £0.785m.

**Table 2: Summary High Needs Budget position 2023/24 and proposed budget build for 2024/25**

<b>Component</b>	<b>Forecast spend P09 2023/24 (£'000)</b>	<b>Forecast Net Spend 2024/25 (£'000)</b>	<b>Difference (£'000)</b>	<b>Comment</b>
1. Places only	12,067	13,129	1,061	88 additional high needs places for Sep-24, with provision for 30 more
2. SEN Top-Ups	47,282	52,707	5,426	Expected top-ups with 2%-2.5% increase, and EHCP growth.
3. AP Top-Ups	1,284	1,385	101	Expected top-ups with 2% increase.
4. Other High Needs provision	3,213	4,217	1,004	New fund, outreach & assessment activities. Others uplifted by 2%.
<b>Total Commitment (gross)</b>	<b>63,846</b>	<b>71,438</b>	<b>7,591</b>	
Funding transferred from Schools Block	824	1,160	336	£1.160m (0.5%) agreed by Schools Forum Dec 2023
High Needs DSG Funding (gross)	65,671	67,434	1,763	Budgets updated to reflect Dec 2023 ESFA notification.
<b>Total in-year funding</b>	<b>66,495</b>	<b>68,594</b>	<b>2,099</b>	
<b>Net in-year position</b>	<b>(2,649)</b>	<b>2,844</b>	<b>5,492</b>	To carry forward £0.785m to 2025/26

3.3 **Appendix 2** sets out the position in more detail.

3.4 **Place Funding.** There have been some changes in the detail on funding for places between 2023/24 and 2024/25, as settings expand and contract. Overall, the net increase in the places budget is £1.061m. This includes new 70 high-needs places at Lambeth's special schools and resource bases, agreements with Further Education providers to fund 18 additional places outside of the ESFA recoupment process, and a provision for 30 additional unspecified places in September 2024. There are no assumptions about any further changes to the import-export adjustment, compared to the figures in the High Needs DSG announced in December 2023. Cross-border movements are as likely to benefit Lambeth as to cost Lambeth.

3.5 **SEND and AP Top-up Funding.** Officers have identified current open cases, taking any new or changed agreements brought to SEND panel before the start of November 2023. These have been costed for a full-year and we have assumed 30 new cases per month between November 2023 and March 2025 with 175 leavers in the summer of 2024, all at a rate of £15,000. This reflects the current dynamic for EHCP numbers and costs. The expected cost of those future cases is £3.1m in 2024/25. If new cases slow, or we were to reach a position where the number of new EHCPs was broadly equivalent to the leavers, the forecast cost of new cases might reduce. However, until there is evidence of that (of which there is little currently), these forecasts represent the best estimate of what we might spend.

3.6 The ESFA have indicated that there are two requirements for specialist high needs provision:

- **Minimum Funding Guarantee.** All local authorities must set a special school MFG between 0% and 0.5% in 2024/25. Lambeth has set the MFG at 0% to allow a freeze of top-up rates at Heron Academy without the need for a disapplication of DSG conditions of grant. The LA may increase top-up rates above the MFG at its discretion.
- **Additional High Needs DSG.** For the second year in a row LAs are mandated to allocate additional funding to special and AP schools and academies by a condition of grant attached to the DSG. For 2023/24 the allocation was 3.4% of the place and top-up funding paid in 2022/23. For 2024/25 the allocation is based the per-place rate calculated in 2023/24, adjusted for any changes in agreed high needs places for September 2024. This allocation is in the form of a lump sum of £814k for special schools and £99k for AP academies, outside the scope of the MFG, similar to the School Supplementary Grant that mainstream schools have received.

3.7 For 2024/25 the top-up rates for in-borough special schools and resource bases will **increase by 2.5%**. Top-ups at Lambeth's mainstream schools and AP academy will **increase by 2%**. Further indexation is assumed at 2% for FE colleges, out of borough settings, and additional EHCP support activities, with an additional 0.5% provision for unforeseen cost drift included. The place element remains fixed, so increases must be applied to the top-up element.

3.8 Heron Academy's top-up rates remain fixed at the 2021/22 values, in line with agreements with the academy to bring their top-up rates in line with other Special Schools in the borough.

3.9 All of the proposed changes to top-up rates are set out in **Appendix 3**.

3.10 **The Disproportionate SEND Fund** (£100k in 2023/24) will cease in 2024/25 in favour of more targeted interventions, including the appointment of a Senior Strategic Area SENCo, additional funding for high needs outreach teams, and the creation of assessment places for pupils not yet assessed for EHCPs but in need of specialist support.

3.11 **The Exceptional Needs Fund**, created in 2023/24 will be continued in 2024/25 with an increased allocation of £1.5m.

3.12 **Outreach support** for Autistic Spectrum Disorders (ASD), Sensory Impairment, Early Years SEN, and Behavioural support are funded from the High Needs budget, and these have been uplifted by 2%, consistent with the increase for schools.

3.13 The proposed budget for **specialist equipment** (from CENMAC and from other providers) has not increased since spending in the current FY is in line with existing budgets.

#### 4. Risks

4.1 The High Needs budget is volatile due to the lag in data from panel and pace of changes across the year, so there is always an element of risk within it.

4.2 Provisions have been built in for expected additional pupil numbers, but it is difficult to know whether this will be sufficient. Sometimes a few very expensive extra placements can put pressure on the high needs budget. This may adversely impact the budget.

- 4.3 Commitments have been identified on the range of activities supported by the High Needs Block, but some are more certain than others. In particular, rates and numbers on Further Education and out-of-borough high needs placements are sometimes only firmed up a few terms after the provision began. While forecasts try to anticipate that, there are inevitably risks that such forecasts will be insufficient.
- 4.4 If the High Needs DSG 2023/24 position worsens it will consume the expected available cumulative surplus the 2024/25 High Needs budget relies upon to be sustainable. Any significant adverse change in the 2023/24 position would need to be mitigated by curtailed spending in 2024/25.
- 4.5 In the context of falling rolls, it ought not to be the case that numbers of EHCPs continue to rise. Numbers of EHCPs have been rising across the age ranges. If that continues, it will be very difficult to contain costs within the High Needs DSG.

## **5. Next steps**

- 5.1 This report outlines the proposed detailed High Needs budget for 2024/25. The LA will take these proposals, with Schools Forum comments as appropriate, to Cabinet and Council for final decisions as part of the Council's budget build process in January and February 2024.

## **6. Recommendations**

- 6.1 **Schools Forum is invited to:**
  - a) **note the High Needs Budget position for 2023/24; and**
  - b) **indicate if there are any comments to relay to Cabinet/ Council ahead of their consideration of the budget proposals for 2024/25.**

Summary High Needs Budget position P09 2023/24

Component	Budget 2023/24 £'000	Forecast spend (P9) 2023/24 £'000	Variance against budget £'000	Prior month forecast 2023/24 (P8) £'000	Movement since (P8) £'000	Comment
1. Places only	£12,504	£12,067	(£437)	£12,004	£63	Forecast budget requirement for 2023/24 based on agreed new September places of 16 + provision for 20 additional. Actual agreed new paces for September currently stands at 67 places. Provision for new cases now removed since no new September places can now be agreed. Includes agreements for FE / academies outside recoupment, which has grown to 95 places following 24/25 place-change process. Adjustments for RB filled/unfilled in Oct 23 now included.
2. SEN Top-Ups	£50,568	£47,282	(£3,286)	£49,677	(£2,395)	Reflects updated pupils on roll in Lambeth settings, with all inflation related uplifts assumed to have now happened. New cases have been forecast at a rate of 30 each month at an annual average top-up rate of £14.5k. Panel Decisions are up to date in the forecast through Oct 2023. Panel decisions up to Dec 2023 will need to be incorporated as soon as available to enhance accuracy of top-up forecasts, however the bulk of new cases for the academic year should now be incorporated.. £0.9m indexation and £1.8m accruals removed from forecast Dec-23
3. AP Top-Ups	£1,184	£1,284	£100	£1,290	(£6)	Expenditure on AP places and commissioning with Jus Education & Lambeth College set to remain at current levels, with new cases needing to be assigned to new providers at a higher costs. Includes spend for Support for Inclusion.
4. Other High Needs provision	£2,239	£3,213	£974	£2,145	£1,068	Recruitment has begun on posts that were created with the repurposed inclusion fund, however since these posts have been vacant for the first 6 months of the year forecasts for the expenditure are based on 6 months only. Budget realignment between Pupil Support cost centres undertaken, to support High Needs Outreach activities.
<b>Total Commitment (gross)</b>	<b>£66,495</b>	<b>£63,846</b>	<b>(£2,649)</b>	<b>£65,116</b>	<b>(£1,270)</b>	
Brought forward	£980	£980	£0	£980	£0	Surplus DSG
Funding transferred from Schools Block	£824	£824	£0	£824	£0	Agreed by Schools Forum
High Needs DSG Funding (gross)	£65,671	£65,671	£0	£65,695	(£24)	
<b>Total funding</b>	<b>£67,475</b>	<b>£67,475</b>	<b>£0</b>	<b>£67,499</b>	<b>(£24)</b>	
<b>Net position</b>	<b>(£980)</b>	<b>(£3,629)</b>	<b>(£2,649)</b>	<b>(£2,383)</b>	<b>(£1,246)</b>	

## 1. Core Place Funding 2023/24

## Appendix 1.2

Summary High Needs Budget position P08 2023/24

	Prior month forecast 2023/24 (P8) £'000	Spend to date		Backdated £'000	No of place April 2023	No of places Sept 2023	Rate (£)	Current month	Variance	Movement
	Budget 2023/24 £'000	on financial system £'000	forecast spend 2023/24 (P9) £'000					against budget £'000	since (P8) £'000	
Special Schools (Pre-16)	£6,737	£7,464			662	682	£10,000	£6,737	-£727	£0
Special Schools (Post-16)	£360	£64			36	36	£10,000	£360	£296	£0
Academy Places outside recoupment (Pre-16 Filled)	£32	£0			0	9	£6,000	£32	£32	£0
Academy Places outside recoupment (Pre-16 Unfilled)	£47	£0			0	8	£10,000	£47	£47	£0
Resource Bases (Pre-16 filled)	£1,522	£1,487			249	255	£6,000	£1,515	£28	-£7
Resource Bases (Pre-16 unfilled)	£453	£692			43	59	£10,000	£523	-£169	£70
Resource Bases (Post-16)	£0	£0			0	0	£6,000	£0	£0	£0
FE Places	£1,350	£1,449			225	225	£6,000	£1,350	-£99	£0
FE Places outside recoupment	£400	£64			10	95	£6,000	£400	£336	£0
Pupil Referral Units	£906	£966			90	91	£10,000	£906	-£60	£0
Hospital Funding	£198	£213			10	10	£19,825	£198	-£14	£0
Provision for new £10k cases	£0	£105			0	0	£10,000	£0	-£105	£0
Provision for new £6k cases	£0	£0			0	0	£6,000	£0	£0	£0
<b>Total allocations</b>	<b>£12,004</b>	<b>£12,504</b>	<b>£3,868</b>	<b>£0</b>	<b>1,325</b>	<b>1,470</b>		<b>£12,067</b>	<b>-£436</b>	<b>£63</b>

