



WOKINGHAM BOROUGH COUNCIL

A Meeting of the **SCHOOLS FORUM** will be held
**VIRTUALLY ON WEDNESDAY 12 JULY 2023 AT 10.00
AM**

A handwritten signature in black ink, appearing to read 'Susan Parsonage', written in a cursive style.

Susan Parsonage
Chief Executive
Published on 4 July 2023

Note: This meeting will be held virtually via Microsoft Teams, please contact Democratic Services if you wish to participate virtually. The meeting can also be watched live using the following link: <https://youtube.com/live/mOHMI2LDH88?feature=share>

Please note that other people may film, record, tweet or blog from this meeting. The use of these images or recording is not under the Council's control.

Our Vision
<i>A great place to live, learn, work and grow and a great place to do business</i>
Enriching Lives
<ul style="list-style-type: none"> • Champion excellent education and enable our children and young people to achieve their full potential, regardless of their background. • Support our residents to lead happy, healthy lives and provide access to good leisure facilities to enable healthy choices for everyone. • Engage and empower our communities through arts and culture and create a sense of identity for the Borough which people feel part of. • Support growth in our local economy and help to build business.
Providing Safe and Strong Communities
<ul style="list-style-type: none"> • Protect and safeguard our children, young and vulnerable people. • Offer quality care and support, at the right time, to reduce the need for long term care. • Nurture our communities: enabling them to thrive and families to flourish. • Ensure our Borough and communities remain safe for all.
Enjoying a Clean and Green Borough
<ul style="list-style-type: none"> • Play as full a role as possible to achieve a carbon neutral Borough, sustainable for the future. • Protect our Borough, keep it clean and enhance our green areas for people to enjoy. • Reduce our waste, promote re-use, increase recycling and improve biodiversity. • Connect our parks and open spaces with green cycleways.
Delivering the Right Homes in the Right Places
<ul style="list-style-type: none"> • Offer quality, affordable, sustainable homes fit for the future. • Ensure the right infrastructure is in place, early, to support and enable our Borough to grow. • Protect our unique places and preserve our natural environment. • Help with your housing needs and support people, where it is needed most, to live independently in their own homes.
Keeping the Borough Moving
<ul style="list-style-type: none"> • Maintain and improve our roads, footpaths and cycleways. • Tackle traffic congestion and minimise delays and disruptions. • Enable safe and sustainable travel around the Borough with good transport infrastructure. • Promote healthy alternative travel options and support our partners in offering affordable, accessible public transport with good transport links.
Changing the Way We Work for You
<ul style="list-style-type: none"> • Be relentlessly customer focussed. • Work with our partners to provide efficient, effective, joined up services which are focussed around our customers. • Communicate better with customers, owning issues, updating on progress and responding appropriately as well as promoting what is happening in our Borough. • Drive innovative, digital ways of working that will connect our communities, businesses and customers to our services in a way that suits their needs.
Be the Best We Can Be
<ul style="list-style-type: none"> • Be an organisation that values and invests in all our colleagues and is seen as an employer of choice. • Embed a culture that supports ambition, promotes empowerment and develops new ways of working. • Use our governance and scrutiny structures to support a learning and continuous improvement approach to the way we do business. • Be a commercial council that is innovative, whilst being inclusive, in its approach with a clear focus on being financially resilient. • Maximise opportunities to secure funding and investment for the Borough. • Establish a renewed vision for the Borough with clear aspirations.

MEMBERSHIP OF THE SCHOOLS FORUM

Schools Representatives	
Maintained Schools	
Carol Simpson	School Business Manager - Colleton Primary
Corrina Gillard	Primary Head - Emmbrook Infant
Brian Prebble	Primary Head - Rivermead Primary - Vice Chairman
Liz Woodards	School Business Manager - Hawkedon Primary
Amanda Woodfin	Headteacher - Bulmershe School
Vacancy	Academy Primary School
Vacancy	Academy Primary School
Special Schools	
Sara Attra	Special School Head - Addington School
PRU	
Iain Thomas	Pupil Referral Unit Headteacher - Foundry College
Academies	
Julia Mead	School Business Manager - St Sebastian's CE Primary
Phil Sherwood	Primary Academy Head - Sonning Cof E Primary
Ben Godber	Academy Head - Bohunt School
Derren Gray	Academy Head - The Piggott School
Andy Hinchliff	Academy Head - St Crispin's School
Shirley Austin	Academy Head - The Forest School
Debra Briault	Secondary Academy School Representative
Vacancy	Secondary Academy School Representative
Vacancy	Secondary Academy School Representative
Non-School Representatives	
Early Years	
Kerrie Clifford	Maintained Nursery Head - Ambleside Centre
Ian Morgan	Early Years Representative
Wokingham Borough Council	
Ian Pittock	Wokingham Borough Council
Ming Zhang	Interim Assistant Director for Education and SEND
Post 16 Education	
Paul Gibson	Headteacher - Maiden Erlegh School

Schools Forum Task and Finish Groups Membership

Schools Block

Derren Gray - Head Piggott School (Chair)

Brian Prebble - Head Rivermead Primary

Corrina Gillard - Head Emmbrook Infant

Chris Coniam – School Business Manager Bulmershe School

Carol Simpson - School Business Manager Colleton Primary

Julia Mead – Chief Finance Officer Keys Academy Trust

Margaret Lucey – School Business Manager All Saints Primary

High Needs Block

Corrina Gillard - Head Emmbrook Infant

Sara Attra - Head Addington Special School

Raj Arava - School Business Manager Foundry College

Debra Briault – Chief Operating Officer Circle Trust

Early Years

Ian Morgan - Director Little Ducklings Day Nursery

Kerrie Clifford - Head Ambleside Nursery

Karen Edwards - Manager Acorns Day Nursery

ITEM NO.	WARD	SUBJECT	PAGE NO.
45		APOLOGIES To receive any apologies for absence.	
46		MINUTES OF PREVIOUS MEETING To confirm the Minutes of the Meeting held on 15 March 2023.	7 - 14
46.1	None Specific	Matters Arising	15 - 18
47		DECLARATION OF INTEREST To receive any declarations of interest.	
48	None Specific	2022/23 REVENUE OUTTURN REPORT	19 - 32
49	None Specific	2022/23 MAINTAINED SCHOOL BALANCES	33 - 38
50	None Specific	2023/24 REVENUE MONITORING REPORT	39 - 50
51	None Specific	GROWTH FUND UPDATE	To Follow
52	None Specific	DSG MANAGEMENT PLAN & SAFETY VALVE UPDATE	To Follow
53	None Specific	2024/25 DSG BUDGET PLANNING	51 - 56
54	None Specific	2024/25 BUDGET CONSULTATION ARRANGEMENTS	To Follow
55	None Specific	BERKSHIRE EDUCATION PARTNERSHIP UPDATE	Verbal Report
56	None Specific	FORWARD PLAN	57 - 60

Any other items which the Chairman decides are urgent

A Supplementary Agenda will be issued by the Chief Executive if there are any other items to consider under this heading.

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MINUTES OF A MEETING OF THE SCHOOLS FORUM

HELD ON 15 MARCH 2023 FROM TIME NOT SPECIFIED TO TIME NOT SPECIFIED

Schools Representatives

Carol Simpson	School Business Manager - Colleton Primary
Brian Prebble	Primary Head - Rivermead Primary - Vice Chairman
Liz Woodards	School Business Manager - Hawkedon Primary
Ali Brown	Primary Head - Nine Mile Ride Primary
Julia Mead	School Business Manager - St Sebastian's CE Primary
Phil Sherwood	Primary Academy Head - Sonning Cof E Primary
Derren Gray	Academy Head - The Piggott School
Andy Hinchliff	Academy Head - St Crispin's School
Paul Miller	Trustee - The Circle Trust - Chairman
Shirley Austin	Academy Head - The Forest School
Debra Briault	Secondary Academy School Representative
Sara Attra	Special School Head - Addington School
Iain Thomas	Pupil Referral Unit Head – Foundry College
Chris Connian	School Business Manager – Bulmershe
Paul Gibson	Academy Head – Maiden Erlegh

Non School Representatives

Morag Malvern	Wokingham Borough Council
Ming Zhang	Interim Assistant Director Learning Achievement and Partnerships

Also Present

Luciane Bowker, Democratic & Electoral Services Specialist
Piers Brunning, Senior Specialist (People and Place) Strategy and Commissioning Teams
Hayley Rees, Category Manager Strategy and Commissioning
Lynne Samuel, Finance Business Partner, Children's Services
Katherine Vernon, Schools Finance Manager
Jonathan Wilding, Safety Valve / SEND Consultant

37 APOLOGIES

Apologies for absence were submitted from Corrina Gillard, Ben Godber and Amanda Woodfin.

Amanda Woodfin was substituted by Chris Connian.

38 MINUTES OF PREVIOUS MEETING

The Minutes of the meeting of the Committee held on 11 January 2023 were confirmed as a correct record and would be signed by the Chair at a later date.

