

Meeting of the Dudley Schools Forum

**Tuesday 16th April, 2024 at 6.00pm
on Microsoft Teams**

[Click on this link to access the Meeting](#)

Agenda - Public Session (Meeting open to the public and press)

1. Introductions by the Chair
2. Apologies for absence.
3. To report the appointment of any substitutes for this meeting of the Forum.
4. [To approve as a correct record the minutes of the meeting of the Forum held on 27th February, 2024 \(Pages 5 - 19\).](#)
5. Any other matters arising from the Minutes of the meetings of the Forum held on 27th February, 2024, not included on the agenda for this meeting.
6. Head Teachers Consultative Forum – Budget Working Group Verbal Feedback
7. [Schools Forum Membership – Spring Elections - Verbal Update](#)
8. [Dedicated Schools Grant Budget Process 2024/25 – Final Update \(Pages 20 – 38\)](#)
9. [Dedicated Schools Grant Projected Outturn Update 2023/24 \(Pages 39 – 47\)](#)



10. [School and Early Years Finance and Childcare \(England\) Regulations 2024 \(Pages 48 – 54\)](#)
12. [Directorate of Children's Services Verbal Update](#)



Chief Executive
Dated: 8th April, 2024

Distribution:

Members of Dudley Schools Forum

Nursery School Headteacher: Miss A Ward;

Primary School Headteachers: Mrs E Game, Mrs M Harris, Ms L Maskell, Mrs S Parkes;

Primary School Governors: Mrs J Belcher (Chair), Mrs J Morgan (Vice-Chair) Mr B Roe and Vacancy;

Secondary School Headteacher: Mr T Harris;

Secondary School Governor: Mrs S Watson;

Special School Headteacher: Miss J Colbourne;

Special School Governor: Mr P Leyshon;

Academy Members: Mrs R Cox, Mr C Finnerty, Mrs J Higgins, Mr S Lanckham, Ms E Stanton, Miss F Sumner, Mr K Tranter, Mrs A Webb and Vacancies;

Pupil Referral Unit Representative: Mrs V Howard;

Non-School Members: Mrs E O'Brien, Mrs J Williams, Mr T Reid and Mrs V Turner;

Non-Voting Attendees

Councillor R Buttery - Cabinet Member for Children and Young People;
Councillor K Lewis - Chair of Children and Young People Select Committee;
C Driscoll – Director of Children’s Services;
S Thirlway, Service Director of Education, SEND and Family Solutions
M Palfreyman – Head of Education Outcomes and Inclusion;
C Ludwig – Finance Manager;
J Wilson – Senior Principal Accountant.

Please note the following:

- This meeting will be held virtually by using Microsoft Teams. The meeting will be held live via the Internet link. The meeting will be recorded for future viewing.
- This is a formal meeting and it will assist the conduct of business if participants speak only when invited by the Chair.
- Members of the public are welcome to view the proceedings but should not make contributions at this meeting.
- The Chair reserves the right to adjourn the meeting, as necessary, if there is any disruption or technical issues.
- All participants should mute their microphones and video feed when they are not speaking.
- Please remember to unmute your microphone and switch on your video feed when it is your turn to speak. Speak clearly and slowly into your microphone.
- The Council reserves the right to record meetings. Recording/ reporting is only permitted during the public session of the meeting.

Schools Forum Members

- Agendas containing reports with exempt information should be treated as private and confidential. It is your responsibility to ensure that information containing private and personal data is kept safe and secure at all times. Following the meeting you should ensure that the information is securely stored and destroyed within six months.
- Members can submit apologies by contacting Democratic Services. The appointment of any Substitute Member(s) should be notified to Democratic Services at least one hour before the meeting starts.
- The Democratic Services contact officer for this meeting is Gemma Gray, Telephone 01384 815334 or E-mail gemma.gray@dudley.gov.uk

You can view the [Democratic Services Privacy Notice](#) and more information about the Council and our meetings on the website www.dudley.gov.uk

If you are reading these documents on an electronic device, you have saved the Council £7.00 (on average) per printed agenda and helped reduce the Council's carbon footprint

**Minutes of Dudley Schools Forum
Tuesday, 27th February, 2024 at 6.00 pm
Microsoft Teams**

Present:

Mrs J Belcher (Chair)

Mrs J Avery, Miss J Colbourne, Mrs A Hannaway, Mr T Harris, Mrs J Higgins, Mrs V Howard, Mr S Lanckham, Mr P Leyshon, Ms L Maskell, Mr B Roe, Ms E Stanton, Miss F Sumner, Mr K Tranter, Miss A Ward and Mrs S Watson.