2. Top-ups SEND 2023/24

Appendix 1.3

Component	Prior month forecast 2023/24 (P8) £'000	Budget 2023/24 £'000	Spend to date on financial system £'000	Current number of pupils (fte)	Average cost £	Direct activity forecast cost £'000	Backdated amounts £'000	Provision for indexation £'000	Allocation of forecast future numbers £'000	Current month forecast spend 2023/24 (P9) £'000	Variance against budget £'000	Movement since (P8) £'000	Comment
Special Schools	£13,189 0%	£14,426	£8,096	565.66	£21,762	£13,169	£14	£0	£157	£13,340	£1,086	£151	Activities up to the end of Oct 2023 SEND Panel. Includes £859k for additional 3.4% for special schools.
Special Schools (TPG £785 per place)	£559	£553		712.58	£785	£559	£0	£0	£0	£559	£6	£0	Based on current places planned for 2022/23
Resource Bases	£3,391 0%	£3,135	£2,131	251.76	£12,913	£3,251	£79	£0	£34	£3,364	£229	£27	Activities up to the end of Oct 2023 SEND Panel.
Mainstream Schools	£12,107 0%	£11,587	£7,745	1,036.17	£11,620	£12,040	£82	£0	£126	£12,084	£497	£23	Activities up to the end of Oct 2023 SEND Panel.
Out of Borough Special	£4,262 0%	£4,419	£1,558	146.00	£27,483	£4,013	£101	£0	£48	£3,960	£459	£302	Activities up to the end of Oct 2023 SEND Panel.
Out of Borough Mainstream	£2,811 0%	£2,476	£1,081	226.00	£11,532	£2,606	£274	£0	£27	£2,359	£117	£453	Activities up to the end of Oct 2023 SEND Panel.
Further Education SEND	£4,768 0%	£5,729	£1,041	324.00	£13,724	£4,446	£0	£0	£63	£4,509	£1,220	£259	Activities up to the end of Oct 2023 SEND Panel.
Pupil Referral Units (SEMH)	£587 0%	£406	£355	31.13	£18,541	£577	£29	£0	£4	£610	£204	£23	Activities up to the end of Oct 2023 SEND Panel.
Independent and non-maintained schools	£6,112 0%	£6,127	£2,395	174.62	£33,995	£5,936	£777	£0	£67	£5,226	£901	£886	Activities up to the end of Oct 2023 SEND Panel. Data cleansing on tracker revealed a number of backdated payments attributed to wrong FY. Corrected resulting in decrease in forecast
Home Tuition	£1,302 0%	£1,179	£201	56.73	£23,142	£1,313	£558	£0	£13	£768	£411	£534	Activities up to the end of Oct 2023 SEND Panel. Increase in number of pupils at Classroom Teachers
Personal Budgets	£359 0%	£384	£118	23.96	£15,558	£373	£50	£0	£4	£327	£57	£32	Activities up to the end of Oct 2023 SEND Panel. Data cleansing on tracker revealed a number of pupils whose PBs had ended but still on tracker. Removed..
Other AP (SEND)	£0 0%	£0	£0	0.00	£0	£0	£0	£0	£0	£0	£0	£0	Activities up to the end of Oct 2023 SEND Panel.
Therapy	£229 0%	£147	£357	23.23	£7,966	£185	£11	£0	£2	£176	£29	£53	Activities up to the end of Oct 2023 SEND Panel.
Provision for new cases	£0			37.50	£14,550	£546			£546	£0	£0	£0	This amount will be spread over other top-up budgets for operational purposes in 2023/24. New cases are known until end of Oct 2023
Provision for indexation	£0					£0		£0	0	£0	£0	£0	Lambeth uplifts already reflected in forecasts. Late enough in financial year that effects of price increases will not be felt until next year.
<b>Total allocations</b>	<b>£49,677</b>	<b>£50,568</b>	<b>£24,676</b>	<b>2,897</b>		<b>£49,014</b>	<b>£1,732</b>	<b>£0</b>	<b>£0</b>	<b>£47,282</b>	<b>£3,286</b>	<b>£2,395</b>	

3. Top-ups Alternative Provision 2023/24

Component	Prior month forecast 2023/24 (P8) £'000	Budget 2023/24 £'000	Spend to date on financial system £'000	Current number of pupils (fte)	Average cost £	Direct activity forecast cost £'000	Backdated amounts £'000	Provision for indexation £'000	Allocation of forecast future numbers £'000	Current month forecast spend 2023/24 (P9) £'000	Variance against budget £'000	Movement since (P8) £'000	Comment
Pupil Referral Units	£433	£499	£345	37	£11,659	£428	£20	£0		£448	£51	£15	2023/24 based on 4 primary and 27 secondary at Evolve Academy
Pupil Referral Units (TPG £785 per place)	£71	£71	£51	90	£785	£71		£0		£71	£0	£0	Linked to current places and includes SEMH places.
Other ad-hoc commissioning	£491	£319	£250	30	£16,367	£491	£24	£0		£467	£148	£24	Includes FAP too.
Staffing	£295 0%	£295	£218			£298		£0		£298	£3	£3	
<b>Total allocations</b>	<b>£1,290</b>	<b>£1,184</b>	<b>£864</b>	<b>67</b>		<b>£1,288</b>	<b>£4</b>	<b>£0</b>		<b>£1,284</b>	<b>£100</b>	<b>£6</b>	
<b>ALL Top-Ups</b>	<b>£50,967</b>	<b>£51,752</b>	<b>£25,540</b>	<b>2,963</b>		<b>£50,302</b>	<b>£1,736</b>	<b>£0</b>		<b>£48,566</b>	<b>£3,186</b>	<b>£2,401</b>	

4. Other High Needs functions and activities 2023/24

Appendix 1.4

2023/24	Prior month forecast 2023/24 (P8) £'000	Budget 2023/24 £'000	Spend to date on financial system £'000	Current month forecast spend 2023/24 (P9) (£'000)	Variance against budget £'000	Movement since (P8) £'000	Comment
Disproportionate SEN (mainstream)	£100	£100	£0	£100	£0	£0	Allocations made for those with more than 4% EHCPs in Oct 2022.
High Needs Fund to target pupils below EHCP threshold	£0	£0	£0	£1,000	£1,000	£1,000	Exceptional Needs grant funding to begin Jan-24
Hearing / Visual Impairment Outreach	£900	£800	£589	£917	£117	£17	Approx +£94k for VJ, -£38k for Jubilee withholding of HI top-ups & places
Autistic Spectrum Disorders Outreach	£275	£340	£170	£275	-£65	£0	Based on current salary projections
Early Years SEN Team	£180	£209	£133	£231	£22	£51	Based on current salary projections
High Needs Outreach Team	£150	£250	£43	£150	-£100	£0	Positions have been vacant for part of the year.
SEN Specialist Equipment	£140	£140	£40	£140	£0	£0	Currently based on quarterly spend of £33k
CENMAC Service	£400	£400	£174	£400	£0	£0	Currently based on quarterly spend of £96k
<b>Total allocations</b>	<b>£2,145</b>	<b>£2,239</b>	<b>£1,149</b>	<b>£3,213</b>	<b>£974</b>	<b>£1,068</b>	



## Summary High Needs Budget position 2023/24 and proposed budget for 2024/25

Component	Forecast spend P09 2023/24 (£'000)	Forecast Requirement 2024/25 (£'000)	Difference £'000	Comment
1. Places only	£12,067	£13,129	£1,061	Forecast budget requirement for 2024/25 based on all known agreed places, including agreements for FE / free schools outside recoupment. 88 new HN places agreed from Sep-24, with a provision for 30 more agreed in-year.
2. SEN Top-Ups	£47,282	£52,707	£5,426	Reflects updated pupils on roll in Lambeth settings, with uplifts on rates between 2% & 2.5% for high needs provision. New cases from Nov 2023 to March 2025 have been forecast at a rate of 30 new ones each month, with 175 leavers in summer 2024, all at an annual average top-up rate of £15k. Additional funding for Special & AP schools and academies announced in the 2022 autumn statement is included.
3. AP Top-Ups	£1,284	£1,385	£101	Reflects participation levels in AP settings, with 2% uplift on rates compared to 2023/24.
4. Other High Needs provision	£3,213	£4,217	£1,004	Includes funding for Outreach teams, assessment places, and SEND equipment. Increased by 2% in line with increases for schools.
<b>Total Commitment (gross)</b>	<b>£63,846</b>	<b>£71,438</b>	<b>£7,591</b>	
Funding transferred from Schools Block	£824	£1,160	£336	Schools Forum agreed up to £1.160m (0.5%) in December 2023.
High Needs DSG Funding (gross)	£65,671	£67,434	£1,763	DSG funding for 2024/25, announced in December 2023.
<b>Total in-year funding</b>	<b>£66,495</b>	<b>£68,594</b>	<b>£2,099</b>	
<b>Net in-year position</b>	<b>(£2,649)</b>	<b>£2,844</b>	<b>£5,492</b>	
Brought forward surplus/(deficit)	£980	£3,629	£2,649	
In-year variance over/(under)spend	(£2,649)	£2,844	£5,492	
<b>Carry forward surplus/(deficit)</b>	<b>£3,629</b>	<b>£785</b>	<b>(£2,844)</b>	

## 1. Core Place Funding 2024/25

## Appendix 2.2

	P09 Forecast 2023/24 (£'000)	Backdated (£'000)	No of places April 2024	No of places Sept 2024	Rate (£)	Forecast net requirement 2024/25 (£'000)	Difference
Special Schools (Pre-16)	£6,737		682	734	£10,000	£7,123	£387
Special Schools (Post-16)	£360		36	36	£10,000	£360	£0
Academy Places outside recoupment (Pre-16)	£32		9	0	£6,000	£23	-£9
Academy Places outside recoupment (Pre-16)	£47		8	0	£10,000	£33	-£13
Resource Bases (Pre-16 filled)	£1,515		270	297	£6,000	£1,715	£200
Resource Bases (Pre-16 unfilled)	£523		58	71	£10,000	£656	£133
Resource Bases (Post-16)	£0		0	0	£6,000	£0	£0
FE Places	£1,350		225	243	£6,000	£1,422	£72
FE Places outside recoupment	£400		94	94	£6,000	£564	£164
Pupil Referral Units	£906		90	85	£10,000	£871	-£35
Hospital Funding	£198		10	10	£19,825	£198	£0
Provision for new £10k cases	£0		0	24	£10,000	£140	£140
Provision for new £6k cases	£0		0	6	£6,000	£24	£24
<b>Total allocations</b>	<b>£12,067</b>	<b>£0</b>	<b>1,482</b>	<b>1,600</b>		<b>£13,129</b>	<b>£1,061</b>

2. Top-ups SEND 2024/25

Appendix 2.3

Component	P09		31 March 2024 pupils (fte)	Average cost £	Direct activity forecast cost £'000	Reallocation of indexation £'000	Reallocation of new cases £'000	Forecast net requirement 2024/25 (£'000)	Difference £'000	Comment
	Forecast 2023/24									
Special Schools	£13,340	2.5%	581.00	£23,233	£13,498	£579	£920	£14,998	£1,658	Open cases at 31st March 2024 (based on SEND Panels to Oct 23). Includes £814k for Special Schools additional funding. No increases for Heron Academy.
Special Schools (TPG £785 per place)	£559		755.42	£785	£593	£0	£0	£593	£34	Planned places for 2024/25 at £785 per place.
Resource Bases	£3,364	2.5%	259.00	£13,175	£3,412	£180	£233	£3,825	£461	Open cases at 31st March 2024 (based on SEND Panels to Oct 23)
Mainstream Schools	£12,084	2.0%	1,022.00	£11,616	£11,871	£450	£809	£13,131	£1,046	Open cases at 31st March 2024 (based on SEND Panels to Oct 23)
Out of Borough Special	£3,960	2.0%	145.00	£25,649	£3,719	£129	£254	£4,102	£142	Open cases at 31st March 2024 (based on SEND Panels to Oct 23)
Out of Borough Mainstream	£2,359	2.0%	219.00	£10,971	£2,403	£93	£164	£2,659	£301	Open cases at 31st March 2024 (based on SEND Panels to Oct 23)
Further Education SEND	£4,509	2.0%	319.00	£12,559	£4,006	£148	£273	£4,427	£81	Open cases at 31st March 2024 (based on SEND Panels to Oct 23)
Pupil Referral Units (SEMH)	£610	2.0%	32.00	£18,455	£591	£23	£40	£654	£43	Open cases at 31st March 2024 (based on SEND Panels to Oct 23)
Independent and non-maintained schools	£5,226	2.0%	169.00	£32,532	£5,498	£137	£375	£6,010	£784	Open cases at 31st March 2024 (based on SEND Panels to Oct 23)
Home Tuition	£768	2.0%	58.00	£25,716	£1,492	£37	£102	£1,631	£863	Open cases at 31st March 2024 (based on SEND Panels to Oct 23)
Personal Budgets	£327	2.0%	25.00	£17,353	£434	£11	£30	£474	£147	Open cases at 31st March 2024 (based on SEND Panels to Oct 23)
Other AP (SEND)	£0	2.0%	0.00	£0	£0	£0	£0	£0	£0	Open cases at 31st March 2024 (based on SEND Panels to Oct 23)
Therapy	£176	2.0%	25.00	£7,438	£186	£5	£13	£203	£27	Open cases at 31st March 2024 (based on SEND Panels to Oct 23)
Provision for new cases	£0		208.96	£15,000	£3,134	£78	£-3,212	£0	£0	This amount will be spread over other top-up budgets for operational purposes in 2024/25. New cases are known until end of Oct 2023
Provision for indexation	£0				£1,871	£-1,871	£0	£0	£0	2%-2.5% uplift provided for all settings.
<b>Total allocations</b>	<b>£47,282</b>		<b>3,063</b>	<b>£17,208</b>	<b>£52,707</b>	<b>£0</b>	<b>£0</b>	<b>£52,707</b>	<b>£5,426</b>	