38.1 Matters Arising

- Add a Consultation item to the July meeting – action completed.
- To discuss the need to declare Declarations of Interest – this was discussed via email and this standing item would remain in the agenda.

- Confirmation to schools on the number of places required for 2023/24 – Brian Prebble informed that primary schools had access to the number of preferences for their own schools, but not for others.

The expectation had been that the number of preferences for all schools would have been shared.

Shirley Austin stated that secondary schools had been given the information via the portal. 47 girls had not been offered a secondary school place on national offer day, and it would be useful to know if they had now been offered a place.

Derren Gray stated the information requested was about the number of additional places that were required over the planned admission number.

Ming Zhang, Interim Assistant Director for Learning Achievement and Partnerships confirmed that 47 girls were not offered a place on 1 March. However, it was positive to note that 96% of pupils were offered one of their preferred schools. Currently there were 66 rejections and the team was monitoring the situation very closely and were expecting the no-offer number to reduce.

Derren Gray believed that this information was linked to the Growth Fund, the schools that had agreed to take on additional numbers would need to be funded accordingly.

Lynne Samuel, Finance Business Partner – Children’s Services stated that it was expected that the contingency fund in the Growth Fund would be realised and would cover the cost of the additional places. She stated that future reports would be more detailed in this respect.

Members asked for reassurance that the additional school places would be fully funded by the Growth Fund. Lynne Samuel agreed to provide this information.

Ming Zhang informed that planning discussions for the next year had already started to take place with school leaders at the Wokingham Partnership Board, which agreed to start a small group of three school leaders to have an initial discussion. Additionally, the Council set up a Gold Group to discuss and plan sufficiency of school places for immediate needs and for the future. A more scientific demographic planning model was being developed, as the current model was now obsolete in light of significant changes to the patterns of people movements in the past three years.

Paul Gibson asked how decisions in relation to expansion of school places were scrutinised.

Ming Zhang informed that the Gold Group was chaired by the Chief Executive Officer, others members of the group included the Section 151 Officer, the Director for Children’s Services and top tier leaders.

Members asked that a governance diagram of the Gold Group be produced and shared with the Forum.

The other actions in the list would be discussed during the meeting.

39 DECLARATION OF INTEREST

There were no declarations of interest.

40 2022/23 REVENUE MONITORING REPORT

Katherine Vernon, Schools Finance Manager presented the 2022/23 Revenue Monitoring report.

There had been an adverse movement of £331k since the last time this report was presented to Schools Forum. The current in-year deficit was £6.8m , with the budget pressure continuing to be within the High Needs Block (HNB). Taken with the brought forward deficit of £10m, a forecast cumulative deficit of £16.8m was now projected.

There was an increase in the De-delegation – staff costs of £17k to cover Union Duties, however the budget still projected a small underspend.

The appendixes contained details of the Growth Fund spend.

There was an increase in funding within the HNB for mainstream schools, largely as a result of supporting children awaiting places in other settings and specialist schools.

The Early Years contingency fund was forecast to be fully spend or clawed back by the DfE and therefore no variance was reported.

No significant risks were reported.

In response to a question Katherine Vernon confirmed that any flexibility identified in the Growth Fund would be held to support place planning challenges next year.

In response to a question Lynne Samuel confirmed that there were still further in-year risks in relation to the HNB. The team was working towards finding mitigations. Regular updates would be shared with Schools Forum and the Wokingham Borough Partnership Board.

RESOLVED That the report be noted.

41 DSG MANAGEMENT PLAN & SAFETY VALVE UPDATE

Jonathan Wilding, Safety Valve/ SEN Consultant presented the DSG Management Plan & Safety Valve Update.

During the presentation the following points were highlighted:

- The bids for two free schools were both approved;
- The outcome of the Safety Valve programme would be announced on 16 March;
- The outcome of the capital bid for £6.3m was expected in the next two weeks;
- Wokingham was one of only three local areas to have been awarded two free school bids, the other awards were in far larger areas;
- It was believed that deliverability was a key aspect for the success of the bids;
- The two new schools were in addition to the new Oaktree school which was due to open in September;
- The timetable expected a fast pace of programme to deliver the two new schools as soon as possible;
- There were two aspects of the capital bid:
- Proposal 1 – Resource Base Review and New SEND Designated Units

- Proposal 2 – Post-16 Provision
- The SEND Strategy was being refreshed, in view of the fact that there had been many changes recently;
- Potential sites for the new schools were being considered;
- A public consultation on SEND Sufficiency was going to be launched very soon;
- It was hoped that the local authority would lead the management of the projects.

In response to a question Jonathan Wilding explained that in some areas the DfE managed the capital programme. However, it was believed that it would be better if the local authority was able to manage it locally.

Andy Hinchcliffe asked if Gray's Farm was being considered as a location for one of the schools. Jonathn Wilding explained that a site assessment was currently being carried out. However, this was not due to be concluded until April, so other options were also being considered.

The Chairman recognised that due to confidentiality, it was not yet possible to share the detail of projected savings over the life of the programme. He asked that detailed information be included in the report for the July meeting.

Jonathan Wilding stated a lot of the savings would be from reducing the need to send children to out of borough placements. For this to happen it was important to improve the early help intervention and to develop partnership work with all schools.

Ming Zhang emphasized the importance of partnership work with schools in order to achieve the desired outcomes set out in the Safety Valve programme.

RESOLVED That:

- 1) The report be noted; and
- 2) A detailed report would be submitted to the July meeting of Schools Forum.

42 2023/24 FINAL HIGH NEEDS BLOCK BUDGET

Lynne Samuel presented the 2023/24 Final High Needs Block Budget report.

A spend of £36.6m was projected for the 2023/24 financial year, with an income of £28.4m, therefore a £8.2m in-year deficit was forecast for Year one of the Safety Valve programme.

It was pointed out that all the work being undertaken with the DSG Management Plan and the Safety Valve would take some time to realise the savings and this level of first year deficit was expected.

The Task and Finish Group had been working on the Budget and considering all options. There was a desire to uplift all bands in line with inflation, however there was a constraint to work within the income received. The report contained details of the uplifts.

The graphs in the report showed the profile and the balance of the number of out of borough placements in relation to the increase in the number of in-house placements would change in future years; and how this would affect the Budget going forward.

Wokingham applied an annual inflationary cap to requests from INMSS providers, this was set at 2.5% for the 2022/23 financial year. This cap applied to all placements whether made through the framework or not. The inflation increase requests being received by local authorities was far beyond what was affordable, and negotiations would be carefully managed.

The Task and Finish Group would continue to meet. At the next meeting they would review the terms of reference and work programme.

Sara Attra stated that it was good to have a Task and Finish Group, but that going forward, she would like more time for discussions at the Task and Finish Group. She expressed concern that capping the increase to 2.5% to independent and non-maintained special schools was not realistic in view of what was being asked by those schools. She also stated that for the Addington Budget, further pay increases would not be fully covered leading to a potential deficit in the next two years.

Iain Thomas was in agreement with Sara Attra's comments and shared the concerns that staff costs are going up and a deficit was projected as a result of the funding uplifts not fully covering the cost increases.

Lynne Samuel recognised that there was challenge in relation to the fact that the funding received by the local authority did not fully cover the schools' needs.

The Chairman asked if there were any further risks that could potentially compromise the delivery of the Safety Valve programme. Lynne Samuel stated that the local authority was continuing to closely monitor all risks.

The Chairman asked that the Christmas tree graph include the geographical allocations, showing in and out of area spend.

It was recommended that planning for the consultation on possible transfers from the Schools Block to the HNB start as soon as possible to ensure that schools were well informed about the options. Lynne Samuel agreed and added that the Task and Finish Groups would be involved in the preparation of the consultation papers.

Schools Forum members were encouraged to contact Lynne Samuel if they wished to take part in the Task and Finish Groups.

RESOLVED That the report be noted.

43 EARLY YEARS HARSHIP FUND

Elaine Munro, Principal Educational Psychologist presented the Early Years Hardship Fund report.

The following points were highlighted:

- The Early Years Hardship Fund was created to provide a level of support to providers facing financial hardship, to ensure that local sufficiency could be maintained;
- Most of the Early Years funding available would be passed on to all settings based on the number of funded hours, with a modest amount held back for the Hardship Fund;
- The local authority had a duty to provide a certain number of placements for Early Years;

- A system was being put in place for providers to apply for a one-off payment;
- It was recognised that the number of places fluctuated during the year and it could take providers a bit of time to adjust staffing ratios;
- Applications would be made through the Early Years and Childcare Team;
- There would be quarterly reports on the amount of money that has been withdrawn from the fund;
- £50k was being retained for this fund, and it was hoped that this would be sufficient. Any remaining funds would be re-distributed to providers at the end of the financial year.

Ian Morgan stated that he was in support of the proposal, he believed that this proposal was a good compromise following previous discussions with the senior leaders.