Non-Voting Officers:

C Driscoll (Director of Children's Services), C Ludwig (Finance Manager), D Farnell (Lead for Childcare), M Palfreyman (Head of Education Outcomes and Inclusion), S Powell (Acting Head of SEND), S Thirlway (Service Director Education, SEND and Family Solutions), J Wilson (Senior Principal Accountant) and G Gray (Democratic Services Officer).

38 Introductions by the Chair

The Chair welcomed everyone to the meeting.

39 Apologies for Absence

Apologies for absence from the meeting were submitted on behalf of Mrs M Harris, Mrs J Morgan, Mrs E O'Brien, Mrs S Parkes and Mrs A Webb

40 **Substitute Members**

It was noted that Mrs J Avery had been appointed as substitute member for Mrs E O'Brien for this meeting of the Forum only.

41 **Minutes**

In referring to Minute No. 31 - Head Teachers Consultative Forum – Budget Working Group Verbal Feedback, Mr B Roe, Primary School Governor representative raised a query concerning the alternative contracts for Dudley Schools catering services, in that it was considered by some Governors to be more time consuming and expensive together with adding more responsibility for school staff within some schools.

In response, the Head of Education Outcomes and Inclusion acknowledged that in some cases costs, further work, and responsibilities had increased within schools, however, it was considered that there were a significant number of schools who had seen a reduction in cost. It was noted that consideration had been given as to the best way forward regarding the provision of catering for schools, which had resulted in more efficient services.

Mrs J Belcher, Primary School Governor Representative, commented that various presentations and representations had been received at the Dudley Business Leaders Group throughout 2023, and that further to feedback received, it was considered that overall there had been an improved service for young people with a wider variety of meals now being offered

In regard to Minute No. 31 – Head Teachers Consultative Forum – Budget Working Group Feedback, Mrs A Hannaway, Primary School Headteacher Representative, clarified that Gigmill Primary School would be converting to Academy status on 1st March, 2024.

In regard to Minute number 31 – Dedicated Schools Grant Process 2024/25, Mrs J Belcher, Primary School Governor Representative, explained that the criteria regarding the new mandatory split site and sparsity factor had been circulated to all Representatives for information.

The Finance Manager further reported that the Dudley's Authority Proforma Tool (APT) had been submitted on 22nd February, 2024 and had subsequently been approved by the Department for Education (DfE). The Finance Manager advised that budgets would be circulated to schools by 29th February, 2024.

In regard to a query raised by Mrs L Maskell, Primary School Headteacher Representative, concerning Minute number 36 – Delivering Best Value (DBV) in Special Educational Needs and Disabilities (SEND) update, the Head of SEND and Children's Disabilities Team clarified that Dawley Brook Primary School would be one of four schools, which would have SEND units established at their schools.

Resolved

That, subject to the amendments and comments made above, the minutes of the meeting held on 16th January, 2024 be approved as a correct record and signed.

42 Matters Arising from the Minutes

No issues were raised under this agenda item.

43 Head Teachers Consultative Forum – Budget Working Group Verbal Feedback

Mr T Harris, Secondary School Headteacher Representative, provided feedback on the discussions held at the Head Teachers Consultative Forum – Budget Working Group (HTCF-BWG) meeting. It was reported that discussions had been carried out at the Budget Working Group concerning budget restraints and it had been noted that although there would be no direct impact on schools, Local Authority services could be affected going forward.

It was reported that the rationalisation plan of the Local Authority Estates would be implemented imminently. The Local Authority buildings that were affected included: Saltwells Education Development Centre, Studley Court main offices situated at Mary Stevens Park, Priory Hall Training building, Ward House situated at Himley, Wollescote Hall in Stevens Park and 4 Ednam Road.

The Budget Working Group were advised that there were currently eight Headteacher vacancies across maintained schools within Dudley together with Headteacher vacancies that were available within various Academy Schools.

It was reported that four Office for Standards in Education (Ofsted) inspections had been carried out since they had resumed on 22nd January, 2024. It was considered that the Ofsted inspectors were adopting a more compassionate approach and were being mindful of the wellbeing of the people involved with the inspections.

Reference was made to the Dudley Community Toothbrush Scheme, which continued to be rolled out within Primary Schools together with the Health Related Behaviour Questionnaire, which had been circulated to all schools to complete.

It was noted that a pilot for the Poverty Proofing Project was being carried out to give consideration on how to reduce costs regarding trips and other ventures that could incur costs for students.

It was advised that Schools were continuing to follow the National Health Guidelines following the outbreak of Measles and any Covid 19 related cases.

The Budget Working Group were advised that Delivering Better Value (DBV) workshops had been carried out on 15th January, 2024 and that there had been 104 representatives from both Primary and Secondary sectors in attendance.

In regard to the SEND bases, it was advised that three schools had expressed an interest and a further eight were being sought.