3. Top-up Alternative Provision 2024/25

Component	P09		31 March 2024 pupils (fte)	Average cost £	Direct activity forecast cost £'000	Indexation £'000	Reallocation of new cases £'000	Forecast net requirement 2024/25 (£'000)	Difference £'000	Comment
	Forecast 2023/24									
Pupil Referral Units	£448	2.0%	37.00	£11,659	£530	£20		£550	£102	2023/24 based on 4 primary and 33 secondary at Evolve Academy. Includes £99k additional funding for AP academies.
Pupil Referral Units (TPG £785 per place)	£71		87.08	£785	£68			£68	£3	Linked to current places and includes SEMH places.
Other ad-hoc AP commissioning	£467	2.0%	35.00	£16,116	£564	£23		£587	£120	Placements at new providers driving up average costs.
Staffing	£298				£180	£0		£180	£-118	Two staff moved to new Behaviour cost centre
<b>Total allocations</b>	<b>£1,284</b>		<b>72</b>	<b>£28,560</b>	<b>£1,342</b>	<b>£43</b>	<b>£0</b>	<b>£1,385</b>	<b>£101</b>	
<b>ALL Top-Ups</b>	<b>£48,566</b>		<b>£3,135</b>	<b>£45,768</b>	<b>£54,049</b>	<b>£43</b>	<b>£0</b>	<b>£54,092</b>	<b>£5,526</b>	

#### 4. Other High Needs functions and activities 2024/25

#### Appendix 2.4

2023/24	P09 Forecast 2023/24	Forecast net requirement 2024/25 (£'000)	Difference Comment
Disproportionate SEN (mainstream)	£100	£0	-£100 Ceased
High Needs Fund to target pupils below EHCP threshold	£1,000	£1,500	£500 Top 10% of pupils on SEN support
Hearing / Visual Impairment Outreach	£917	£839	-£78 £94k removed from forecast for positions not carried forward to 2024/25. 2% increase on remainder, consistent with schools.
Autistic Spectrum Disorders Outreach	£275	£340	£65 Underspends in prior years. £320k needed for current establishment. No increase - existing budget sufficient.
Early Years SEN Team	£231	£236	£5 2% increase, consistent with schools.
High Needs Outreach Team	£150	£255	£105 £210k for existing established positions. £45k for BSO recharges.
Behavioural Outreach	£0	£344	£344 New. Was included in AP and HN outreach for 2023/24. £320k staffing, £24k Fair Access Panel.
SEN Support	£0	£163	£163 Assessment places. 3 full year, 9 more starting Sep-24, £10k+£13.8k each.
SEN Specialist Equipment	£140	£140	£0 No increase - existing budget sufficient.
CENMAC Service	£400	£400	£0 No increase - existing budget sufficient.
<b>Total allocations</b>	<b>£3,213</b>	<b>£4,217</b>	<b>£1,004</b>

<b>2023/24</b>	<b>Place element (£000)</b>	<b>Current number of pupils (fte)</b>	<b>Average cost (£)</b>	<b>Percentage uplift (not yet included)</b>	<b>Provision for cost drift</b>	<b>Impact 2024/25 £'000</b>
Special Schools	£10	581	23,233	2.50%	0.50%	<b>£579</b>
Resource Bases	£10	259	13,175	2.50%	0.50%	<b>£180</b>
Mainstream Schools	£6	1,022	11,616	2.00%	0.50%	<b>£450</b>
Out of Borough Special	£10	145	25,649	2.00%	0.50%	<b>£129</b>
Out of Borough Mainstream	£6	219	10,971	2.00%	0.50%	<b>£93</b>
Further Education SEND	£6	319	12,559	2.00%	0.50%	<b>£148</b>
Pupil Referral Units (SEMH)	£10	32	18,455	2.00%	0.50%	<b>£23</b>
Independent and non-maintained schools	£0	169	32,532	2.00%	0.50%	<b>£137</b>
Home Tuition	£0	58	25,716	2.00%	0.50%	<b>£37</b>
Personal Budgets	£0	25	17,353	2.00%	0.50%	<b>£11</b>
Other AP (SEND)	£0	0	0	2.00%	0.50%	<b>£0</b>
Therapy	£0	25	7,438	2.00%	0.50%	<b>£5</b>
Provision for new cases	£0	209	15,000	2.00%	0.50%	<b>£78</b>
Pupil Referral Units	£10	37	11,659	2.00%	0.50%	<b>£20</b>
Other ad-hoc AP commissioning	£10	35	16,116	2.00%	0.50%	<b>£23</b>
<b>Total</b>		<b>3,135</b>				<b>£1,871</b>

## Workings for 2024/25 high needs top-ups

## Appendix 3

Increase for S & R bands	2.50%
Increase for M & A bands	2.00%

<b>Special Schools (2.5% uplift)</b>					
<b>Band (S)</b>	<b>S1</b>	<b>S2</b>	<b>S3</b>	<b>S4</b>	<b>S4+</b>
Core	10,000	10,000	10,000	10,000	10,000
Addition for TPG / TPPG	785	785	785	785	785
<b>Top Up (current rates)</b>	<b>12,547</b>	<b>14,552</b>	<b>18,116</b>	<b>23,515</b>	<b>28,971</b>
Total	23,332	25,337	28,901	34,300	39,756
<b>Revised top-ups after 2.5% increase on combined place and top-up (ie not TPG /TPPG)</b>					
	<b>£13,111</b>	<b>£15,166</b>	<b>£18,819</b>	<b>£24,353</b>	<b>£29,945</b>
Change in top-up	£564	£614	£703	£838	£974
Actual increase top-up v top-up	4.5%	4.2%	3.9%	3.6%	3.4%

<b>Resource Bases (2.5% uplift)</b>				
Bespoke is currently based on actual expected costs, so increases should be tailored to real circumstances.				
<b>Band (R)</b>	<b>R1</b>	<b>R2</b>	<b>R3</b>	<b>R3+</b>
Core	10,000	10,000	10,000	10,000
<b>Top Up (current rates)</b>	<b>5,929</b>	<b>8,788</b>	<b>13,307</b>	<b>Bespoke</b>
Total	15,929	18,788	23,307	Bespoke
<b>Revised top-ups after 2.5% increase on combined place and top-up</b>				
	<b>£6,327</b>	<b>£9,258</b>	<b>£13,890</b>	
Change in top-up	£398	£470	£583	
Actual increase top-up v top-up	6.7%	5.3%	4.4%	

<b>Mainstream (2% uplift)</b>						
Bespoke is currently based on actual expected costs, so increases should be tailored to real circumstances.						
<b>Band (M)</b>	<b>M1</b>	<b>M2</b>	<b>M3</b>	<b>M4</b>	<b>M5</b>	<b>M5+</b>
Core	£6,000	£6,000	£6,000	£6,000	£6,000	£6,000
Top-up at current rates	<b>£3,850</b>	<b>£6,747</b>	<b>£10,803</b>	<b>£14,858</b>	<b>£19,494</b>	Bespoke
Total	£9,850	£12,747	£16,803	£20,858	£25,494	Bespoke
<b>Revised top-ups after 2% increase on combined place and top-up</b>						
	<b>£4,047</b>	<b>£7,002</b>	<b>£11,139</b>	<b>£15,275</b>	<b>£20,004</b>	<b>Bespoke</b>
Change in top-up	£197	£255	£336	£417	£510	
	5.1%	3.8%	3.1%	2.8%	2.6%	

<b>Alternative Provision (2% uplift)</b>		
<b>Band (A)</b>	<b>A1</b>	<b>A2</b>
Core	£10,000	£10,000
Addition for TPG / TPPG	£785	£785
<b>Top Up (current rates)</b>	<b>£11,156</b>	<b>£11,719</b>
Total	£21,941	£22,504
<b>Revised top-ups after 2% increase on combined place and top-up (ie not TPG /TPPG)</b>		
	<b>£11,579</b>	<b>£12,153</b>
Change in top-up	£423	£434
Actual increase top-up v top-up	3.8%	3.7%

**Agenda Item 6****Title: Schools Block 2024/25****Date: 11<sup>th</sup> January 2024****Report to: Schools Forum****Report for: Information                      Decision x      Consultation x                      Action****Author: Yoke Ying Kong – Education Consultant****1 Background**

- 1.1 In October 2023, the Department for Education announced a revised set of key figures and operational guidance for the Schools Block National Funding Formula to allow local authorities and schools to plan for budgets in 2024/25.
- 1.2 Schools Forum worked through the changes to Schools Block and the funding formula during the autumn term via a sub-group, including full consultation with all affected schools in November 2023.
- 1.3 It was decided in December 2023 Schools Forum that Lambeth would adopt the ACA adjusted National Funding Formula values as the basis for its local mainstream funding formula, transfer 0.5% of the Schools Block to the High Needs Block for 2024/25 and any excess would be allocated to Falling Pupil Roll Fund for 2024/25.
- 1.4 The decision to de-delegate and the de-delegation amounts were also decided for maintained mainstream schools. It was decided that for both maintained primary and secondary schools:
- Trade union facilities agreements would be set at £5.48 per pupil,
  - Additional School Improvement Services would be set at £7.25 per pupil. and
  - Education Functions would be set at £22.00 per pupil.
- 1.5 On 19th December 2023, the DfE confirmed Lambeth's Schools Funding Settlement for 2024/25.
- 1.6 This report sets out the proposed budget plan and formula for 2024/25 in the context of the decisions already made by Schools Forum and the available funding.
- 1.7 Final decisions on the funding formula for schools are for Cabinet and Council to determine in February 2024, but the proposals they will consider are the ones which Schools Forum have developed over the last few meetings. This report seeks Schools Forum's approval and recommendations for consideration by Cabinet and Council.

## 2 Schools Block Funding 2024/25

- 2.1 The Secretary of State for Education announced the Schools Funding Settlement on 19<sup>th</sup> December 2023, including the Provisional DSG for 2024/25. The Schools Block reflected the Primary and Secondary Units of Funding advised in October 2023, updated to reflect the pupil numbers from the October 2023 census. The LA also received an Authority Proforma Tool (APT) (the mechanism for calculating and reporting mainstream formula budgets for 2024/25), which reflected October 2023 pupil and other school characteristic data. The LA must submit a completed APT by 19<sup>th</sup> January 2024, subject to political clearance.
- 2.2 In Lambeth, the process is that Schools Forum decides on those aspects of the DSG arrangements that are theirs to decide (e.g. Minimum Funding Guarantee, Growth Fund, Falling Rolls Fund) (see Appendix 2 in the DSG Overview Report for details), but other matters, including the overall funding and the formula itself are formally for the LA to determine. Schools Forum is invited to make a recommendation to Cabinet about the Schools Block. In turn, Cabinet makes recommendations to full Council in February 2024, where final decisions are made.
- 2.3 The Provisional Schools Block DSG for 2024/25 is set out in **Table 1**.