In response to a question Elaine Munro informed that a cap had not been set, but from previous experience during Covid, £7k was the maximum amount requested previously. Notionally, the team was not expecting requests to be over £10k.

RESOLVED That the report be noted.

44 2023/24 FINAL EARLY YEARS BUDGET

Katherine Vernon presented the 2023/24 Final Early Years Budget report.

This year the local authority was requesting that £580,263 (4.7%) be retained to fund statutory duties. The proposal also included increases to:

- Base rate for 2 year olds by 50p per hour
- Base rate for 3 and 4 year olds by 30p per hour
- Quality Supplement by 5p per hour
- Maintained Nursery Supplement by £130,000
- Early Years Inclusion Fund by £50,000

The Task and Finish Group had met and was in support of the recommendations contained in the report.

Ian Morgan stated that it was positive that the increase was significant. He noticed a discrepancy in relation to the 4.7% in table C of the report and asked for clarification. Katherine Vernon explained that this was because that table only showed 3 and 4 year old funding, not the total (the 4.7% was taken from the total which included 2 year olds).

Ian Morgan stated that more detail about how the centrally retained money was used by the local authority would be welcomed by the providers. Lynne Samuel agreed to include more detail in the future.

Upon being put to the vote, members voted unanimously in favour of the proposals contained in the report.

RESOLVED That:

- 1) The 2023/24 Final Early Years Budget be approved with 4.7% to be centrally retained; and

2) Future information shared through the Task and Finish Group would contain details on the use of the Early Years centrally retained funds.

45 FORWARD PLAN

The dates of futures meetings were noted with the following comments:

12 July 2023

- DSG Management Plan and Safety Valve Programme – with more detailed information
- 2024/25 DSG Budget Planning (not update)
- F40 Group update

11 October 2023

6 December 2023

10 January 2024

13 March 2024

46 ANY OTHER BUSINESS

Carol Simpson reported that some schools were expressing concerns that they would not be able to achieve balanced budgets and they were not sure how to present their budgets. She wondered if there was support available for those schools in this situation.

Lynne Samuel informed that any school struggling was encouraged to contact the local authority for support. She also offered to include information in the monitoring reports presented to Schools Forum.

It was requested that information about the offer of support be communicated to all schools without delay.

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Actions following Schools Forum meeting on 15 March 2023

- Confirmation that the additional school places requested will be funded by the Growth Fund.
- A governance diagram of the Gold Group be shared with Schools Forum.
- Update on F40 Group at the July meeting.
- Safety Valve update to include details of savings over the life of the programme.
- To provide detailed information about how the Early Years centrally retained money is used by the Local Authority – to share this information with the Early Years T&F Group.
- To send information to all schools about the support available through the local authority about budget setting.

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TITLE	Matters Arising
FOR CONSIDERATION BY	Schools Forum on 12 July 2023
WARD	None Specific;
LEAD OFFICER	Director, Children's Services - Helen Watson

OUTCOME / BENEFITS TO THE COMMUNITY

This reports forms part of regular reporting to Schools Forum, informing areas of statutory decision making and improving visibility and consultation on wider Dedicated Schools Grant (DSG) financial matters.

RECOMMENDATION

n/a

SUMMARY OF REPORT

There are no separate matters arising for this meeting of Schools Forum.

Background

Analysis of Issues

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)			
Next Financial Year (Year 2)			
Following Financial Year (Year 3)			

Other financial information relevant to the Recommendation/Decision

Cross-Council Implications (how does this decision impact on other Council services, including properties and priorities?)

Public Sector Equality Duty

Please confirm that due regard to the Public Sector Equality Duty has been taken and if an equalities assessment has been completed or explain why an equalities assessment is not required.

Climate Emergency – *This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030*

Please state clearly what the impact of the decision being made would be on the Council's carbon neutral objective.

Reasons for considering the report in Part 2

List of Background Papers

Contact Lynne Samuel, Katherine Vernon	Service Learning Achievement and Partnerships
Telephone No Tel: 07766 998686, Tel: 0118 974 6337	Email lynne.samuel@wokingham.gov.uk, katherine.vernon@wokingham.gov.uk

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TITLE	2022/23 Revenue Outturn Report
FOR CONSIDERATION BY	Schools Forum on 12 July 2023
WARD	None Specific;
LEAD OFFICER	Director, Children's Services - Helen Watson

OUTCOME / BENEFITS TO THE COMMUNITY

This reports forms part of regular reporting to Schools Forum, informing areas of statutory decision making and improving visibility and consultation on wider Dedicated Schools Grant (DSG) financial matters.

RECOMMENDATION

Schools Forum is asked to note the report.

SUMMARY OF REPORT

The report provides Schools Forum with an update on the 2022/23 outturn on the Dedicated Schools Grant (DSG), explanations on key variances / movements from forecast, and highlights the cumulative deficit as at 31st March 2023.

The DSG outturn for the 2022/23 financial year is a net overspend of £7.2m, representing 4.3% of total DSG income for the year. £3.9m of this pressure was anticipated at the time of budget setting, with the balance of £3.3m representing higher than anticipated number of EHCPs and associated costs over the financial year.

Together with the brought forward deficit balance of £10m, partially offset by the £8m of Safety Valve income secured in March, the cumulative DSG deficit at the end of 2022/23 sits at £9.2m.

Maintained school balances are reported separately and stand at £6.7m as at 31st March 2023.

2022/23 Revenue Outturn Report July 2023

01. Purpose of the Report

The report provides Schools Forum with an update on the 2022/23 outturn on the Dedicated Schools Grant (DSG), explanations on key variances / movements from forecast, and highlights the cumulative deficit as at 31st March 2023.

02. Recommendation

Schools Forum is asked to note the contents of this report.

03. Background

The Dedicated Schools Grant (DSG) is a ring-fenced, specific grant provided to Local Authorities that must be spent in accordance with the School and Early Years Finance (England) Regulations. Within the DSG there are four funding blocks:

- Schools Block
- High Needs Block
- Early Years Block, and
- Central Schools Services Block

The Local Authority and Schools Forum are responsible for ensuring that the DSG is deployed correctly according to the Regulations. Regular monitoring of spend against the grant is required to enable decision making on deficits and surpluses and to inform service strategy and future year budget requirements.

The way in which local authorities account for DSG deficits has been altered by the Local Authorities (Capital Finance and Accounting) Regulations 2020, issued by the Department for Levelling Up, Housing and Communities (DLUHC). This requires DSG deficits to be held in a separate reserve in local authorities' accounts. However, the way in which local authorities should plan their management of DSG and report to DfE remains governed by the School and Early Years Finance Regulations 2022.

This report shows the outturn for the Dedicated Schools Grant (DSG), and how that impacts on balances held both centrally and on behalf of maintained schools. Figures remain provisional, pending external audit review, however no material changes are anticipated.

04. 2022/23 DSG Outturn Summary

The outturn for the 2022/23 financial year, across the four blocks of the DSG, reports an in-year deficit of £7.2m. This represents a 4.3% overspend on block income for the year.

Individual block summary is shown below, with further information provided in Appendix A.

	[A]	[B]	[C]	[C] - [A]	[C] - [B]
	* Budget £,000	Forecast £,000	Outturn £,000	Variance Outturn to Budget £,000	Variance Outturn to Forecast £,000
DSG Block Outturn 2022/23					
Schools Block	129,842	129,990	129,826	-16	-164
High Needs Block	25,660	32,349	32,893	7,233	544
Early Years Block **	11,413	11,654	11,363	-50	-291
Central School Services Block	995	994	994	-1	0
Total DSG	167,910	174,987	175,076	7,166	89

* Budget figure reflects final DSG income per block

** Early Years final funding allocation not yet known for 2022/23 - £188k reduction anticipated in outturn figure

Balances held on behalf of individual maintained schools increased by £1.02m in comparison to that held as at 31st March 2022.

Maintained School Balances	Balance as at 01/04/22 £,000	Year End Transfers £,000	Balance as at 01/04/23 £,000
Nursery	81,746	- 168	81,578
Primary	- 3,676,475	- 735,897	- 4,412,372
Secondary	- 406,522	- 288,925	- 695,447
Special	- 1,261,078	170,829	- 1,090,249
PRU	- 387,058	- 165,081	- 552,139
Total DSG	- 5,649,387	- 1,019,242	- 6,668,629

* balances exclude Bulmershe Sports Partnership, and impact of conversions

05. Key Variances & Explanation of Movements from Forecast

Schools Block

The outturn on the Schools Block reports a £16k underspend against allocated funding of £129.8m (<0.01%).

The key variances against budget and movements on forecast are provided below.

Academy Recoupment - £15k underspend

Final academy recoupment adjustments for the year were £15k below that anticipated in the forecast.

De-delegation – Supply cover - £22k underspend

Outturn on maternity supply cover was £22k lower than budget, a movement of £2k on that previously reported in the forecast. This is paying for school staff (teaching

and support staff) that are on maternity and paternity leave, with forecasting difficult in advance of payroll processing.

