

# Agenda Item 8

<b>TITLE</b>	<b>DSG Budget Planning 2022/23</b>
<b>FOR CONSIDERATION BY</b>	Schools Forum on 13 <sup>th</sup> October 2021
<b>WARD</b>	None Specific
<b>DIRECTOR</b>	Director of Childrens Services – Carol Cammiss

## **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 update on budget planning
- support the outcome of the consultation with schools to be held in November.

## **SUMMARY OF REPORT**

The report provides an update on key considerations, the proposed consultation with schools and high-level timeline for 2022/23 budget setting.

## DSG Budget Planning 2022/23

### 01. Purpose of the Report

This report provides Schools Forum with an update on key considerations, the proposed consultation with schools and high-level timeline for 2022/23 budget setting.

### 02. Recommendation

Schools Forum is asked to:

- note the update on budget planning, and
- support the outcome of the consultation with schools to be held in November.

### 03. Funding Allocation for 2022/23

At the end of July 2021 the DfE advised Wokingham Borough Council of our Primary and Secondary Units of Funding for the 2022/23 financial year.

We were also advised of our provisional High Needs and Central School Service Block income. The Growth Factor element of the Schools Block, the total High Needs Block, Central School Services Block and Early Years Block income won't be confirmed until the end of December 2021.

Block	2021/22 TOTAL	2022/23 PROVISIONAL	Increase	Percentage Increase
Schools Block	£121,453,635	£124,295,826	£2,842,191	2.34%
Growth Factor	£1,625,436	tbc		
<b>Total Schools Block</b>	<b>£123,079,071</b>			
High Needs Block	£21,797,733	£24,813,764	£3,016,031	13.84%
Central School Services Block	£945,053	£966,042	£20,989	2.22%

The figures used by the DfE for the above are based on the census data from last year. Final funding allocations in December will take into account the pupil numbers and characteristics from the October 2021 census.

No information is yet available on the Early Years Block.

### 04. Schools Block Task & Finish Group

The Schools Block Task and Finish Group have met twice to date to discuss the funding formula.

Their proposals are:

- Adopt the statutory Minimum Per Pupil Funding model as per the National Funding Formula (see figures below)

	2021/22 MPPL	2022/23 MPPL	Increase %
Primary	£4,180	£4,265	2.03%
KS3	£5,215	£5,321	2.03%
KS4	£5,715	£5,831	2.03%
Secondary	£5,415	£5,525	2.03%

- Lump Sum for primary and secondary schools (currently £135k) to be modelled at £135k, £121.3k (NFF) and £128.5k.
- There will be a cap on gains, the amount to be determined once the model and pupil numbers are clearer.

#### 05. **Growth Fund 2022/23**

The Schools Block funding formula used by the DfE includes an element for growth. For the current year this equated to £1.6m for Wokingham, however through budget planning only £800k was allocated locally from the overall Schools Block allocation to the Growth Fund for the 2021/22 financial year.

A review of 2022/23 has been undertaken to inform budget planning, particularly given Growth Fund spend for 2021/22 is now forecast at £1.2m.

Although planned spend on a number of long-term expansion and new school projects finished in 2020/21, there has been a need for a significant number of additional places in 2021/22 that are not currently linked to longer term school expansion projects.

In the primary sector the additional places agreed in 2021/22 have all been required in Key Stage 2 (Years 4 to 6). They are required because of the arrival of high numbers of additional children in the borough, including significant numbers of British Overseas Nationals (whose arrival could not have been predicted beforehand). It is possible that additional classes in these year groups will be required before the end of the financial year.

In the secondary sector the challenge is ensuring there are sufficient places for girls. In every year group there are more places available than children on roll (including for Year 7 in September 2021). However, a high proportion of the unfilled places are at the Forest School, and are therefore only available to boys.

This year's admission round saw over 2,230 offers on national offer day. To ensure all on time applicants could be made offers, additional places had been agreed at the Emmbrook School, and Waingels College. At this point there were 56 more offers than planned places (and circa 50 unfilled places at the Forest School). Between offer day and the start of term additional places were agreed at a number

of other schools, some expected to reduce back to the Planned Admission Number through natural churn, and others expected to increase capacity throughout the 2021/22 school year. These additional places have meant that the Council has been able to offer places to girls throughout the period between offer day and the start of term and that south Twyford families could be offered Piggott School places. However, this has also contributed to the fall in allocations at the Forest School from over 160 allocations on offer day to just under 110 allocations by the beginning of September. This has occurred because the additional places have been offered at co-educational schools with waiting lists and some Forest allocated children were on the waiting lists for other schools. By law place allocation is done in accordance with school's determined admission arrangements (including their oversubscription arrangements) so the additional places were offered in accordance with waiting list position to both girls and boys. By the beginning of September, the number of allocations had reduced to 2,158; 18 less than the number of places planned originally.

Although additional places for other secondary year groups are yet to be agreed, it is likely that additional provision will be agreed at a school or schools, as schools (except the Forest School) are currently at or close to planned capacity (at least in Years 8 and 9) to ensure that girls moving into the area can be offered places.