**Table 1 – Provisional Schools Block DSG 2024/25**

Component	Final Schools Block composition 2023-24			2024-25 DSG Settlement			Difference from 2023-24 DSG		
	Pupil Nos	PUF / SUF*	Total 2023-24	Pupil Nos	PUF / SUF*	Total 2024-25	Pupil Nos	PUF / SUF*	Total Funding
			£			£			£
Primary NFF	19,489.00	£6,230	£121,414,911	18,776.50	£6,497	£121,986,790	-712.50	£267	£571,879
Secondary NFF	11,816.00	£8,467	£100,051,744	11,538.50	£8,846	£102,068,648	-277.50	£378	£2,016,904
Premises NFF			£4,126,576			£5,432,710			£1,306,134
Primary and Secondary MSAG			£7,600,152			£0			-£7,600,152
<b>Total Schools Block DSG</b>			<b>£233,193,383</b>			<b>£229,488,148</b>			<b>-£3,705,235</b>
Growth Factor			£974,074			£2,534,977			£1,560,903
Falling Pupil Roll Factor			£0			£0			£0
<b>Total Schools Block funding</b>			<b>£234,167,457</b>			<b>£232,023,125</b>			<b>-£2,144,332</b>

- 2.4 They reflect a headline of 4.28% increase per Primary pupil unit funding and 4.47% increase per Secondary pupil unit funding for Lambeth, but most of this increase is through the Mainstream Schools Additional Grant from 2023/24 which has now been rolled into the main formula. Table 2 illustrates the impact of the Primary and Secondary unit funding increase.

**Table 2 – Impact of Unit Funding Rate Increase**

Component	Final Schools Block composition 2023-24			2024-25 DSG Settlement			Difference from 2023-24 DSG			
	Pupil Nos	PUF / SUF*	Total 2023-24	Pupil Nos	PUF / SUF*	Total 2024-25	Pupil Nos	PUF / SUF*	Total Funding	% Change
			£			£			£	
Primary NFF	18,776.50	£6,229.92	£116,976,093	18,776.50	£6,496.78	£121,986,790	0.00	£266.86	£5,010,697	4.28%
Secondary NFF	11,538.50	£8,467.48	£97,702,018	11,538.50	£8,845.92	£102,068,648	0.00	£378.44	£4,366,630	4.47%
							Increase in funding due to rate increase		<b>£9,377,327</b>	



- 2.5 Pupil numbers fell in primary by 712.50 and in secondary by 277.50, a net loss of 990 pupils. Table 3 illustrates the impact of falling pupil roll in Lambeth's schools.

**Table 3 – Impact of Falling Pupil Roll**

Component	Final Schools Block composition 2023-24			2024-25 DSG Settlement			Difference from 2023-24 DSG				
	Pupil Nos	PUF / SUF*	Total 2023-24	Pupil Nos	PUF / SUF*	Total 2024-25	Pupil Nos	PUF / SUF*	Total Funding	% Change	
			£			£			£		
Primary NFF	19,489.00	£6,229.92	£121,414,911	18,776.50	£6,229.92	£116,976,093	-712.50	£0.00	£-4,438,818	-3.66%	
Secondary NFF	11,816.00	£8,467.48	£100,051,744	11,538.50	£8,467.48	£97,702,018	-277.50	£0.00	£-2,349,726	-2.35%	
									Loss in funding due to pupil no decrease	£-6,788,544	

- 2.6 Premises funding increased by £1.306m to reflect the sum of the allocations in the 2024/25 formula for split sites, rates and PFI (plus indexation for PFI only). The DFE have incorporated Split sites into the National Funding Formula in 2024/25.
- 2.7 Growth Funding has increased by £1.561m because DFE have for the first time funded falling pupil roll in 2024/25, which has been included in the heading of Growth Fund.

### 3 Local Funding Formula 2024/25

- 3.1 Schools Forum agreed in December 2023 that the local funding formula factors and values would match those of the National Funding Formula. **Appendix 1** sets out what those values are.
- 3.2 For 2024/25, the ESFA will pay business rates (NNDR) directly to billing authorities. This saves individual schools having to meet these costs directly. Nonetheless, business rates continue to be a school responsibility. Each school will receive a notional NNDR allocation in their budget share, but this will not be paid in cash; for maintained schools it will not be included in the Cash Summaries early in the financial year. Once the ESFA has paid Lambeth rates department for Lambeth school rates, the ESFA will deduct the cost of maintained schools' rates from the payments it makes to the Authority for DSG. The LA will then charge the relevant amount to each school via the Cash Summary (ie the full amount appears as a single debit for inclusion in the school's revenue account and as a single credit to reflect the funding to pay for it).
- 3.3 Private Finance Initiative (PFI) factors have been adjusted by 10.4% for Retail Prices Index excluding mortgage interest payments (RPIX). There is 0% increase on other Premises factors e.g. Split Sites.
- 3.4 The resulting allocations, as we know from the extensive modelling that has been done in the last few years, distributes much less funding than is available. 55 out of 77 Lambeth schools and academies, based on the October 2023 pupil numbers and pupil/ school characteristics, are not able to be funded solely on the NFF values; all need the Minimum Funding Guarantee to protect their per pupil funding.
- 3.5 The ESFA requires that every school has two guarantees. The first is that every primary pupil must attract at least £4,610 and each secondary pupil must attract at least £5,995. These sums are lower than the amounts distributed in Lambeth, so there is no difficulty in meeting this requirement locally.

- 3.6 The second requirement is that the per pupil allocation for all formula funding, excluding the lump sum and the rates allocation, must be between 0% and 0.5% more than the baseline figure for 2023/24.
- 3.7 In December 2023, Schools Forum agreed that the Minimum Funding Guarantee would be set at 0.5% (the maximum) for 2024/25 and 0.5% funding would be transferred to the High Needs Block (£1.16m), with the remainder going to the Falling Pupil Roll Fund. The final schools funding settlement, using the pupil numbers and characteristics from the October 2023 census, produces outcomes that enables funding to be made available to transfer to the HNB, as well as creating a Falling Pupil Roll Fund. This arises because:
- More schools (22 in 2024-25 rather than 9 in 2023-24) receive formula allocations that are not dependent on the MFG (ie the strategy of schools individually getting to the NFF level of funding at their own pace is starting to work);
  - There were less pupils in the final dataset than in the one used for the consultation (because we had to use estimates where schools were unable to provide us with census details in time). Those with more pupils tended to be ones whose formula funding per pupil was greater than the average funding per pupil in the DSG;
  - There were 712.50 fewer primary pupils and 277.50 fewer secondary pupils in the dataset for the formula than are funded through the DSG for 2023/24. (There are always some tiny discrepancies arising from dual registrations – officers are following this up with the ESFA).
- 3.8 With an MFG of 0.5%, the Schools Block was able to transfer £1.160m to High Needs Block and still have £2.69m available for Falling Pupil Roll Fund.
- 3.9 **Appendix 1** indicates that the MFG has been set at 0.5% to distribute the available funding. This is summarised in **Table 4** below. Draft school by school figures are in **Appendix 2**.

**Table 4: Summary of proposed allocation of Schools Block funding 2024/25 (£000)**

Component	Lambeth's Schools Block 2024/25 £'000
AWPUs	£152,601
Pupil Led	£51,444
School led	£17,668
MFG at 0.5%	£6,415
<b>Total for distribution through funding formula</b>	<b>£228,127</b>
NNDR (Southbank UTC + Archbishop Tenison School)	£45
Amount set aside for Falling Pupil Roll Fund	£2,691
Amount transferred to High Needs Block	£1,160
<b>Total Schools Block 2024/25</b>	<b>£232,023</b>

#### 4 Growth Fund and Falling Pupil Roll Fund

4.1 **Growth Fund** - Harris Clapham the only growing school in Lambeth. It opened in September 2020, is funded for diseconomy of scale and start-up costs directly by the ESFA, so is not funded from the Growth Fund. Therefore, no Growth Fund has been set aside for 2024/25.

4.2 **Falling Pupil Roll** – The DFE have for the first time in 2024-25 allocated funding based on both growth and falling rolls. The DFE requires local authorities who operate a fund to only be able to provide funding where school capacity data 2022 (SCAP) shows that school places will be required in the subsequent three to five years. This SCAP requirement replaces previous guidance that funding may only be used where local planning data shows that the surplus places will be needed within the next 3 financial years.

4.3 Criteria for allocating falling rolls funding need to contain clear objective trigger points for qualification and a clear formula for calculating allocations. Some of the areas for the criteria are set below:

- SCAP data shows that school places will be required in the subsequent three to five years (this is a mandatory requirement);
- surplus capacity exceeds a minimum number of pupils, or a percentage of the published admission number;
- formula funding available to the school will not support provision of an appropriate curriculum for the existing cohort; and
- the school will need to make redundancies to contain spending within its formula budget and it is expected (using SCAP data – detailed above) that these posts will need to be re-filled in the subsequent 3 to 5 years.

4.4 Falling rolls funding should only be used to support schools where the places are forecast to be needed over the short-medium term. As with growth funding, the falling rolls fund can be used to help meet the revenue costs, for schools, of removing or repurposing surplus places.

Methodologies for distributing funding could include:

- a rate per vacant place, up to a specified maximum place number (place value likely to be based on basic entitlement) – to be discussed and proposed by the Schools Block sub group.
- a lump sum payment with clear parameters for calculation (for example, the estimated cost of providing an appropriate curriculum, or estimated salary costs equivalent to the number of staff who would otherwise be made redundant) – to be discussed and proposed by the Schools Block sub group.

4.5 The schools forum schools block sub group will meet to agree final criteria for methodology of distribution in 2024-25 ensuring it falls in line with DFE Falling Pupil roll guidance.

#### 5 Other Grants

5.1 The **Mainstream School Additional Grant (MSAG)** have been rolled into Schools Block National Funding Formula in 2024/25.

5.2 **Pupil Premium** continues into 2024/25, with the current values increased by 5%. The rates for 2024/25 are set out in **Table 5**.

**Table 5: 2023/24 Pupil Premium Rates**

<b>Component</b>	<b>Amount per unit</b>
FSM6 Primary pupils	£1,480
FSM6 Secondary pupils	£1,050
Pupils previously looked after by a local authority or other state care	£2,570
Children who are looked after by the local authority	£2,570
Service children	£340

## **6 Next Steps**

- 6.1 This paper reflects the outcomes of many months of analysis, consultation and discussion by Schools Forum. The responses to the recommendations below will be conveyed to Cabinet and to Council when they make final decisions about the DSG for 2024/25 at their meetings in February 2024.

## **7 Recommendations**

### **7.1 Schools Forum is asked to:**

- a) **approve that the Minimum Funding Guarantee should be set at 0.5% for 2024/25.**
- b) **approve the transfer of £1.160m (0.5%) from Schools Block to High Needs Block.**
- c) **approve the proposed criteria for Falling Pupil Roll Fund and delegate the setting of the methodology to the Schools Block sub group for submission of APT by 19<sup>th</sup> Jan 2024.**
- d) **approve that a £2.69m budget is set for Falling Pupil Fund in 2024/25.**
- e) **indicate their support for the funding formula for 2024/25 as set out in section 3 and Appendix 1.**
- f) **identify any points they may wish to convey to Cabinet as part of their deliberations on the DSG budget for 2024/25.**

APPENDIX 1

Comparison of 2024-25 NFF values with October 2023 pupil numbers and pupil characteristics with 2023-24 NF values with October 2022 pupil numbers and pupil characteristics