Growth Fund - £21k overspend

Final Growth Fund expenditure was £150k lower than anticipated in the forecast, due to timing of ongoing place planning work. While figures reflect an overspend of £21k against the £1.59m growth fund allocation for 2022/23, this was planned for through use of balances held. Further detail on the Growth Fund outturn is available in Appendix B.

High Needs Block

The outturn on the High Needs Block reports a £7.2m overspend against allocated funding of £25.7m (28%).

At the time of budget setting, an in-year pressure of £3.9m was identified, with this rising to £6.7m as forecasting has progressed throughout the year. A further £544k of pressure was experienced by year end, with key movements on forecast provided below.

Mainstream Top-ups £261k increase on forecast

Final outturn on top-ups for Wokingham mainstream schools was £274k higher than forecast, partially offset by a reduction on forecast for out of borough schools by £13k.

Independent & Non Maintained Special Schools £244k reduction on forecast

Final outturn INMSS was £244k lower than forecast, largely as a result of split funding contributions negotiated late in the year.

Targeted Education / Support for Inclusion £520k increase on forecast

Final outturn on EOTAS (Education Other Than At School) packages, tutors and other directly commissioned support was £520k higher than forecast. The ability to produce accurate predictions of EOTAS has proven difficult and complex due to lack of suitable provision and the response to complex cases from some families to INMSS options presented. Detailed work is ongoing in this area as part of key workstreams within the Safety Valve Programme.

Early Years Block

The outturn on the Early Years Block reports a small underspend of £50k for the year against expected final allocated funding of £11.5m.

The 2022/23 Early Years Budget was set based on block income of £11.3m, with £147k held centrally in reserve to allow for changing circumstances during the year. As in previous years, funding changes during the year in response to census information, with funding as at March 2023 standing at £11.6m. The final Early Years position for the 2022/23 financial year will not be known until final adjustments are notified by the DfE, which is expected later in July. A clawback adjustment by the DfE of £188k is anticipated and further information will be reported to October Schools Forum.

The reported underspend on the EY block of £50k reflects the allocation for the Hardship Fund which will be held in reserves.

Central School Services Block

Outturn in line with forecast, with no material variances for the financial year.

06. **Balances and Reserves**

The Local Authorities (Capital Finance and Accounting) Regulations 2020 altered the way in which local authorities are required to account for DSG deficits. This required the establishment of a new statutorily ring-fenced unusable reserve – the Dedicated Schools Grant Adjustment Account.

This accounting practice has the effect of separating schools budget deficits from the Local Authority's General Fund to confirm no liability on LAs. This arrangement was put in place by central government for an initial 3-year period running through to the end of 2022/23 and has now been extended by a further 3 years through to 2025/26.

	High Needs Block Deficit £,000	General DSG Reserve £,000	De-delegated Contingency £,000	Growth Fund £,000	EY Hardship Fund £,000	Sub-Total £,000	ISB £,000	Total including ISB £,000
Opening Balance as at 31st March 2022	10,799	-298	-55	-406	0	10,040	-7,104	2,936
DSG Block Movements	7,233	-38		21	-50	7,166		7,166
School Balance adjustment							421	421
Safety Valve Funding						-8,040		-8,040
Closing Balance as at 31st March 2023	18,032	-336	-55	-385	-50	9,166	-6,683	2,483

07. **Summary**

The 2022/23 outturn position shows a net overspend of £7.2m across the four blocks of the DSG, representing 4.3% of income for the year.

The cumulative deficit balance as at 31st March 2023 stands at £9.2m, having adjusted for the in-year overspend of £7.2m and a reduction for the £8m of Safety Valve funding received in March 2023.

The High Needs Block remains the driver of the deficit position with the Safety Valve Programme and associated deficit management plan remaining the key areas of focus for the 2023/24 financial year and beyond.

Appendix A – 2022/23 DSG Outturn by Block

Appendix B – 2022/23 Growth Fund Outturn

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Email:	katherine.vernon@wokingham.gov.uk

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Appendix A
DSG Outturn Summary 2022/23

				A	B	C	C - A	C - B
Description		2021/22 Budget £,000	Budget Changes £,000	Final Budget £,000	Forecast £,000	Outturn £,000	variance Outturn to Final Budget £,000	variance Outturn to Forecast £,000
Schools Block	TOTAL Income	(129,842)	-	(129,842)	(129,842)	(129,842)	-	-
	TOTAL Expenditure	129,842	-	129,842	129,989	129,826	(16)	(163)
	TOTAL Schools Block Net Expenditure	-	-	-	147	(16)	(16)	(163)
High Needs Block	TOTAL Income	(25,779)	119	(25,660)	(25,660)	(25,660)	-	-
	TOTAL Expenditure	29,642	-	29,642	32,349	32,893	3,251	544
	TOTAL High Needs Block Net Expenditure	3,863	119	3,982	6,689	7,233	3,251	544
Early Years Block	TOTAL Income	(11,289)	(365)	(11,654)	(11,654)	(11,654)	-	-
	TOTAL Expenditure	11,289	365	11,654	11,654	11,604	(50)	(50)
	TOTAL Early Years Block Net Expenditure	-	-	-	-	(50)	(50)	(50)
Central School Services Block	TOTAL Income	(995)	-	(995)	(995)	(995)	-	-
	TOTAL Expenditure	995	-	995	994	994	(1)	-
	TOTAL Central School Services Block Net Expenditure	-	-	-	(1)	(1)	(1)	-
Total DSG	TOTAL Income	(167,905)	(246)	(168,151)	(168,151)	(168,151)	-	-
	TOTAL Expenditure	171,768	365	172,133	174,986	175,317	3,184	331
	TOTAL 2022/23 Net Expenditure Deficit	3,863	119	3,982	6,835	7,166	3,184	331
Deficit Brought Forward					10,040	10,040		
Cumulative Net Expenditure Deficit					16,875	17,206		

Schools Block Budget 2022/23

Category	Description	A			B	C	C - A	C - B
		Original Budget £,000	Budget Changes £,000	Final Budget £,000	Forecast £,000	Outturn £,000	Variance Outturn to Final Budget £,000	Variance Outturn to Forecast £,000
Individual Schools Budget	Maintained Schools	48,908	(1,117)	47,791	47,791	47,791	-	-
	Academies	79,064	1,117	80,181	80,181	80,166	(15)	(15)
De-Delegation	Staff costs – supply cover (maternity)	281	-	281	257	259	(22)	2
Other Centrally Held	Growth Fund	1,589	-	1,589	1,760	1,610	21	(150)
TOTAL Expenditure		129,842	-	129,842	129,989	129,826	(16)	(163)
DSG Allocation		(129,842)	-	(129,842)	(129,842)	(129,842)	-	-
TOTAL Income		(129,842)	-	(129,842)	(129,842)	(129,842)	-	-
2022/23 Net Expenditure (Surplus) / Deficit					147	(16)		

High Needs Block Budget 2022/23

			A	B	C	C - A		
Category	Description	Original Budget £,000	Budget Changes £,000	Final Budget £,000	Forecast £,000	Outturn £,000	Variance Outturn to Final Budget £,000	
Mainstream	Wokingham	Place Funding - Post-16	162	-	162	162	162	-
		Top-up Funding	3,439	-	3,439	4,421	4,695	1,256
	Out of Borough	Top-up Funding	224	-	224	279	266	42
Resource Bases	Wokingham	Place Funding	618	-	618	621	532	(86)
		Empty Place Funding	121	-	121	169	92	(29)
		Top-up Funding	919	-	919	1,125	1,334	415
	Out of Borough	Top-up Funding	423	-	423	229	226	(197)
Special Schools 27	Wokingham - Addington	Place Funding	2,550	-	2,550	2,631	2,631	81
		Top-up funding	4,161	-	4,161	4,546	4,546	385
	Wokingham - Chiltern Way	Place Funding	690	-	690	690	690	-
		Top-up funding	754	-	754	586	609	(145)
	Out of Borough	Top-up Funding	1,260	-	1,260	1,772	1,832	572
	Independent & Non-Maintained	Placements	9,600	-	9,600	9,950	9,706	106
Pupil Referral Unit	Wokingham	Foundry College	1,763	-	1,763	1,763	1,812	49
	Out of Borough	Top-up Funding	-	-	-	47	88	88
Post-16: FE & Colleges	Out of Borough	Top-up Funding	1,014	-	1,014	1,180	1,153	139
Hospital Education		CAMHS Phoenix	244	-	244	240	240	(4)
		Independent Hospital Education	20	-	20	25	23	3
Other		CYPIT	401	-	401	401	673	272
		Sensory Consortium	275	-	275	279		(275)
		Applied Behavioural Analysis Programme	-	-	-	157	20	20
		Support for inclusion	354	-	354	354	251	(103)
		Targeted Education (eg tutors, personal budgets)	500	-	500	620	1,243	743
	Inclusion Group Funding	150	-	150	100	68	(82)	
TOTAL Expenditure			29,642	-	29,642	32,349	32,893	3,251
DSG Allocation			(25,779)	119	(25,660)	(25,660)	(25,660)	-
TOTAL Income			(25,779)	119	(25,660)	(25,660)	(25,660)	-
2022/23 Net Expenditure (Surplus) / Deficit						6,689	7,233	