It was noted that all Schools in Dudley had now entered into alternative catering provision.

It was advised that Alternative Provision and Inclusion Strategy Development options and appraisals were being carried out and had been shared for consultation. All exclusion and suspension data were being scrutinised on a monthly basis and would be shared with school leaders.

It was reported that a number of Schools were being converted to Academy status, which included: Thorns Primary School to Excelsior Multi Academy Trust; Withymoor Primary School and Gig Mill Primary School to Hales Valley Academy Trust; Newfield Park Primary School and Coseley Free School to Shirelands Collegiate Academy Trust; Hawbush Primary School to DRB Ignite Academy Trust. It was noted that Eton Star Dudley was continuing to be an ongoing project.

It was noted that a new regional Team Leader for the DfE had been appointed.

Resolved

That the feedback provided be noted.

44 Dedicated Schools Grant Stage 2 Budget Planning – Centrally Retained Service Approvals 2024/25

A report of the Director of Children's Services was submitted to approve the Local Authority's requests in respect of the centrally retained expenditure to be met from the Dedicated Schools Grant (DSG) for 2024/25.

The Finance Manager presented the report in detail, and in doing so, confirmed that the Department for Education (DfE) had increased the Central School Services Block allocation by a small amount with the budget being £1.849m for 2024/25, with an increase of 2% for ongoing services, however, there had been a 20% reduction for historic commitments.

The Finance Manager referred to Table 1 of the report submitted regarding the Early Years Block Central Expenditure, in particular it was proposed that £8,900 be allocated for the Early Years Budgets in respect of delegated service items, £437,400 allocated to Early Years Foundation advice and £105,600 allocated in respect of Early Years Funding Administration. It was noted that there had been an increase of just over £130,000 in regard to the Early Years Funding Administration in view of the substantial increases within Early Years Funding and the impact of pay award inflation.

It was further noted that in view of the expansion of services and the additional need for additional monitoring, managing and implementation of the scheme, there would be further funding of £10m for 2024/25. The extra funding included the appointment of two additional staff that were being funded from that extra resource, as well as the impact of pay award inflation.

The Places in Independent Schools for Non-SEN Pupils, Admissions Services and Servicing of the Schools Forum were also referred to in Table 1 of the report submitted. It was noted that in regard to the Places in Independent Schools for Non-SEN Pupils, there was a certain amount of financial pressure within this area, therefore, there could be an overspend should placements continue to increase.

Representatives voted on each item of expenditure, as indicated below:-

Table 1 – 2024/25 Central Expenditure Budgets for Schools Forum Approval – No Restrictions on Value

<u>Central Spend On</u>	<u>Value 2024/25</u>	<u>Decision</u>
Early Years Central Expenditure:		
• Early Years Contingency Nursery Education Funding	Nil	Nil
• Early Years Budgets in respect of delegated service items	£8,900	Approved
• Early Years Foundation Advice	£437,400	Approved
• Early Years Funding Administration	£105,600	Approved
• Places in independent schools for non-SEN pupils	£195,800	Approved
• Admissions	£269,100	Approved
• Servicing of Schools Forum	£5,000	Approved

Representatives were referred to Table 2 of the report submitted in regards to the 2024/25 Central Expenditure Budgets for Schools Forum Approval – Restricted to Cash Limit of 2023/24 Expenditure, and it was advised that there was a restriction placed on the value in 2023/24.

It was noted that although historically there had been a Contribution to combined budget, this had now been removed, therefore, there had been no spend against those items.

Representatives voted on each item of expenditure, as indicated below:-

Table 2 – 2024/25 Central Expenditure Budgets For Schools Forum Approval – Restricted to Cash Limit of 2023/24 Expenditure

<u>Central Spend On</u>	<u>Value 2024/25</u>	<u>Decision</u>
<u>Capital expenditure funded from revenue</u> Projects must have been planned and decided on prior to April 2013 so no new projects can be charged.	Nil	Nil
<u>Contribution to combined budgets</u> This is where the Schools Forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources.	Nil	Nil
<u>Existing termination of employment costs</u> (costs for specific individuals must have been approved prior to April 2013 so no new redundancy costs can be charged)	£66,700	Approved
<u>Prudential borrowing costs</u> The commitment must have been approved prior to April 2013	Nil	Nil

The Finance Manager referred to the De-Delegations for 2024/25, that had been approved in principle at a previous meeting held on 14th November, 2023 which was summarised within Table 3 of the report submitted.