Area Cost Adjustment for Lambeth

ACA 1.18666

Factor type	Factor	NFF Value Primary	NFF Value Secondary	Units Primary	Units Secondary	Lambeth Local Formula 2024-25 £'000
Age-Weighted Pupil Unit	Primary (Years R-6)	£4,226.88		18,781.00		£79,385
Age-Weighted Pupil Unit	Key Stage 3 (Years 7-9)	£5,959.41		6,811.00		£40,590
Age-Weighted Pupil Unit	Key Stage 4 (Years 10-11)	£6,717.68		4,856.75		£32,626
Deprivation	FSM	£581.46	£581.46	6,809.00	4,876.05	£6,794
Deprivation	FSM6	£973.06	£1,423.99	7,081.00	5,474.37	£14,686
Deprivation	IDACI Band F	£278.87	£403.46	2,841.42	1,861.23	£1,543
Deprivation	IDACI Band E	£338.20	£534.00	3,411.48	2,186.48	£2,321
Deprivation	IDACI Band D	£528.06	£747.60	2,759.53	1,692.02	£2,722
Deprivation	IDACI Band C	£575.53	£818.80	3,189.52	2,204.61	£3,641
Deprivation	IDACI Band B	£611.13	£878.13	795.04	655.97	£1,062
Deprivation	IDACI Band A	£806.93	£1,121.39	161.21	100.35	£243
English as an Additional Language	EAL 3 Primary	£700.13		4,536.77		£3,176
English as an Additional Language	EAL 3 Secondary		£1,880.86		749.59	£1,410
Mobility	Pupils starting school outside of normal entry dates	£1,139.19	£1,637.59	195.91	82.10	£358
Prior Attainment	Primary Low Attainment		£1,388.39	30.95%	5,812.56	£8,070
Prior Attainment	Secondary low attainment (year 7)	55.77%		21.19%		
Prior Attainment	Secondary low attainment (year 8)	54.47%		23.25%		
Prior Attainment	Secondary low attainment (year 9)	54.47%	£2,106.32	23.47%	2,572.02	£5,418
Prior Attainment	Secondary low attainment (year 10)	64.53%		21.44%		
Prior Attainment	Secondary low attainment (year 11)	64.53%		20.97%		
<b>Sub-total pupil driven funding</b>						<b>£204,044</b>
Premises	7) Lump Sum	£159,487.10				£12,281
Premises	10) Split Sites					£676
Premises	11) Rates					£4,447
Premises	12) PFI funding					£264
<b>Sub-total school factors driven funding</b>						<b>£17,668</b>
Set MFG is 0.5%, transfer 0.5% to High Needs Block and leave the remainder in Falling Pupil Roll Fund						
Budget with Minimum Funding Guarantee	MFG at 0.5%					£6,415
Transfer to High Needs Block (0.5%)	£1,160,116					£1,160
Growth Fund	Nil					£
Falling Pupil Roll fund	£2,690,517.84					£2,691
NNDR (South Bank UTC and Archbishop Tenison School)						£45
<b>GRAND TOTAL SCHOOLS BUDGET with £1,160m transferred to High Needs Block</b>						<b>£232,023</b>

2023-24 Value Primary	2023-24 Value Secondary	Comparison if 2023-24 local formula values are used to distribute the same amount £'000	Difference
£4,035.19		£75,785	£3,600
£5,688.98		£38,748	£1,842
£6,411.85		£31,141	£1,485
£570.68	£570.68	£6,668	£126
£838.19	£1,224.59	£12,639	£2,047
£273.45	£398.29	£1,518	£25
£332.90	£529.07	£2,292	£29
£523.12	£737.13	£2,691	£31
£570.68	£808.47	£3,603	£38
£606.35	£867.91	£1,051	£11
£796.58	£1,105.70	£239	£3
£689.57		£3,128	£48
	£1,860.66	£1,395	£15
£1,123.53	£1,616.93	£353	£5
	£1,373.20	£7,982	£88
54.47%			
64.53%			
64.53%	£2,080.61	£5,351	£66
64.53%			
63.59%			
<b>Sub-total pupil driven funding</b>		<b>£194,585</b>	<b>£9,459</b>
		£152,181.76	£12,022
		£548	£128
		£3,744	£703
		£239	£25
<b>Sub-total school factors driven funding</b>		<b>£16,554</b>	<b>£1,114</b>



**Agenda Item 7****Title:** Early Years Block 2024-25**Date:** 11<sup>th</sup> January 2024**Report to:** Schools Forum**Report for:** Information                      **Decision** x                      Consultation                      Action**Author:** Kathryn Shaw - Early Years & Out of School Quality Improvement Lead /  
                    Bunmi Idowa - Business & Workforce Development Manager**1. Purpose of this report**

1.1 This report updates Forum on the initial allocation of Early Years Block funding for 2024/25 including the extended entitlements for working parents of two year old children and children from age 9 months. Schools Forum is presented with proposed central budgets to agree for 2024/25 and it is being consulted on the proposed formula and formula values for 2024/25, ahead of Cabinet and Council taking final decisions next month.

**2 Background**

2.1 The DfE has extended the number of free childcare offers available to working parents in 2024/25. There will be new working parent entitlements introduced for 2 year olds and children aged 9 months to 2 years (also known as “Under 2s”) during the year. The 2 year olds offer will be for a maximum of 15 hours per week from 1st April 2024 and the under 2 year olds offer for a maximum of 15 hours per week from 1st September 2024. It is intended that these offers will be extended further in 2025/26 to a maximum of 30 hours per week.

2.2 Local authorities are required to set a local formula for both the 2 year old offers and the under 2s offer in the same way as it has for 3 and 4 year olds over the previous years.

2.3 There are limits on the amounts that can be distributed through the formula for deprivation, quality and specific support for maintained nursery schools. A provision for SEND Inclusion to meet emerging needs is permitted. The Local Authority may retain funding to manage the service and promote good practice, and this is limited to a maximum of 5% of the total EY funding.

**3 Early Years DSG 2024-25**

3.1 The changes to the funding for 2024-25 have been set out below with an increase for the 2 elements of Working parents’ 2 year old funding and the Under 2s funding entitlements. This now requires Lambeth to have an Early years funding formula broken into the 4 elements below:

- **for 3 and 4year-olds** , which constitutes the bulk of the funding, and which is also subject to pass through and other requirements.

- **For disadvantaged 2 Year olds** – now requires local formula and subject to pass through and other requirements.
- For **Working Parent 2 year olds** – **NEW** - requires local formula and pass through requirements.
- For **Working Parent Under 2 year olds (9 months to 2 years)** – **NEW** - requires local formula and pass through requirements.

3.2 The basis of the 3 and 4 Year olds offer remains unchanged since it was introduced in April 2017. The requirements are:

- Set a single funding rate (including the same base rate and supplements) for both entitlements for 3 and 4 Year olds.
- Must pass at least 95% of funding received to providers.
- Must use a universal base rate for all types of providers including maintained nursery schools.
- Must use a deprivation supplement in their local 3 and 4 YO formula.
- Must not channel more than 12% of funding to providers as supplements.
- Must provide a SEN Inclusion Fund for 3 and 4 year olds.

3.3 There is a new national funding formula (NFF) which covers both the existing 2 year olds entitlement for disadvantaged children and new working parent entitlements for 2 Year olds and children aged 9 months to 2 years. Lambeth Early Years subgroup consulted on the proposals in the Summer 23 and agreed to follow the same principles as demonstrated in the 3 and 4 year old funding formula listed below:

- Requirement to have a disadvantaged 2 year olds rate that is at least equal to the working parent 2 year olds rate.
- Must pass at least 95% of funding received for these 3 offers to providers.
- Must provide a SEN Inclusion Fund for under 2s and both 2 year old offers.
- May use supplements to target funding up to a maximum of 12% of the total hourly rate paid to providers NB This is not mandatory.

3.4 The components of the formula for 2024/25 are set out below.

- **9 months to 2 year old rate NEW 2024/25** be set at £13.13 per hour.
- **Two year old rate for disadvantaged children** for 2024/25 be set at £9.61 per hour, reflecting the £2.05 increase per hour.
- **Two year old rate for Working Parents NEW 2024/25** be set at £9.61 per hour, in line with disadvantaged children rate.
- **Universal and Extended hours 3 and 4 year olds hourly rate** for 2024/25 to rise by 28p to £6.33 per hour.
- **Deprivation funding** to be set at 66p per hour for 9 months to 2 year olds, 49p for 2 year olds working parents and disadvantaged children, and 34p for 3 and 4 year olds. This will be allocated on the basis of the IDACI weightings for those pupils in each setting on the



January 2024 census (ie not updated each term), as is the current process for 3&4 year olds.

- **Quality supplement for OFSTED grading** to be set at 27p per hour for 9 months to 2 year olds, 20p for 2 year olds working parents and disadvantaged children, and 14p for 3and 4 year olds. Allocated by the January 2024 census (ie not updated each term).
- **Quality supplement for Teachers Pay and Pension Grant.** The TPPG for Maintained Nursery Schools is incorporated within their national supplement uplift. This allocation will be reviewed at subgroup for final distribution but is budgeted currently at 22p per hour for 9 months to 2 year olds, 16p for 2 year olds working parents and disadvantaged children, and 11p for 3and 4 year olds.
- **Maintained Nursery School supplement** to remain at 12.7p per hour. This element of the 3 and 4 year olds allocation to be combined with the national MNS supplement of £0.817m.
- **SEND Inclusion Fund** to be set at 24p per hour for 9 months to 2 year olds, 17p for 2 year olds working parents and disadvantaged children, and 12p for 3and 4 year olds.
- **Centrally retained funding** for management and oversight of the service and the promotion of good practice to represent a maximum of 5% of the total 3 and 4 year old funding. This has been set at 26p for 2 year olds working parents and disadvantaged children, and 37p for 3and 4 year olds.

3.5 The Early Years Pupil Premium will be paid as a supplement at a rate of 68p per hour for each eligible child.

3.6 Disabled Access Fund will be paid at a rate of £910 per eligible child.

3.7 **Table 1** shows the initial Early Years allocations for the 2024/25 financial year, based on January 2023 census figures and DfE estimated activity for new offers and updated funding rates for 2024/25.

3.8 DfE funding for Early Years is normally based solely on the Spring term headcount i.e., January. For the new offers there will be a termly headcount in 2024/25 to ensure that local authorities are funded for actual take up. The DfE recognises that their estimates may not be accurate and does not want to disadvantage authorities where take up is higher than expected.

3.9 The DfE intends to extend the new offers to working parents to 30 hours per week in future years so we will continue see big changes in these allocations for the foreseeable future. This means that the final allocations for the 3 and 4 YO offer in the financial year 2024/25 (April 2024 to March 2025) and Disadvantaged 2YO offers will be based on (five-twelfths January 2024 PTE census numbers) + (seven-twelfths January 2025 PTE census numbers), whilst the new offers will be based on actual termly head counts for 2024/25 as a minimum (DfE is yet to decide on post 2024/25 requirements).