Early Years Block Budget 2022/23

Category	Description	A			B	C	C - A	C - B
		Original Budget £,000	Budget Changes £,000	Final Budget £,000	Forecast £,000	Outturn £,000	Variance Outturn to Final Budget £,000	Variance Outturn to Forecast £,000
Early Years Funding Formula	2 year olds	410	-	410	410	410	-	-
	3-4 year olds	9,600	365	9,965	9,961	8,670	(1,295)	(1,291)
	Maintained Nursery School	531	-	531	531	1,772	1,241	1,241
Grants	EYPP	42	-	42	60	60	18	-
	Disability Access Fund	56	-	56	42	42	(14)	-
Centrally retained	Centrally retained (2 yr olds)	17	-	17	17	17	-	-
	Centrally retained - 3 & 4 yr olds incl EY Inclusion Service contribution	533	-	533	533	533	-	-
	Centrally retained - Early Years Inclusion Funding for individual pupils	100	-	100	100	100	-	-
TOTAL Expenditure		11,289	365	11,654	11,654	11,604	(50)	(50)
DSG Allocation		(11,289)	(365)	(11,654)	(11,654)	(11,654)	-	-
TOTAL Income		(11,289)	(365)	(11,654)	(11,654)	(11,654)	-	-

Central School Services Block Budget 2022/23

Category	Description	Original Budget £,000	Budget Changes £,000	A	B	C	C - A	C - B
				Final Budget £,000	Forecast £,000	Outturn £,000	variance Outturn to Final Budget £,000	variance Outturn to Forecast £,000
Strategic and Regulation function	Inspection Workshop Equipment Secondary - Health & safty school trips	12	-	12	(7)	(1)	(13)	5
	Finance	117	-	117	117	117	-	-
	Contribution to the Children Director Services	162	-	162	162	162	-	-
Other	Capita Contracts	150	-	150	167	162	12	(5)
	SACRE	7	-	7	7	7	-	-
	Servicing of schools forums	4	-	4	4	4	-	-
	Schools Admissions services	232	-	232	232	232	-	-
	School Asset Management	49	-	49	49	49	-	-
	Education welfare service	117	-	117	117	117	-	-
	Licences for Maintained and academies	145	-	145	146	146	-	-
TOTAL Expenditure		995	-	995	994	994	-1	0
DSG Allocation		(995)	0	(995)	(995)	(995)	-	-
TOTAL Income		-995	0	-995	-995	-995	0	0

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Appendix B
2022/23 Growth Fund Outturn

Primary MPPL	2022/23 4,265
Secondary MPPL	5,525

Schools - New classes	MPPL 2022/23	Funded Number of Places	2022/23 January Forecast £	2022/23 Outturn £	2022/23 Forecast / Outturn Variance £
Pre-existing secondary commitments from 2021/22					
Emmbrook Secondary	5,525	45	98,414	98,414	0
Piggott School	5,525	25	54,674	54,674	0
Waingels	5,525	21	45,927	45,927	0
		91			
Secondary Contingency 2022/23					
Additional secondary places (Y7) for 2022/23 - contingency	5,525	30	0	0	0
Additional secondary places (Y8) for 2022/23 - contingency	5,525	30	0	0	0
Additional secondary places (Y9) for 2022/23 - contingency	5,525	30	0	0	0
Secondary sector places for 2022/23					
Additional secondary places (Y7) for 2022/23 - Piggott	5,525	46	140,841	140,841	0
Additional secondary places (Y7) for 2022/23 - St Crispins	5,525	100	306,177	306,177	0
Additional secondary places (Y8) for 2022/23 - Emmbrook	5,525	30	91,853	91,853	0
Additional secondary places (Y9) for 2022/23 - Bulmershe	5,525	15	45,927	45,927	0
Secondary TOTAL			783,813	783,813	0
Pre-existing Primary commitments 2021/22					
Montague Park (From 01/06/2021 - Year 4 now Year 5)	4,265	30	50,647	50,647	0
Montague Park (from 01/09/2021 - Y6)	4,265	30	50,647	50,647	0
Keep Hatch Y6 (from October 2021)	4,265	30	50,647	50,647	0
Primary sector places for 2022/23					
Highwood - reception class 2022/23	4,265	30	70,906	70,906	0
Primary sector places for 2022/23					
Keep Hatch additional primary places Year 5 (from Sep 2022)	4,265	30	70,906	70,906	0
Keep Hatch additional primary places Year 6 (from Sep 2022)	4,265	30	70,906	70,906	0
All Saints additional Primary Places Y5 and Y6 (from June 2022)	4,265	30	101,294	101,294	0
Alder Grove additional Y6 (1 term only)	4,265	30	30,388	30,388	0
Farley Hill additional Y5 (from Jan 2023) (tbc)	4,265	30	30,388	0	-30,388
Additional primary places contingency Y6 (from Jan 2023)	4,265	30	0	0	0
Farley Hill Expansion (Reception)	4,265	30	70,906	70,906	0
Primary additional (Y5) class from January 2023	4,265	30	0	0	0
Primary TOTAL			597,633	567,245	-30,388
Primary plus Secondary Growth TOTAL			1,381,446	1,351,058	-30,388
Basic Need: New and recently new (growing schools)					
Montague Park Primary			46,000	46,000	0
Alder Grove Primary			69,000	69,000	0
St Cecilia's Primary (Y3, Y4, Y5/Y6 classes)			25,750	25,750	0
St Cecilia's Primary (January - March)			118,287	118,287	0
St Cecilia's Primary Pre Opening Grant (maximum payable)			120,000	0	-120,000
			379,037	259,037	-120,000
Total Expenditure			1,760,483	1,610,095	-150,388
In year Growth Funding from Schools Block			1,589,000	1,589,000	0
In year Overspend			171,483	21,095	-150,388
Reserves b/f			405,546	405,546	-
Reserves c/f			234,063	384,451	150,388

Basic Need and growing schools methodology
Diseconomy of scale (new classes funded from APT)

	Per pupil funding	Lump Sum	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Primary	250		80,500	67,500	54,000	40,500	27,000	31,000
Secondary	500		125,000	93,000	62,000	31,000		

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TITLE	2022/23 Maintained School Balances
FOR CONSIDERATION BY	Schools Forum on 12 July 2023
WARD	None Specific;
LEAD OFFICER	Director, Children's Services - Helen Watson

OUTCOME / BENEFITS TO THE COMMUNITY

This reports forms part of regular reporting to Schools Forum, informing areas of statutory decision making and improving visibility and consultation on wider Dedicated Schools Grant (DSG) financial matters.

RECOMMENDATION

Schools Forum is asked to note the report and consider whether further information is required on surplus balances.

SUMMARY OF REPORT

Maintained school balances stand at £6.7m as at 31st March 2023, an increase of £1m on that held at the start of the 2022/23 financial year.

While an overall 18% increase in reserves was seen at the end of the 2022/23 financial year, a range of circumstances sit within that.

Of 33 settings, 5 are now in deficit, and a further 7 holding balances below 5% of income. In contrast, 15 schools hold balances above 10% of their 2022/23 income.

Further information is available in Appendix A.

Maintained School Balances July 2022

01. Purpose of the Report

The report provides information on the year end balances for all maintained schools, highlighting those schools with a deficit or significant surplus.

02. Recommendation

Schools Forum is asked to note the report and consider whether further information is required on surplus balances.

03. Background

Within the Scheme for Financing Schools, local authorities must contain a provision which allows schools to carry forward from one financial year to the next any shortfall in expenditure relative to the school's budget share for the year plus/minus any balance brought forward from the previous year.

04. Summary

Maintained school balances stand at £6.7m as at 31st March 2023, an increase of £1m on that held at the start of the 2022/23 financial year.

	Balance as at 01/04/22 £,000	Year End Transfers £,000	Balance as at 01/04/23 £,000
Maintained School Balances			
Nursery	81,746	- 168	81,578
Primary	- 3,676,475	- 735,897	- 4,412,372
Secondary	- 406,522	- 288,925	- 695,447
Special	- 1,261,078	170,829	- 1,090,249
PRU	- 387,058	- 165,081	- 552,139
Total DSG	- 5,649,387	- 1,019,242	- 6,668,629

** balances exclude Bulmershe Sports Partnership, and impact of conversions*

This is the third year with an increase in school reserves - an increase of 18%.

05. **Maintained School Balances**

While an overall 18% increase in reserves was seen at the end of the 2022/23 financial year, a range of circumstances sit within that.