Work on the 2022/23 Growth Fund Budget is at an early stage. The number of children requiring Year 7 places is for 2022 is projected to increase, so additional capacity will be required. However, the number of Year 7 places (and the number of places for older age groups) required will very much depend on the number of higher preference applications for the Forest School. It is hoped that the school's recent Ofsted Good rating and positive feedback from parents events will have a positive effect and ensure that a markedly higher proportion of the school's places can be filled on offer day and remain allocated by September. For the time being though, planning is on the basis that the 2022/23 position will reflect the 2021 position, with a significant number of places at Forest unfilled.

On the above basis the budget requirement for the 2022/23 Growth Fund would be in the order of £1.35m. Consideration of an increased allocation for the 2022/23 financial year will be progressed through the Schools Block Task & Finish Group.

#### **06. Proposed consultation arrangements for 2022/23**

To support informed budget planning for 2022/23 the following is planned to be included in consultation with schools:

1. Principles of the Schools Block funding formula
2. Disapplication request for our all-through school
3. Proposed 0.5% transfer from the Schools Block to the High Needs Block
4. Principles of establishing a Falling Rolls Fund
5. De-delegation - for maintained schools only

The proposal is to consult on all areas above in one consultation document, further building on the approach taken last year.

The consultation period would run after half term for around two weeks, and would be supported by a range of opportunities for schools to ensure they can respond in an informed manner.

The termly School Business Managers meeting has been brought forward to just after the October half term to go through the areas we are consulting on and answer any questions that arise. Attendance at Headteacher Association / Federation meetings has also been offered for the same period.

The consultation is due to be issued after half term and will close on 15<sup>th</sup> November.

The format and wording of proposed consultation questions has been discussed in advance with relevant task & finish groups. Please see Appendix 1 for the draft consultation document for schools.

### Disapplication request(s)

While there are a number of factors for budget setting that can be agreed locally, there are areas where changes to the Authority Proforma Tool (APT) require a disapplication request to the DfE. In previous years for Wokingham, this has included:

- Changes to the funding basis of our all-through school
- Transfer between blocks where this is not supported by Schools Forum

Even where a decision has been supported previously, a disapplication need to be considered on an annual basis.

The DfE deadline for disapplication requests for the 2022/23 budget is 19<sup>th</sup> November. As this date is before the next Schools Forum meeting in December, Schools Forum is asked to confirm advance support for the result of the consultation with schools given the following implications:

1. All-through school funding – should a majority of school responses support the continuation of the 2021/22 approach, then the LA will submit a disapplication on that basis
2. Transfer of 0.5% from Schools Block to High Needs Block – should a majority of school responses support the continuation of the 2021/22 approach then this can be enacted without a disapplication request being required. Should the majority of schools not support the continuation of the 2021/22 approach then a disapplication will be submitted by the LA by the 19<sup>th</sup> November deadline.

### Falling Rolls Fund

Local authorities may set aside Schools Block funding to create a small fund to support good schools with falling rolls, where local planning data shows that the surplus places will be needed within the next three financial years.

While consideration of a fund of this nature has been given in the past, it is not something that was widely supported, particularly given the limitations above and the inability for it to support geographical movements around the borough. Representation has been made from a local school however to reconsider this, and

therefore it is proposed that the principles of establishing a fund be consulted on for the 2022/23 financial year.

From some initial benchmarking undertaken, in this financial year none of our statistical or geographical neighbours have a Falling Rolls fund. Out of the 152 LAs in England, only 23 have a fund with values ranging from £50k to £1.5m.

### De-delegation

The De-delegation Review previously discussed at Schools Forum is now underway with an initial meeting of the group held in September attended by the following:

#### **WBC Finance Representatives**

- Katherine Vernon – Schools Finance Manager
- Lynne Samuel – Finance Business Partner Children's Services

#### **Maintained School Representatives**

- Corinna Gillard – Head Teacher (Emmbrook Infant School)
- Jamie Barrett – School Business Manager (Emmbrook Infant School)
- Louisa Gurney – Head Teacher (Woodley CofE Primary School & PHA rep)
- Caroline Thomas – School Business Manager (Woodley CofE Primary School)
- Sandra Carter – School Business Manager (Hawthorns Primary School)

#### **De-delegated Service Representatives**

- Emily Waddilove – Teaching & Learning Advisor (WBC)
- Raj Arava – School Business Manager (Foundry College)

Further school representatives have been sought to widen the input into the review, with sub-groups and governance established to ensure a robust and informed approach.

The objectives of the review were agreed as:

#### **For each of the services currently offered as de-delegated:**

- To improve transparency and understanding of activity, usage and costs against funding allowing more informed decision making
- To consider options for funding in future years, delivering financial sustainability for each service e.g.
  - Remain as de-delegated with clearer information / different funding basis
  - Remove as de-delegated and offer as traded service
  - Remove as de-delegated and revert to actual charge to school; etc
- To inform wider consultation with all maintained schools
- To make recommendations back to Schools Forum for 2022/23 decision making

#### **Not in scope of the review:**

- The review will not consider quality of service or make any recommendations on future operational delivery models

Current review timeline:

	Week commencing	September				October				November					December				January	
		6	13	20	27	4	11	18	25	1	8	15	22	29	6	13	20	27	3	10
Schools Forum	Forum Meeting																			
	Report Pack Deadline																			
Review Group	Kick-off Meeting																			
	Individual Service Review Groups																			
	Feedback and Review of Findings																			
Consultation	Primary Heads Association																			
	Business Manager Briefing																			
	Formal School Consultation																			

06. **Proposed budget planning timeline**

Please see Appendix 2 for current budget planning timeline.

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