**Table 1: Early Years proposed allocations 2024/25, compared to 2023/24**

Age Group	Planned Spending Component	Comparative				Total planned		
		PTE Pupils	Rate per	Jan 23 data	PTE Pupils	Rate per	2024-25	Change
		@Jan 23 570 hrs	Hour £	@2023-24 rates £	@Jan 2023 570 hrs	Hour £	£	£
<2-year-olds	Universal	0.00	£0.000	£0	425.95	£13.136	£3,189	£3,189
<2-year-olds	Deprivation supplement	0.00	£0.000	£0	425.95	£0.662	£161	£161
<2-year-olds	Quality 1 (OFSTED) supplement	0.00	£0.000	£0	425.95	£0.275	£67	£67
<2-year-olds	Quality 2 (TPPG) supplement	0.00	£0.000	£0	425.95	£0.224	£54	£54
<2-year-olds	SEND inclusion fund	0.00	£0.000	£0	425.95	£0.244	£59	£59
<2-year-olds	Retained central support	0.00	£0.000	£0	425.95	£0.000	£0	£0
<2-year-olds	Contingency for variations in pupils, etc	0.00	£0.000	£0	425.95	£0.729	£177	£177
<b>Total for under 2-year-olds</b>			<b>£0.000</b>	<b>£0</b>		<b>£15.270</b>	<b>£3,707</b>	<b>£3,707</b>
2-year-olds	Disadvantaged	676.99	£7.560	£2,917	677.0	£9.618	£3,711	£794
2-year-olds	Working parents	0.00	£0.000	£0	840.7	£9.618	£4,609	£4,609
2-year-olds	Deprivation supplement	0.00	£0.000	£0	1,517.7	£0.484	£419	£419
2-year-olds	Quality 1 (OFSTED) supplement	0.00	£0.000	£0	1,517.7	£0.201	£174	£174
2-year-olds	Quality 2 (TPPG) supplement	0.00	£0.000	£0	1,517.7	£0.164	£142	£142
2-year-olds	SEND inclusion fund	0.00	£0.000	£0	1,517.7	£0.179	£155	£155
2-year-olds	Retained central support	0.00	£0.000	£0	1,517.7	£0.267	£231	£231
2-year-olds	Contingency for variations in pupils, etc	0.00	£0.000	£0	1,517.7	£0.267	£231	£231
<b>Total for 2-year-olds</b>			<b>£7.560</b>	<b>£2,917</b>		<b>£11.180</b>	<b>£9,672</b>	<b>£6,755</b>
3 and 4-year-olds	Universal & additional	4,945.68	£6.330	£17,845	4,945.68	£6.583	£18,558	£713
3 and 4-year-olds	Deprivation supplement	4,945.68	£0.325	£916	4,945.68	£0.338	£953	£37
3 and 4-year-olds	Quality 1 (OFSTED) supplement	4,945.68	£0.135	£381	4,945.68	£0.140	£396	£15
3 and 4-year-olds	Quality 2 (TPPG) supplement	4,945.68	£0.110	£310	4,945.68	£0.114	£322	£12
3 and 4-year-olds	Maintained nursery supplement	4,945.68	£0.122	£344	4,945.68	£0.127	£358	£14
3 and 4-year-olds	SEND inclusion fund	4,945.68	£0.120	£338	4,945.68	£0.125	£352	£14
3 and 4-year-olds	Retained central support	4,945.68	£0.358	£1,009	4,945.68	£0.372	£1,050	£41
3 and 4-year-olds	Contingency for variations in pupils, etc	4,945.68	£0.000	£0	4,945.68	£0.000	£0	£0
<b>Total for 3 and 4-year-olds</b>			<b>£7.500</b>	<b>£21,143</b>		<b>£7.800</b>	<b>£21,989</b>	<b>£846</b>
<2-year-olds	EY pupil premium	17.55	£0.000	£0	17.550	£0.680	£7	£7
<2-year-olds	Disability access fund	11.00	£0.000	£0	11.000	£910.000	£10	£10
2-year-olds	EY pupil premium	350.91	£0.000	£0	350.910	£0.680	£136	£136
2-year-olds	Disability access fund	28.00	£0.000	£0	28.000	£910.000	£25	£25
3 and 4-year-olds	EY pupil premium	604.29	£0.620	£214	604.290	£0.680	£234	£20
3 and 4-year-olds	Disability access fund	102.00	£828.000	£84	102.000	£910.000	£93	£9
3 and 4-year-olds	Maintained nursery supplements (national)	309.00	£3.800	£669	309.000	£4.640	£817	£148
<b>Total spend at the same participation level</b>					<b>£25,027</b>		<b>£36,690</b>	<b>£11,663</b>

\* Disability access fund rate is per child per year

- 3.10 The SEND Inclusion Fund will operate as in 2024-25 with additional funding and support for settings being provided for those children accessing early years provision who have emerging Special Educational Needs (ie they do have an Education, Health and Care Plan). A SEND Panel operates to assist in identifying settings requiring such support.
- 3.11 The 5% retained centrally will be used as per **Table 2**. The Council's Medium Term Financial Strategy includes a phased shift of funding for Children's Centres onto the General Fund, rather than from DSG., As there has been an uplift to the overall EY block, the proposal is to keep funding the same for 2024-25 but then reduce in future years.

**Table 2: Components of the allowable, retained 5% within the Early Years allocation**

<b>Planned Spending Component</b>	<b>Purpose</b>	<b>Total Planned 2023/24 £'000</b>	<b>Total Planned 2024/25 £'000</b>	<b>Difference £'000</b>
Central Early Years Team	Administering Early Years funding, supporting settings and Continuing Professional Development for staff at early years settings.	£783	£960	£177
Contingency for variations in pupils, etc	5% of <2 year olds allocation and 2.5% of 2 year old allocation held as contingency for variations in headcount	£0	£408	£408
Children's Centres	Funding for each Children's Centre to assist them with the support they provide for Under 5s in their service offer.	£321	£321	£0
<b>Total</b>		<b>£1,104</b>	<b>£1,689</b>	<b>£585</b>

#### 4 Risks

- 4.1 The proposed allocations have been set within the hourly rates advised in the provisional Early Years DSG. The main risk arises from changes to pupil numbers, and the estimated participation numbers over the 2 spring terms.
- 4.2 The proposal sets aside a contingency within the 2 year olds budget, which should be sufficient to manage variations in the actual spend in Early Years.

#### 5 Recommendations

The Schools Forum is requested to

- Note and comment on the Early Years Budget 2024/25;
- Agree to the proposed budget plans for the Early Years Block 2024/25,
- Agree to the proposal to retain £1.689m (5%) of the 2, 3 and 4 year olds funding for managing the service and promoting good practice.
- To provide any comments it may wish to make to Cabinet / Council on these proposals.

**Agenda Item 8****Title:** Central School Services Block 2024/25**Date:** 11<sup>th</sup> January 2024**Report to:** Schools Forum**Report for:** Information                      Decision **X**      Consultation                      Action**Author:** Yoke Ying Kong – Education Consultant**1 Background to Item**

- 1.1 The Central School Services Block (CSSB) is relatively small for Lambeth, compared to other London Authorities. The December 2023 announcement on Funding resulted in a total of £1.322m for 2024/25 and is based on October 2023 pupil numbers.
- 1.2 The CSSB continues to be a small allocation for Lambeth at £43.61 per pupil, compared to Haringey, for example, which received the highest at £81.06 per pupil amongst the London authorities. Other London boroughs benefiting from historical commitments within CSSB funding are now facing a 20% year on year reduction in that element of funding. As Lambeth was not funded for historical commitments, Lambeth would not experience that reduction.
- 1.3 This low level of resource has put pressure on Lambeth in being able to afford the range of statutory, regulatory, and other functions that an education authority must provide, whether it has many or few academies. This report seeks agreement to use the CSSB amount for 2024/25.
- 1.4 At Schools Forum in December 2023, it was agreed to de-delegate a sum of £22 per maintained mainstream school pupil and £44 per maintained special and resource-based places to be used for the Local Authority's educational responsibilities for maintained schools. This was expected to provide a sum in the region of £0.512m for 2024/25 financial year. This is a separate consideration to that of how much should be applied to CSSB responsibilities.

**2 Details**

- 2.1 The CSSB is for local authority services and functions that apply, regardless of how many academies an authority may have. This is to provide funding for a prescribed list of services under the headings: Statutory and Regulatory, Education Welfare, Admissions, Asset Management, Other Ongoing Duties and Historic Responsibilities.
- 2.2 The funding formula distinguishes between the current list of services and functions and the historic responsibilities which would have had to be agreed by the Schools Forum prior to 2013.
- 2.3 The current list of services is funded by way of a formulaic allocation based on a per pupil amount (£43.61) multiplied by the number of primary and secondary school pupils used in the Schools Block (30,315 pupils) giving £1.322m for 2024/25.

- 2.4 The historic list of services was funded based on a fixed amount, linked to previously agreed items. The DfE is continuing the phased withdrawal of this element of funding by abating each LA's amount by 20%. Lambeth did not have any historic costs that were recognised as meeting the criteria, so it does not receive any funding for this element of the allocation.
- 2.5 These two amounts combine to produce the fifth lowest overall allocation per pupil in inner London for the CSSB. The proposed allocations for 2024/25 are set out in Table 1 below. They are also referenced in **Appendix 1**. Except for the element for former teachers pay and pension grant, where continuation of the amounts claimed for 2021-22 have been used, the increases have been allocated across all budgets at a rate of 4% to acknowledge inflation pressures (pay awards).

**Table 1: 2023/24 CSSB Allocation compared to Proposed 2024/25 CSSB Allocation**

<b>Component</b>	<b>2023/24 Allocation £'000</b>	<b>Proposed 2024/25 £'000</b>	<b>Difference £'000</b>
Statutory and Regulatory	195.89	203.28	7.39
Education Welfare	250.94	260.40	9.46
Admissions	548.47	569.15	20.68
School Licences	190.59	197.78	7.19
Schools Forum	31.76	32.96	1.20
Teachers Pay and Pension funding for centrally employed teachers	56.35	58.47	2.12
<b>Total</b>	<b>1,274.00</b>	<b>1,322.04</b>	<b>48.04</b>

### **3 Recommendation**

- 3.1 **Schools Forum is invited to agree with the proposed budget for the Central School Services Block for 2024/25.**

**Appendix 1**

<b>Category</b>	<b>Component permitted to be funded from CSSB DSG, subject to Schools Forum agreement</b>	<b>Brief explanation of what the assessed amount might pay for in 2023/24</b>	<b>Indicative Amount for 2024/25 £'000</b>
Statutory & Regulatory	<ul style="list-style-type: none"> <li>Director of children's services and personal staff for director (Sch 2, 15a)</li> <li>Planning for the education service as a whole (Sch 2, 15b)</li> </ul>	Central budgets for education planning that are not already charged elsewhere in the DSG plus 4% inflation.	92.36
Statutory & Regulatory	<ul style="list-style-type: none"> <li>Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)</li> <li>Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c)</li> <li>Formulation and review of local authority schools funding formula (Sch 2, 15d)</li> </ul>	Accounting and finance staff directly supporting education budget setting and funding for all schools.	86.13
Statutory & Regulatory	<ul style="list-style-type: none"> <li>Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e)</li> </ul>	Estimated cost of internal audit time	0
Statutory & Regulatory	<ul style="list-style-type: none"> <li>Consultation costs relating to non-staffing issues (Sch 2, 19)</li> <li>Plans involving collaboration with other LA services or public or voluntary bodies (Sch 2, 15f)</li> </ul>	Estimated cost of public consultation on service development (eg High Needs) and collaborative working.	0
Statutory & Regulatory	<ul style="list-style-type: none"> <li>Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)</li> </ul>	Current budget for SACRE plus 4% inflation	24.79
Statutory & Regulatory	<ul style="list-style-type: none"> <li>Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)</li> </ul>	Legal Services staff support.	0
Education Welfare	<ul style="list-style-type: none"> <li>Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)</li> <li>School attendance (Sch 2, 16)</li> <li>Responsibilities regarding the employment of children (Sch 2, 18)</li> </ul>	Current budget for Education Welfare plus 4% inflation	260.40
Asset Management	<ul style="list-style-type: none"> <li>Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a)</li> </ul>	Current budget for education property management and capital programme monitoring.	0

**Appendix 1**

<b>Category</b>	<b>Component permitted to be funded from CSSB DSG, subject to Schools Forum agreement</b>	<b>Brief explanation of what the assessed amount might pay for in 2023/24</b>	<b>Indicative Amount for 2024/25 in £'000</b>
	<ul style="list-style-type: none"> <li>General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)</li> </ul>		
Other ongoing duties	<ul style="list-style-type: none"> <li>Licences negotiated centrally by the Secretary of State for all publicly funded schools (Sch 2, 8); this does not require schools forum approval</li> </ul>	Estimated 4% increase on 2022/23, to be advised by ESFA.	197.78
Other ongoing duties	<ul style="list-style-type: none"> <li>Admissions (Sch 2, 9)</li> </ul>	Costs of the Admissions Function in Lambeth plus 4% inflation	569.15
Other ongoing duties	<ul style="list-style-type: none"> <li>Places in independent schools for non-SEN pupils (Sch 2, 10)</li> </ul>	None	0
Other ongoing duties	<ul style="list-style-type: none"> <li>Remission of boarding fees at maintained schools and academies (Sch 2, 11)</li> </ul>	None	0
Other ongoing duties	<ul style="list-style-type: none"> <li>Servicing of schools forums (Sch 2, 12)</li> </ul>	Estimated cost of clerking and accommodation mainly plus 4% inflation	32.96
Other ongoing duties	<ul style="list-style-type: none"> <li>Back-pay for equal pay claims (Sch 2, 13)</li> </ul>	None	0
Other ongoing duties	<ul style="list-style-type: none"> <li>Writing to parents of year 9 pupils about schools with an atypical age of admission, such as UTCs and studio schools, within a reasonable travelling distance (Sch 2, 23)</li> </ul>	Immaterial	0
Other ongoing duties	<ul style="list-style-type: none"> <li>Capital expenditure funded from revenue (Sch 2, 1)</li> <li>Prudential borrowing costs (Sch 2, 2(a))</li> <li>Termination of employment costs (Sch 2, 2(b))</li> <li>Contribution to combined budgets (Sch 2, 2(c))</li> </ul>	ESFA does not recognise any historic commitments for Lambeth.	0
Other ongoing duties	<ul style="list-style-type: none"> <li>Teachers Pay and Pension funding for centrally employed teachers</li> </ul>	Continuation of the amounts claimed for 2021-22	58.47
	<b>TOTAL CSSB Eligible Expenditure</b>		<b>1,322.04</b>

## Agenda Item 9

**Title:** Licenced Deficits 2023/24

**Date:** 11<sup>th</sup> January 2024

**Report to:** Schools Forum

**Report for:** Information                      Decision                      Consultation                      Action

**Author:** Dominique Johnston-Franklin – Group Manager (Education)

**Debbie Johnston – Schools Finance & Strategy Consultant - Education**

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### **1 Background**

- 1.1 The LA continues a systematic approach to supporting and challenging schools' resource management. This includes an acknowledgement and thanks to schools with balanced budgets, and a more intense focus on schools that forecast deficits. It also includes ongoing collaboration with schools via face-to-face meetings with school staff, leadership, and governors to review monthly and quarterly reporting and performance and school progress in line with their deficit recovery plans. The school deficit recovery plans are a requirement if a school is to be granted a licenced deficit.
- 1.2 The approach for approval of licenced deficits is authorisation by the Corporate Director for Children's Services and the Director of Education and Learning (this authorisation has already been granted for 2023/24) and approval from the Cabinet Member for Children and Young People (which is currently being progressed via the Forward Plan on 08-01-2024 for approval by 05-02-2024).
- 1.3 The 3-year budget submissions were due by 1<sup>st</sup> June 2023 and this report identifies the current position for all the maintained schools in Lambeth (please note the Cabinet Report is complete and progressing as per paragraph 1.2).