Of 33 settings, 5 are now in deficit, and a further 7 holding balances below 5% of income. In contrast, 15 schools hold balances above 10% of their 2022/23 income.

Further information is available in Appendix A.

Under guidance given to LAs, Schemes for Financing Schools set out requirements for schools in deficit and may contain a mechanism to claw back excess surplus balances.

The current Wokingham Scheme for Financing Schools does not include any specific mechanism for clawing back surplus balances.

Guidance states that any mechanism should have regard to the principle that schools should be moving towards greater autonomy, should not be constrained from making early efficiencies to support their medium-term budgeting in a tighter financial climate, and should not be burdened by bureaucracy.

The mechanism should, therefore, be focused on only those schools which have built up significant excessive uncommitted balances or where some level of redistribution would support improved provision across a local area.

An update on work with schools in deficit and those with surplus balances will be brought to a future meeting of Schools Forum.

Appendix A – Maintained School Balances as at 31st March 2023

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Category	School	Reserves as at 31st March 2022	Reserves as at 31st March 2023	Year End Reserves % of Income	Movement over 2022/23	RAG
Nursery	Ambleside Centre	81,746	81,578	-	-168	
Primary	Aldryngton Primary	-119,064	-68,934	4.1%	50,130	
Primary	Bearwood Primary	-19,328	-69,051	4.4%	-49,724	
Primary	Colleton Primary	-32,648	-44,344	2.3%	-11,696	
Primary	Emmbrook Infant	-18,391	-52,843	4.6%	-34,452	
Primary	Emmbrook Infant HIU	20,607	12,401	-	-8,206	
Primary	Emmbrook Junior	-77,289	-170,757	12.7%	-93,469	
Primary	Farley Hill Primary	-195,131	-233,656	16.1%	-38,526	
Primary	Finchampstead Primary	-82,174	-102,036	15.6%	-19,862	
Primary	Gorse Ride Infant	-132,071	-111,862	13.2%	20,209	
Primary	Gorse Ride Junior	-109,587	-142,628	10.3%	-33,041	
Primary	Grazeley Parochial Primary	14,288	37,337	-	23,050	
Primary	Hawkedon Primary	-386,175	-399,514	11.7%	-13,338	
Primary	Hawthorns Primary	-232,755	-81,683	3.8%	151,072	
Primary	Highwood Primary	-392,346	-561,375	18.9%	-169,030	
Primary	Hillside Primary	-12,035	-39,523	1.6%	-27,488	
Primary	Lambs Lane Primary	-42,626	-105,119	7.1%	-62,493	
Primary	Loddon Primary	-272,757	-443,060	14.8%	-170,303	
Primary	Radstock Primary	-3,432	81,626	-	85,058	
Primary	Robert Piggott Infant	534	10,494	-	9,960	
Primary	Robert Piggott Junior	-82,606	-51,384	5.2%	31,222	
Primary	Shinfield St Mary's Junior	-147,339	-161,778	8.9%	-14,440	
Primary	South Lake Primary	-466,413	-619,483	26.0%	-153,069	
Primary	St Dominic Savio Primary	-211,308	-230,110	10.1%	-18,801	
Primary	St Paul's Junior	-200,941	-203,162	10.7%	-2,222	
Primary	Walter Infant	-105,813	-117,184	7.2%	-11,371	
Primary	Willow Bank Infant	-46,375	-49,819	4.8%	-3,444	
Primary	Willow Bank Junior	-160,436	-188,989	14.8%	-28,553	
Primary	Winnersh Primary	-160,142	-217,360	10.2%	-57,217	
Primary	Woodley Primary	-2,722	-88,577	5.2%	-85,854	
Secondary	Bulmershe	-406,522	-695,447	7.5%	-288,925	
Special	Addington	-1,261,078	-1,090,249	12.8%	170,829	
PRU	Foundry	-387,058	-552,139	26.8%	-165,081	
	TOTAL	-5,649,387	-6,668,629		-1,019,242	

**balances exclude Bulmershe Sports Partnership, and conversions not yet transferred at 31st March*

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TITLE	2023/24 Revenue Monitoring Report
FOR CONSIDERATION BY	Schools Forum on 12 July 2023
WARD	None Specific;
LEAD OFFICER	Director, Children's Services - Helen Watson

OUTCOME / BENEFITS TO THE COMMUNITY

This reports forms part of regular reporting to Schools Forum, informing areas of statutory decision making and improving visibility and consultation on wider Dedicated Schools Grant (DSG) financial matters.

RECOMMENDATION

Schools Forum is asked to note the contents of the report and the forecast position for the 2023/24 financial year.

SUMMARY OF REPORT

This report provides Schools Forum with an update on the 2023/24 Dedicated Schools Grant (DSG) forecast, as at 31st May 2023.

An in-year deficit of £10m is projected, with the budget pressure continuing to be within the High Needs Block. Taken with the brought forward deficit of £9.2m, and expected Safety Valve funding received in-year, a forecast cumulative deficit of £17.5m is now projected to 31st March 2024.

The current in-year forecast represents an adverse movement of £1.9m on the £8.15m deficit included in 2023/24 budget setting. The movement being:

- £216k increase in the Schools Block
- £1.67m increase in the High Needs Block

2023/24 Revenue Monitoring Report

01. Purpose of the Report

This report provides Schools Forum with an update on the Dedicated Schools Grant (DSG) revenue budget forecast for the 2023/24 financial year, as at 31st May 2023.

02. Recommendation

Schools Forum is asked to note the contents of this report and the forecast position for the 2023/24 financial year.

03. Background

This report forms part of the regular updates to Schools Forum on the anticipated outturn for the Dedicated Schools Grant (DSG), with explanation for significant variances.

At the March 2023 meeting of Schools Forum a forecast deficit of £8.2m was reported for the 2023/24 financial year budget, due to continued pressure within the High Needs Block.

04. DSG Forecast as at 31st May 2023

As at 31st May, the DSG forecast for the 2023/24 financial year now reports an in-year deficit of £10m. Against the £8.2m previously reported, this represents an adverse movement of £1.9m.

The movement represents an increase in the High Needs Block forecast, and a small movement in the Schools Block Forecast.

05. Key Variances & Risks

The reason for the £1.9m adverse movement on forecast are set out below, along with further information within each block of the DSG.

Schools Block

Increase in forecast of £216k.

De-delegation - Staff costs

Current forecast equals budget. Potential impact with regards to academy conversions expected over the year.

De-delegation - Contingency

£55k brought forward and held on behalf of maintained schools for contingency purposes remains in reserve, with no commitments to date.

Growth Fund

With the outturn position of the 2022/23 growth fund known, the forecast has been updated to reflect this along with the additional places already agreed with schools and contingency for further growth. See Appendix B.

In anticipation of the 2024/25 budget setting process, Appendix B also shows an early indication of the growth fund requirements for 2024/25 using estimated rates. This shows that we are anticipating requiring around £1.4m from the Schools Block for the Growth Fund and this will be taken forward through the modelling work within the work of the task & finish group. Work is also being undertaken on modelling potential income assumptions the DfE will use within setting 2024/25 budgets.

High Needs Block

The in-year deficit on the HNB is forecast at £9.8m.

At the time of budget setting an in-year deficit of £8.2m was anticipated, therefore the current forecast represents a £1.67m adverse movement on that.

The HNB forecast takes account of current known EHCP top-ups, known September phased transfers, anticipated new plans issued, along with expected impact of the Safety Valve Programme workstreams.

Mainstream - Wokingham

£1.4m increase on budget due to increasing number of EHCPs and additional top-ups over the usual hourly funding rates to provide additional support such as therapies, alternative provision and 1:1 tuition.

Special Schools – Out of Borough

£430k movement from budget due to additional pupils and increasing costs.

Independent Mainstream Schools

£490k movement from budget. This reflects a realignment of reporting as data improvement work continues. Previously these would have been reported under INMSS, and further work is ongoing to inform budget planning assumptions around this cohort.

Early Years Block

No in-year variance to budget is forecast on the Early Years Block at this time.

Early Years Supplementary Grant (EYSG)

The DfE announced in the 2023 Spring Budget that they will be providing additional funding to increase the hourly funding rates for early years providers to deliver the existing early years entitlements for disadvantaged 2-year-olds and 3 and 4-year-olds from September 2023. They are providing £204 million of additional funding to local authorities in 2023 to 2024, rising to £288 million in 2024 to 2025.

For 2023 to 2024, to help reduce complexity in passing additional funding onto providers mid-year, the intention is to allocate the additional £204 million to local authorities through a standalone top-up grant, instead of the normal route through the Dedicated Schools Grant (DSG). Although local authorities are not required to consult formally on the allocation of the EYSG, we have arranged a meeting with the Early Years Task and Finish Group to discuss the additional funding.

Further details on the EYSG methodology and hourly funding rates from September 2023 for each local authority will be issued ahead of the summer break.