### **2 Summary position for all Lambeth maintained schools**

- 2.1 Before the end of the summer term (June 2023), the Director of Education and Learning dispatched letters to each of the 68 maintained schools in Lambeth to comment on the 3-year budget plans which had been submitted that term. Based on the budget submissions in the summer term (June 2023), 9 schools were expecting a deficit in 2023/24 and had a recovery plan within a *\*reasonable* period (*\*within 3 years*) and 10 schools had plans that needed further work to either avoid a deficit this year or to provide assurance about what the recovery plans were.
- 2.2 **Table 1** summarises the contents of these letters initially dispatched to each of the 68 maintained schools in July 2023.



**Table 1: Number of schools receiving different types of letter regarding their 3-year budget submissions (July 2022 vs July 2023)**

<b>Type of letter sent</b>	<b>Number of schools 2022</b>	<b>Number of schools 2023</b>
Letter 1A - All well	19	18
Letter 1B - All well now, but concerns about future	22	17
Letter 1C - All well, but concerns about large surplus	5	7
Letter 2 - Note recovery proposals - get into format for Cabinet	14	5
Letter 3A - Surplus in 2023/24, but need reassurance about future	4	5
Letter 3B - Further work needed to produce a Recovery Plan	6	16
<b>Grand Total</b>	<b>70</b>	<b>68</b>

2.3 There were an additional 10 Letter 3B's in 2023/24 compared to last year because school deficits have significantly increased since last year. This also reflects improved collaboration with Finance Officers to work on realistic and achievable deficit recovery plans.

### **3 Emerging themes**

3.1 Many schools are managing their budgets well. 31% are planning for an in-year surplus in 2023/24. Some have brought forward balances to assist them, but most of these are working through the same sorts of issues as other schools, being proactive in ensuring that they operate within their means.

3.2 Declining pupil rolls is a major theme adversely impacting LB Lambeth school balances. Sometimes that is because falling rolls has left schools with unhelpful year-group sizes that can be uneconomic if more flexible class resourcing is not adopted. Sometimes it is because schools have been slow to recognise their circumstances or have expected an upturn that has not subsequently appeared.

3.3 The current funding arrangements give schools time to adapt to lower pupil numbers and lower funding. If pupil numbers are lower in October 2023, this may have been because the Published Admission Number was reduced and that would have been known a couple of terms earlier. Early indications of likely pupil numbers in October 2023 would have been provided when the national school place offers were made on 1 March 2023. Each school will have been aware of its on-off roll numbers. Final numbers will fluctuate, and funding is based on the October 2023 census day, but the leadership team would have had an indication of likely numbers in the period leading up to that point. This means the school would have two terms to make any necessary decisions and changes to staffing levels before funding based on the October 2023 pupil numbers took effect. Deferring such decisions only compounds the problem and means that more has to be done to address a bigger budget pressure later.

3.4 The federation of maintained nursery schools are experiencing issues that do not affect other schools, this means they are not able to submit 2023/24 deficit recovery plans.

3.5 Anticipating budget pressures is key to avoiding them. The formal introduction of schools' 3-year budget planning is helpful in providing schools with a mechanism for thinking through how their changing circumstances affect their funding, the service they offer and the decisions they will need to take.

## 4 Schools requiring a licenced deficit

4.1 The schedule of licenced deficits being sought is in **Appendix 1**.

### *Schools with recovery plans*

4.2 The deficit recovery synopses of the 19 schools seeking a licenced deficit illustrate that 9 have produced recovery plans which appear to be reasonable, given the circumstances of the school - **Appendix 1** shows schools categorised in green are those that will be out of deficit within 3 years in line with the Scheme for Financing Schools. Funding levels may vary, particularly if pupil numbers fluctuate at individual schools, so future year budgets can be more indicative than the one for 2023/24. Nonetheless, the production of three-year budgets has helped schools identify and quantify the issues they face and the plans to instigate changes to resolve them. It is inevitable that each of those schools will have to revisit their three-year plan next year, but the plans they have put in place should assist them in adapting rather than having to begin all over again.

### *Schools without recovery plans*

4.3 **St Saviours** is a one form of entry primary school. It has a historic deficit and the current leadership team and Governing Body have been unable to identify feasible and safe plans that will remove the deficit within a reasonable period. Their plans are based on operating with an in-year balanced budget. The school has been operating with spending constraints. Like the other schools that are unable to address their deficits in any material way, their viability may ultimately be in question.

4.4 There are 4 nursery schools (that form one federation with a 5<sup>th</sup> nursery school that is in surplus) that have been unable to produce recovery plans, and 5 schools that are unable to meet a balanced position within 3 years. **Effra, Ethelred, Maytree** and **Triangle** are part of the Lambeth Nursery Federation. While only these 4 of the 5 maintained nursery schools in the federation are requesting licenced deficits, the other 1 school is indicating in-year deficits each year, which means in its three-year budget plans by year 3, 2025/26, it will be in cumulative deficit. Maintained nursery schools are different in comparison to all other settings. Nursery classes in mainstream infant and primary schools have a leadership structure that is shared with the rest of the school and their rates are funded through the mainstream funding formula. Private, Voluntary, and Independent (PVI) early years settings do not have the same requirements for a headteacher and qualified teachers to support all classes, nor is there the same expectation that the most vulnerable pupils are supported there.

4.5 In recognition of the additional costs associated with operating Maintained Nursery Schools, the 5 schools receive £1m more each year through the early years funding formula than they would if they were in other types of setting. Half of this is from a specific supplement included in the Early Years DSG and the other half is by way of a top slice of the 3 and 4-year-old funding that goes to all early years settings.

4.6 Nationally, it is recognised that maintained nursery schools are different. There are only around 400 nationally. Guidance nationally about the future of maintained nursery schools and a more sustainable funding model is a high priority need as the nursery school deficits are significant and increasing. The trajectory of many of the Maintained Nursery provisions nationally are proving to be unsustainable based on the current funding structures, and other London boroughs are consulting in change to current provision or even closures.

- 4.7 However, the Nursery Federation is still under the same obligations as other schools to operate within funding approvals. It is not clear whether the opportunities that a federation brings (to share expertise, resources and maximise economies of scale) have been fully embraced by the Nursery Federation. The traditional role of supporting the most vulnerable pupils must be offset by a need to supplement funding with wrap-around support for local families, paid for by parental contributions. Officers are working through these complex issues with the Nursery Federation. This should enable the consideration of more viable operating models for consideration by Members soon.

## 5 Schools at increasing high risk

- 5.1 **Gipsy Hill Federation (GHF)** consists of 5 schools within Lambeth (1 had a 2022/23 in-year surplus and a positive cumulative balance to carry forward) and is not forecasting a 2023/24 deficit. The other 4 schools have a forecast 2023/24 deficit of £2.42m of which £1.91m lies with one school, Kingswood. There have been several versions of GHF's deficit recovery plan and the LA are seeking assurance that the latest version is realistic and achievable. GHF have been asked to make various financial (and non-financial) submissions at different milestones by January 2024 to demonstrate budget workings.
- 5.2 A LA GHF Action Group has been formed, a Warning notice has been issued to the Federation (October 2023) and legal advice is in progress. There are concerns that governance and leadership do not have adequate financial control and that financial compliance is not adhered to. Potential actions are being considered by GHF and the LA Action Group for a decision to be made in January 2024. Possible actions include:
- 5.2.1 De-federation; De-delegation of budgets; Interim Executive Board (IEB); various other and combination of actions.
- 5.2.2 Schools Finance are currently preparing a plan for potential outcomes in January 2024.
- 5.3 **Sudbourne** was not granted a 2022/23 deficit but had a year-end outturn of £204k deficit which is forecast to increase by the end of this year, 2023/24, to £280k deficit. This is forecast by the school to increase further to £286k by 2025/26. This increase is due to building works required for health and safety reasons and restructuring costs to reduce to a one-form entry. This school will be carefully monitored.
- 5.4 **Christchurch Brixton** finished 2022/23 with a higher deficit of £569k, which was £96k above the licenced deficit of £473k. The school has submitted a DRP to reduce the deficit to £200k by 2025/26 but this means the school will remain in deficit after 3 years. This school will be carefully monitored. Schools Finance are developing a Debt Policy which will include recommendations to Schools Forum for consequences when budget plans are not adhered to.
- 5.5 **Holy Trinity** is a one form of entry primary school. It has a historic deficit and the current leadership team and Governing Board continue to be unable to identify feasible and safe plans that will remove the deficit within a reasonable period. In 2022/23 the licenced deficit was £513k but the school's outturn was £425k deficit, which, whilst lower than the licence, is still significant. The 2023/24 DRP indicates the deficit will increase to £673k with a forecast by 2025/26 to be £246k in deficit.
- 5.6 **St Saviours** is a one form of entry primary school. It has a historic deficit and the current leadership team and Governing Board continue to be unable to identify feasible and safe plans that will remove the deficit within a reasonable period. In 2022/23 the licenced deficit was

£241k but the school's outturn was £165k deficit, which, whilst lower than the licence, is still significant. The 2023/24 DRP indicates the deficit will reduce to £143k with a forecast by 2025/26 to be £128k in deficit. Like the other schools that are unable to address their deficits in any material way, their viability may ultimately be in question. The school will continue to be carefully monitored.

5.7 The report to Cabinet, once approved, will be shared with Schools Forum at a later meeting.

## 6 Conclusions

6.1 It must be noted that the aggregate request for licenced deficits has significantly increased, and this is clearly a high risk.

6.2 Total Reserves at the start of 2023/24 were £17.51m. The Total Reserves at the end of 2023/24 will be impacted by the 2023/24 school deficits that outweigh surplus schools, resulting in an expected adverse impact of £8.68m. However, the ESFA have also provided support to LA maintained schools that are in financial difficulty (see Agenda item 10). Lambeth were allocated £0.959m which will be distributed across deficit schools. This means the reserves balance at the end of 2023/24 is expected to be £9.79m:

Opening balance 2023/24:	£17.51m
Less in year school balance:	-£ 8.68m
Plus ESFA support:	£ 0.96m
Closing balance 2023/24:	<u>£ 9.79m</u>

6.3 The depleting reserves are a significant risk. Officers intend to:

- Set a strict Deficit Policy & Guidance.
- Allocate dedicated resources to hold school leaders to account. As evidenced in schools with increasing deficits, there has been a general lack of necessary action taken by several schools to date. Financial management must be a key priority going forward.
- Ensure all schools adhere to the Schools Scheme for Financing Schools and meet compliance.
- Carry out an up-to-date finance skills audit across schools and address training needs. Finance will visit deficit schools to improve collaboration and ensure that guidance and support is provided as required.