For 2024 to 2025, the additional £288m will be allocated to local authorities through the DSG. Final local authority hourly funding rates for 2024 to 2025 will be provided in Autumn 2023 in the normal way.

Early Years – Provider Reserve Fund

Contingency of £173k was set aside as part of 2023/24 budget setting, to allow for changes in activity during the year and protect against over allocation on set rates and therefore no variance is reported.

Early Years – Hardship Fund

£50k has been set aside from 2022/23 to fund any settings that wish to make an application to the Early Years Hardship Fund. To date the Early Years Team have received one enquiry but no applications yet. Information about the fund will be issued to settings in the Early Years weekly newsletter again.

Central Schools Services Block

No variance or significant risks identified at this time.

06. **Summary**

The attached appendices provide further detail across each of the four DSG blocks.

Appendix A – 2023/24 DSG Revenue Monitoring by Block

Appendix B – Growth Fund Forecast 2023-24 and 2024-25 estimate

Contact:	Katherine Vernon Schools Finance Manager
Email:	katherine.vernon@wokingham.gov.uk

Appendix A - DSG Forecast Summary 2023/24

		A	B	B - A
Description		2023/24 Budget £,000	2023/24 Forecast £,000	Variance Forecast to Budget £,000
Schools Block	TOTAL Income	(138,780)	(138,780)	-
	TOTAL Expenditure	138,780	138,996	216
	TOTAL Schools Block Net Expenditure	0	216	216
High Needs Block	TOTAL Income	(28,431)	(28,431)	-
	TOTAL Expenditure	36,584	38,255	1,670
	TOTAL High Needs Block Net Expenditure	8,154	9,824	1,670
4 3 Early Years Block	TOTAL Income	(12,615)	(12,615)	-
	TOTAL Expenditure	12,615	12,615	-
	TOTAL Early Years Block Net Expenditure	0	0	-
Central School Services Block	TOTAL Income	(1,039)	(1,039)	-
	TOTAL Expenditure	1,039	1,039	-
	TOTAL Central School Services Block Net Expenditure	(0)	(0)	-
Total DSG	TOTAL Income	(180,864)	(180,864)	-
	TOTAL Expenditure	189,018	190,905	1,887
	TOTAL 2023/24 Net Expenditure Deficit	8,154	10,040	1,887
Deficit Brought Forward			9,166	
2023/24 Safety Valve Funding			(1,720)	
Projected Cumulative Net Expenditure Deficit			17,486	

Schools Block Budget 2023/24

		May-23		
		A	B	B - A
Category	Description	2023/24 Budget £,000	2023/24 Forecast £,000	Variance Forecast to Budget £,000
Individual Schools Budget	Maintained Schools	46,494	46,494	-
	Academies	90,356	90,356	-
De-Delegation	Contingencies	-	-	-
	Staff costs – supply cover (maternity)	264	264	-
Other Centrally Retained	Growth Fund	1,666	1,882	216
TOTAL Expenditure		138,780	138,996	216
DSG Allocation		(138,780)	(138,780)	-
TOTAL Income		(138,780)	(138,780)	-
2023/24 Net Expenditure (Surplus) / Deficit		0	216	216

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High Needs Block Budget 2023/24

			A	B	B - A
Category		Description	2023/24 Budget £,000	2023/24 Forecast £,000	Variance Forecast to Budget £,000
Mainstream	Wokingham	Place Funding - Post-16	162	162	-
		Top-up Funding	4,573	5,828	1,255
		Alternative Provision/Education	432	485	53
	Out of Borough	Top-up Funding	203	331	128
	Independent	Top-up Funding	-	490	490
Resource Bases	Wokingham	Place Funding	618	534	(84)
		Empty Place Funding	164	112	(52)
		Top-up Funding	968	1,167	199
	Out of Borough	Top-up Funding	189	188	(1)
Special Schools 45	Wokingham - Addington	Place Funding	2,822	2,822	-
		Top-up funding	5,638	5,638	-
	Wokingham - Chiltern Way	Place Funding	661	661	-
		Top-up funding	755	733	(22)
	Wokingham - Oak Tree	Place Funding	160	160	-
		Top-up funding	400	400	-
	Out of Borough	Top-up Funding	1,380	1,810	430
	Independent & Non-Maintained	Placements	10,457	10,389	(67)
	Pupil Referral Units	Wokingham	Foundry College	1,879	1,879
Out of Borough		Top-up Funding	-	62	62
Post-16: FE & Colleges	Out of Borough	Top-up Funding	1,599	1,370	(229)
Hospital Education		CAMHS Phoenix School	270	270	-
		Independent Hospital Education	20	20	-
Other		CYPIT	553	553	-
		Sensory Consortium	326	326	-
		Support for Inclusion	1,430	915	(515)
		Targeted Education (eg tutors, personal budgets, ABA)	776	801	25
		Inclusion Group Funding	150	150	-
TOTAL Expenditure			36,584	38,255	1,670
DSG Allocation (including Academy Place Funding Recoup)			(27,243)	(27,243)	-
Supplementary Grant Funding			(1,187)	(1,187)	-
TOTAL Income			(28,431)	(28,431)	-
2023/24 Net Expenditure (Surplus) / Deficit			8,154	9,824	1,670

Early Years Block Budget 2023/24

		May-23		
		A	B	B - A
Category	Description	2023/24 Budget £,000	2023/24 Forecast £,000	Variance Forecast to Budget £,000
Early Years Funding Formula	2 year olds	483	483	-
	3-4 year olds including Provider reserve fund	10,600	10,600	-
	Maintained Nursery School	688	688	-
Grants	EYPP	62	62	-
	Disability Access Fund	52	52	-
46 Centrally retained	Centrally retained (2 yr olds)	25	25	-
	Centrally retained (3 & 4 yr olds incl EY Inclusion Service contribution)	555	555	-
	Centrally retained (Early Years Inclusion Funding) for individual pupils	150	150	-
TOTAL Expenditure		12,615	12,615	-
DSG Allocation		(12,615)	(12,615)	-
TOTAL Income		(12,615)	(12,615)	-
2023/24 Net Expenditure (Surplus) / Deficit		0	0	-

Central School Services Block Budget 2023/24

		May-23		
Category	Description	A	B	B - A
		2023/24 Budget £,000	2023/24 Forecast £,000	Variance Forecast to Budget £,000
Strategic and Regulation function	Inspection Workshop Equipment - Health & Safety school trips	12	12	-
	Finance	117	117	-
	Contribution to the Children Director Services	187	187	-
4/ Other	System Contracts	150	150	-
	SACRE	7	7	-
	Servicing of Schools Forums	4	4	-
	Schools Admissions services	232	232	-
	School Asset Management	49	49	-
	Education Welfare Service	117	117	-
	Copyright Licences for Maintained and Academies	164	164	-
TOTAL Expenditure		1,039	1,039	-
DSG Allocation		(1,039)	(1,039)	-
TOTAL Income		(1,039)	(1,039)	-
2023/24 Net Expenditure (Surplus) / Deficit		(0)	(0)	-

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Appendix B
2023/24 Growth Fund Forecast and 2024/25 Growth Fund Estimate