## 7 Recommendations.

7.1 Schools Forum is invited to note and comment on the contents of this report.

## Cabinet Member Report - Licenced Deficits Report 2023/24

## Appendix 1

Schools balances and recovery period 2022/23 & 2023/24

RAG Rating:

Increasing deficits

Reducing deficits but not clear in 3 years

Reducing deficits and breakeven/surplus by 3rd year

Ref	School Name	Approved Licenced deficit schools 2022/23 £'000	Outturn year end balances deficit schools 2022/23 £'000	Licenced deficit schools sought for 2023/24 - see synopses £'000	Recovery period or status
<b>NURSERIES</b>					
1	Effra (Nursery)	(965)	(1,107)	(1,700)	The LA agreed the Nursery cannot produce a recovery plan with imminent planned changes. Deficit at forecast position at Q2. <b>Increasing deficits.</b>
2	Ethelred (Nursery)	N/A	23	(219)	The LA agreed the Nursery cannot produce a recovery plan with imminent planned changes. Deficit is forecast position at Q2. <b>Increasing deficits.</b>
3	Maytree (Nursery)	(79)	138	(231)	The LA agreed the Nursery cannot produce a recovery plan with imminent planned changes. Deficit is forecast position at Q2. <b>Increasing deficits.</b>
4	Triangle (Nursery)	(104)	(44)	(241)	The LA agreed the Nursery cannot produce a recovery plan with imminent planned changes. Deficit is forecast position at Q2. <b>Increasing deficits.</b>
<b>GHF</b>					
5	Elm Wood GHF	N/A	(178)	(145)	2022/23 yearend £178k deficit. The school has submitted a recovery plan that aims to reach a surplus of £14k by 2024/25 & £194k by 2025/26. <b>This means the school will be close to recovering it's deficit within 3 years, and will be out of deficit next year.</b>
6	Glenbrook GHF	(47)	(66)	(191)	2022/23 yearend £66k deficit. The school has submitted a recovery plan that aims to reach a surplus of £23k by 2025/26. <b>This means the school will not recover it's deficit within 3 years, but it will be out of deficit.</b>
7	Kingswood GHF	(518)	(1,343)	(1,911)	2022/23 yearend was in highly significant deficit of £1,343k which exceeded it's licenced deficit by £825k. The school has submitted a recovery plan BUT the deficits are forecast to continue increasing each year, reaching a peak deficit of £2,035k by 2024/25. In 3 years the deficit will be £1,721k. <b>This means the school will continue to get worse.</b>
8	Paxton GHF	N/A	(175)	(170)	2022/23 yearend £175k deficit. The school has submitted a recovery plan that aims to reach a surplus of £91k by 2024/25 & £367k by 2025/26. <b>This means the school will have recovered it's deficit within 3 years, and will be out of deficit next year.</b>

OTHER					
9	Archbishop Sumner C of E	N/A	343	(582)	2022/23 yearend £343k surplus. The school has submitted a recovery plan that includes costs of a restructure and redundancy payments. The in-year deficit is anticipated at £925k due to restructure. The school plans to be back in surplus by year 3, 2025/26. <b>This means the school will have recovered its deficit within 3 years, and will be out of deficit next year.</b>
10	Christchurch Brixton	(473)	(569)	(514)	2022/23 yearend £569k deficit. The school has submitted a recovery plan that aims to reduce the deficit to £200k by 2025/26. <b>This means the school will not recover its deficit within 3 years, and will remain in deficit in 3 years.</b>
11	Holy Trinity	(513)	(425)	(673)	2022/23 yearend £425k deficit. The school has submitted a recovery plan that aims to reduce the deficit to £246k by 2025/26. <b>This means the school will not recover its deficit within 3 years, and remain in significant deficit in 3 years.</b>
12	Jessop	(267)	(235)	(182)	2022/23 yearend £235k deficit. The school has submitted a recovery plan that aims to reach a surplus of £12k by 2025/26. <b>This means the school will not recover its deficit within 3 years, but it will be out of deficit.</b>
13	Jubilee	(832)	(622)	(619)	2022/23 yearend £789k deficit (but £622k deficit on the ledger). The school has submitted a recovery plan that aims to reach a surplus of £28k by 2025/26. <b>This means the school will not recover its deficit within 3 years, but it will be out of deficit.</b>
14	Larkhall	N/A	(139)	(135)	2022/23 yearend £139k deficit (in school's synopsis, but need to monitor as additional £40k in the ledger). This is forecast to increase in 2024/25. However, the school has submitted a recovery plan that aims to reach a surplus of £11k by 2025/26. <b>This means the school will not recover its deficit within 3 years, but it will be out of deficit.</b>
15	Loughborough	(43)	11	(86)	2022/23 yearend £11k surplus. The school has submitted a recovery plan that aims to reach breakeven by 2025/26. <b>This means the school will not recover its deficit within 3 years, but it will be out of deficit.</b>
16	St Andrews CE	(149)	(267)	(270)	2022/23 yearend £267k deficit. The school has submitted a recovery plan that aims to reach a surplus of £10k by 2025/26. <b>This means the school will not recover its deficit within 3 years, but it will be out of deficit.</b>
17	St Bernadette	(209)	(145)	(59)	2022/23 yearend £145k deficit. The school has submitted a recovery plan that aims to reach a surplus of £24k by 2025/26. <b>This means the school will not recover its deficit within 3 years, but it will be out of deficit.</b>
18	St Saviours	(241)	(165)	(143)	2022/23 yearend £165k deficit. The school has submitted a recovery plan that aims to reduce the deficit to £128k by 2025/26. <b>This means the school will not recover its deficit within 3 years, and remains in significant deficit in 3 years.</b>
19	Sudbourne	N/A	(204)	(280)	2022/23 yearend £204k deficit. The school has not been able to submit a recovery plan that recovers or reduces the deficit, the deficit is forecast to increase to £286k by 2025/26. <b>This means the school will not recover its deficit within 3 years, and forecasts an increased significant deficit in 3 years.</b>
	<b>Total</b>	<b>(4,440)</b>	<b>(5,684)</b>	<b>(8,351)</b>	<b>A total of 19 schools seeking a licenced deficit for 2023/24</b>
				<b>959</b>	<i>DfE Support for Lambeth Schools in Financial Difficulty - distribution across deficit schools to be decided</i>
				<b>(7,392)</b>	<b>Revised total deficits that will impact Reserves</b>

Note: (£5,684k) is total of deficit schools and excludes those with a surplus outturn

## **Agenda Item 10**

<b>Title:</b>	<b>ESFA support for schools in financial difficulty</b>			
<b>Date:</b>	<b>11<sup>th</sup> January 2024</b>			
<b>Report to:</b>	<b>Schools Forum</b>			
<b>Report for:</b>	<b>Information</b>	<b>Decision</b>	<b>Consultation</b>	<b>Action</b>
<b>Author:</b>	<b>Mark Whiffin – Assistant Director of Finance – Children's Services</b>			

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### **1 Background**

- 1.1 This report provides information on the ESFA 2023/24 funding support for schools in financial difficulty. The ESFA have asked that LAs report to Schools Forum on how they are using the money, and this report therefore fulfils that requirement.

### **2 Introduction**

- 2.1 Following ESFA's initial announcement on 30 August 2023 that they would be providing additional funding support for schools in financial difficulty in 2023/24, on 26 October 2023 they announced the details: [Additional support for schools in financial difficulty in 2023 to 2024](#). The funding was transferred to Lambeth in December 2023.
- 2.2 In summary, ESFA are providing £40m extra one-off funding in 2023/24 to schools via two elements:
- £20m to local authorities who have aggregated school-level deficits which represent more than 1% of their total maintained schools' income.
  - £20m to expand the existing route for academies in financial difficulty and allocated to academy trusts in line with existing criteria and processes.
- 2.3 This paper considers the £959k funding that Lambeth received in December 2023 under the first element of funding.

### **3 Funding for maintained school deficits**

- 3.1 Lambeth received £959k one-off additional funding from the ESFA, which is the sixth highest out of the 35 LAs that have been awarded funding (and met the criteria above).
- 3.2 The guidance states the ESFA want LAs to use the funding in the most appropriate way with the overall aim of working towards eliminating deficits. It can be used for all types of maintained schools with deficits, including nurseries.
- 3.3 The guidance also states that they do not expect every school with a deficit within a LA to be given additional funding, but expect it be allocated on a case-by-case basis, considering the severity of the school's position and prioritising those in greatest need. They also advised LAs may wish to allocate money alongside conditions of action by the school – e.g. requiring them to use a School Resource Management Adviser (SRMA).

3.4 In allocating the funding, we considered several factors including the scale of deficit, the risk, as well as looking to eliminate any smaller deficits, to try to reduce the overall number of schools in deficit. We also considered whether allocating a small amount in the LA direct support to schools would also help work towards further reducing deficits.

3.5 The table in **Appendix 1** provides the detail of the allocation of the £959k, that will be transferred to relevant schools in February, using the licenced deficit position that is awaiting Cabinet Member approval. This has principally pro-rata'ed the funding over the schools (either individually or as a group/ Federation) with 2023/24 licenced deficits over £500k, as well as eliminating one deficit altogether and providing additional support to Lambeth resource to work with schools to reduce deficits:

- Allocated to schools with deficits over £500k: £830k
- Elimination of one school deficit: £ 59k
- Lambeth additional resource (Finance, HR, Legal, etc): £ 70k

3.6 The ESFA also state that existing procedures for supporting and working with schools with deficits should continue unchanged. We are continually developing collaboration with our deficit schools - our current requirements are for schools to provide monthly budget reports, in addition to quarterly reports, and Deficit Recovery Plans, which are discussed at regular meetings with the LA Schools Finance team. We are planning further developments to support schools in reducing and eliminating school deficits and Schools Forum will be continually updated.

#### 4 Recommendations

4.1 **Schools Forum is invited to note the one-off ESFA funding received and the allocation of the funding across Lambeth's deficit schools.**



## Appendix 1

## Allocation of ESFA one-off funding for maintained school deficits

School Name	Current expected licenced deficit sought for 2023/24 £'000	Subtotal current expected licenced deficit sought for 2023/24 £'000	Allocation of funding £'000
Effra	-1,700	-2,391	276
Triangle	-241		
Ethelred	-219		
Maytree	-231		
Kingswood	-1,911	-2,417	279
Paxton	-170		
Glenbrook	-191		
Elm Wood	-145		
Archbishop Sumner	-582	-582	67
Holy Trinity	-673	-673	78
Christchurch Brixton	-514	-514	59
Jubilee	-619	-619	71
Sudbourne	-280	-280	0
St Andrews CE	-270	-270	0
Jessop	-182	-182	0
St Saviours	-143	-143	0
Larkhall	-135	-135	0
Loughborough	-86	-86	0
St Bernadette's	-59	-59	59
<b>Total</b>	<b>-8,351</b>	<b>-8,351</b>	<b>889</b>
For Lambeth support and monitoring resources			70
<b>TOTAL</b>			<b>959</b>

**Agenda Item 11****Title:** TUFA – De Delegation**Date:** 11<sup>th</sup> January 2024**Report to:** Schools Forum**Report for:** Information X Decision X Consultation Action**Author:** Sara Tomlinson / Brian Hazell**1 Verbal Update and Discussion on points raised in previous Forums based on the following.**

1.1 Agreement of TUFA de delegation of £5.48 per pupil for 2024-25 to cover the costs of providing the service. This is an increase of 1.76% from 2023-24. This is expected to recover £0.118m from maintained schools.

**2 Questions for TU rep responses and discussion**

- **How much is de delegation in total?**  
£118k
- **How much is delegated to each union?**

<b>2023-24 TUFA</b>		<b>Cost 2023-24</b>
Union time representation	£	177,826
<b>Funding</b>		
De delegation Agreed by SF	£	118,000
LA Costs	£	59,826

- **What exactly does this pay for? How is this different to what could be provided directly from the union by member fees? Is there a clear delegation of duties/tasks?**

Unions to update Verbally.

- **What is the proportion of reps to members in Lambeth for each union and how does this translate to days in total across unions and the borough?**

Unions to updated Verbally.