						Initial	
	2023/24	2023/24	2023/24	2023/24	2023/24	Projection	
Primary MPPL	4,405	4,405	4,405	4,405	4,405	4,537	
Secondary MPPL	5,715	5,715	5,715	5,715	5,715	5,886	
Schools - New classes	MPPL 2023/24	MPPL 2024/25	Funded Number of Places	2023/24 Budget	2023/24 Forecast	Variance	2024/25 Estimate
Pre-existing Secondary commitments from 2022/23							
Additional secondary places (Y7) for 2022/23 - Piggott	5,715		46	104,061	104,061	-0	
Additional secondary places (Y7) for 2022/23 - St Crispins	5,715		100	226,219	226,219	-0	
Additional secondary places (Y8) for 2022/23 - Emmbrook	5,715		30	67,866	67,866	-0	
Additional secondary places (Y9) for 2022/23 - Bulmershe	5,715		15	33,933	33,933	-0	
			191				
Secondary sector places for 2023/24							
Additional secondary places (Y7) for 2022/23 - Piggott	5,715		45	142,518	142,518	-0	101,798
Additional secondary places (Y7) for 2022/23 - St Crispins	5,715		55	190,024	174,188	-15,836	124,420
Additional secondary places (Y8) for 2022/23 - Emmbrook	5,715		45	95,012	142,518	47,506	101,798
Additional secondary places (Y9) for 2022/23 - Bulmershe	5,715		15	47,506	47,506	-0	33,933
Additional secondary places for 2022/23 - Waingels	5,715		30	0	95,012	95,012	67,866
Secondary Contingency 2023/24							
Additional secondary places (KS3) for 2023/24 - contingency	5,715		90	285,036	285,036	-0	
Additional secondary places (KS4) for 2023/24 - contingency	5,715		30	95,012	0	-95,012	
Secondary sector places for 2024/25							
Additional secondary places (Y7) for 2022/23 - Piggott		5,886	45				146,793
Additional secondary places (Y7) for 2022/23 - St Crispins		5,886	55				179,414
Additional secondary places (Y8) for 2022/23 - Emmbrook		5,886	45				146,793
Additional secondary places (Y9) for 2022/23 - Bulmershe		5,886	15				48,931
Secondary Contingency 2024/25							
Additional secondary places for 2024/25		5,886	90				293,587
Secondary TOTAL				1,287,187	1,318,855	31,668	1,245,334
Pre-existing Primary commitments 2022/23							
Keep Hatch additional primary places Year 5	4,405		30	52,309	52,309	0	
Keep Hatch additional primary places Year 6	4,405		30	52,309	52,309	0	
All Saints additional Primary Places Y5 and Y6	4,405		30	52,309	52,309	0	
Primary sector places for 2023/24							
Farley Hill Expansion (Reception)	4,405		30	73,233	0	-73,233	
Primary sector places for 2024/25							
Farley Hill Expansion (Reception)		4,537	30				75,430
Primary Contingency 2023/24							
Additional primary places (Y6) for 2023/24 - contingency	4,405		60	73,233	146,466	73,233	
Primary Contingency 2024/25							
Additional primary places for 2024/25 - contingency		4,537	30				75,430
Primary TOTAL				303,393	303,394	1	150,860
Primary plus Secondary Growth TOTAL				1,590,580	1,622,250	31,670	1,396,194
Basic Need: New and recently new (growing schools)							
Alder Grove Primary				63,825	63,825	0	48,300
St Cecilia's Primary (Y3, Y4, Y5/Y6 classes)				196,075	196,075	0	165,600
				259,900	259,900	0	213,900
Total Expenditure				1,850,480	1,882,150	31,670	1,610,094
In year Growth Funding from Schools Block				1,665,896	1,665,896	0	1,441,898
In year Overspend				184,584	216,254	31,670	
Reserves b/f				234,063	384,451		168,197
Projected Reserves c/f				49,479	168,197		0

Basic Need and growing schools methodology
Dis-economy of scale (new classes funded from APT)

	Per pupil funding	Lump Sum	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Primary	287.5		92,575	77,625	62,100	46,575	31,050	35,650
Secondary	575		143,750	106,950	71,300	35,650		

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Agenda Item 53

TITLE 2024/25 DSG Budget Planning

FOR CONSIDERATION BY Schools Forum on 12 July 2023

WARD None Specific;

LEAD OFFICER Director, Children's Services - Helen Watson

OUTCOME / BENEFITS TO THE COMMUNITY

This reports forms part of regular reporting to Schools Forum, informing areas of statutory decision making and improving visibility and consultation on wider Dedicated Schools Grant (DSG) financial matters.

RECOMMENDATION

Schools Forum are asked to note the report.

SUMMARY OF REPORT

The report provides an update on key considerations and high level timeline for 2024/25 budget setting.

2024/25 Budget Setting July 2023

01. Purpose of the Report

This report provides Schools Forum with an update on key considerations and high level timeline for 2024/25 budget setting.

02. Recommendation

Schools Forum is asked to note and comment on the report.

03. Background

Following the successful introduction of a Schools Block Task & Finish Group in 2019, the approach was widened to the Early Years Block and High Needs Block, providing for a more transparent and co-operative approach to budget setting. The Task & Finish Groups review local funding formulas and make recommendations to Schools Forum on the factors to be used in setting budgets.

In addition to the work of the Task & Finish Groups, annual consultation is undertaken with all schools prior to final budget decisions being taken.

This report sets out the proposed arrangements for setting the 2024/25 budgets, further building on the approach taken previously.

The DfE have reaffirmed their intention to implement a National Funding Formula for schools but it is not expected that this will impact 2024/25 budget setting.

04. Task and Finish Group membership for 2023/24 budget setting

Schools Block Task and Finish Group:

Derren Gray (Chair)
Brian Prebble
Carol Simpson
Chris Coniam
Corrina Gillard
Julia Mead

Early Years Task and Finish Group:

Ian Morgan
Kerrie Clifford
Karen Edwards

High Needs Block Task and Finish Group:

Corrina Gillard

Sara Attra

Raj Arava

Debra Briault

05. **Proposed arrangements for 2024/25**

The DfE have indicated that they will be issuing Primary and Secondary Units of Funding and Operational Guidance to Local Authorities for the 2024/25 Schools Block Budget around the end of July 2023. This will enable the LA to analyse the implications of the changes to schools funding for the coming financial year and to undertake detailed modelling over the summer period.

Schools Block

It is proposed that the Schools Block Task and Finish Group undertake a review of the current factors in the local funding formula in order to consult with schools as early as possible on the principles to be applied in determining the school budget allocations for the new financial year.

Early Years Block

While funding levels are unlikely to be known until later in the year, it is proposed that the EY Task and Finish Group reconvene over the summer to review principles for budget setting and consider emerging information on the extension of EY entitlement.

High Needs Block

The HNB Group was established in the latter stages of 2023/24 budget setting, and it is proposed that the Group meets early in the autumn term to look at refreshed modelling underpinning the Safety Valve Programme and ensure key actions are progressed for 2024/25 budget setting.

06. **Proposed timeline for the 2024/25 consultation and budget setting process**

See Appendix A – Proposed Timeline

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2024/25 DSG Budget Planning
Draft Timeline

				AUGUST				SEPTEMBER					OCTOBER				NOVEMBER				DECEMBER					JANUARY				FEBRUARY				MARCH							
		21	28	4	11	18	25	1	8	15	22	29	6	13	20	27	3	10	17	24	1	8	15	22	29	5	12	19	26	2	9	16	23	1	8	15	22	29			
School Calendar	Holidays / Half Term																																								
Schools Forum	Schools Forum meetings																																								
ESFA	Announcement of pre-16 schools funding and modelling tools																																								
	Announcement of notional national funding formula allocations																																								
	Deadline for submitting disapplication requests for response by December																																								
	Deadline for submitting disapplication requests for response by APT deadline																																								
	Issue Authority Proforma Tool [APT] and pupil number data																																								
	Announce School Revenue Funding Settlement																																								
	Deadline for LA to submit APT for validation and approval																																								
Schools Block	Announcement of notional national funding formula allocations																																								
	Proposed Task and Finish Group Meetings																																								
	Authority Proforma Tool [APT]:																																								
	Initial APT modelling																																								
	Update modelling using October 2023 census data																																								
	Review of De-delegated Services																																								
	Consultation:																																								
	Phase 1 - funding factors / principles / de-delegation																																								
Phase 2 - indicative ISB allocations																																									
	Final ISB allocations issued to schools																																								
High Needs Block	Announcement of notional national funding formula allocations																																								
	Proposed Task & Finish Group Meetings																																								
	Consultation																																								
Early Years Block	Announcement of national funding rates																																								
	Proposed Task and Finish Group Meetings																																								
Central Schools Services Block	Announcement of notional national funding formula allocations																																								
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Schools Forum Forward Plan 2023/24

11th October 2023	I	2023/24 Revenue Monitoring Report
	I	DSG Management Plan / Safety Valve Update
	I	2024/25 DSG Budget Update
6th December 2023	I	2023/24 Revenue Monitoring Report
	I	DSG Management Plan / Safety Valve Update
	D	2024/25 Draft Schools Block Budget
	D	2024/25 Proposed De-delegated Budget
	I	2024/25 Draft High Needs Block Budget
	D	2024/25 Draft Central Schools Services Block Budget
10th January 2024	I	2023/24 Revenue Monitoring Report
	I	DSG Management Plan / Safety Valve Update
	D	2024/25 Proposed Schools Block Budget submission
	C	2024/25 Final High Needs Block Budget
	D	2024/25 Draft Early Years Budget
	D	2024/25 Final Central Schools Services Block Budget
13th March 2024	I	2023/24 Revenue Monitoring Report
	I	DSG Management Plan / Safety Valve Update
	D	2024/25 Final Early Years Budget

Background

Analysis of Issues

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)			
Next Financial Year (Year 2)			
Following Financial Year (Year 3)			

Other financial information relevant to the Recommendation/Decision

Cross-Council Implications (how does this decision impact on other Council services, including properties and priorities?)

Public Sector Equality Duty

Please confirm that due regard to the Public Sector Equality Duty has been taken and if an equalities assessment has been completed or explain why an equalities assessment is not required.

Climate Emergency – This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030

Please state clearly what the impact of the decision being made would be on the Council's carbon neutral objective.

Reasons for considering the report in Part 2

List of Background Papers

Contact Lynne Samuel, Katherine Vernon	Service Learning Achievement and Partnerships
Telephone No Tel: 07766 998686, Tel: 0118 974 6337	Email lynne.samuel@wokingham.gov.uk, katherine.vernon@wokingham.gov.uk

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