Representatives voted on each item of expenditure, as indicated below:-

Table 3 – 2024/25 De-delegations Approved by Schools Forum – Maintained Primary and Secondary Schools split

<u>De-Delegation Services for Mainstream Maintained Schools 2024/25</u>	<u>Budgets for De- delegation 2024/25</u>	<u>Decision</u>
Union Facilities Time	£77,000	Approved
Behavioural Pupil Referral Unit – Primary Outreach Service	£146,500	Approved

It was noted that the Schools Budgets had been accepted by the DfE and would be rolled out to schools in due course, and that it was anticipated that further information concerning the copyright licensing charge for 2024/25 following recent approval, which would be funded within the Central Block.

Resolved

- (1) That the 2024/25 Central Expenditure Budgets for Schools Forum – No Restrictions on Value, as detailed in Table 1 of the report submitted, be approved as listed above.
- (2) That the 2024/25 Central Expenditure Budgets for Schools Forum Approval – Restricted to Cash Limit of 2023/24 Expenditure, as detailed in Table 2 of the report submitted, be approved as listed above.
- (3) That the 2024/25 De-delegations – Maintained Primary and Secondary Schools split provisionally approved on 14th November, 2023, as detailed in Table 3 of the report submitted, be approved as listed above.

45 **Schools Forum Membership – Spring Elections Process**

A report of the Director of Children's Services was submitted on an update in respect of Schools Forum membership.

In presenting the report submitted, the Democratic Services Officer confirmed that eight nominations would be sought during the spring election membership process together with the proposed timescales for the election process and that the results would be reported at the meeting of the forum held in June, 2024.

Resolved

That the updated position in respect of the membership of Dudley's Schools Forum, as referred to in Appendix 1 of the report submitted, be noted.

46 **Early Years Single Funding Formula and Early Years SEN Inclusion Funding and the Proposed Changes for 2024/25**

A report of the Director of Children's Services was submitted on the Early Years Funding Arrangements and Early Years SEN Inclusion Funding and the proposed changes to Dudley's local funding for Early Years providers for 2024/25.

In presenting the report submitted, the Lead for Childcare stated that there had been an introduction of a new expanded offer, which had resulted in a significant increase of £10m, being an additional 51% towards the Early Years budget. The new expanded offer would commence from April, 2024, and it was advised that the offer would provide i access to 15 funded hours of childcare for working parents of 2-year-old children, that 15 hours of funded childcare would be extended to children of working parents from the age of 9 months old from September, 2024, and working parents of children under the age of 5 years old would be entitled to 30 funded hours of child care per week from September, 2025.

The Lead for Childcare reported that the Dudley's Dedicated Schools Grant (DSG) for 3 and 4-year-old children within the Early Years Block would be increased by 27p providing £5.47 per hour and it was intended that providers would receive the full increase of 27p providing £5.07 per hour including the supplementary grant top up. It was noted that the grant top up allowed Dudley to continue to retain 30p centrally for other Early Years associated costs, together with the retention of 10p to fund the historic Teachers Pay and Pensions allocation (TPP).

It was advised that the allocated rate for 2-year-old children would increase to £7.78 per hour from April, 2024 and it was proposed that 20p would be retained to support additional associated administrative costs, which were considered significant, and to create a contingency fund with the intention to allocate £7.58 per hour to providers.

It was reported that the new rate established for 9-month-old children from September, 2024 would be £10.61 and it was proposed to retain 20p to create a contingency fund with the intention to allocate £10.41 to providers. It was noted that the contingency funding would provide an allocation to contribute towards additional costs for new children that providers may take in between April and July.

It was noted that the 9-month-old child funding rate was a newly established demographic calculated within the new funding formula, however, it was noted that there was no current baseline to provide a comparison.

Local Authorities were required to allocate 95% of the Early Years Block funding received, however, it was noted that Dudley had allocated 98.76% for 2024/25.

Representatives were advised that Netherton Park Nursery School would receive the same base rate as other maintained and Academy nursery classes through the Early Years Funding Formula and the provision would receive an additional payment of £390,000 from the Maintained Nursery Supplement to protect against reductions of the base rate funding, and would also include the Teachers Pay and Pension Grant.

The Lead for Childcare advised that £120m funding would be allocated to Earliest Inclusion and the Early Years Block, however, £641,000 would also be taken from the High Needs Block to support children in early years.

In regard to the Early Years Special Educational Needs (SEN) Inclusion Funding, the Lead for Childcare explained that Local Authorities were required to have the SEN Inclusion Funding, however, Dudley also offered the funding to providers for 2-year-old children for early intervention and that the funding was designed to meet the needs of all children with or without an Education Health and Care Plan (EHCP). The Lead for Childcare further outlined in detail, the Early Education Funding support packages as set out within the report submitted.

It was reported that there were four Inclusion Hubs that were situated in Wrens Nest Primary School, Caslon Primary School, Netherton Park Nursery and Elmfield Rudolf Steiner School and options were being explored to establish a fifth Inclusion Hub within the Borough.

The Lead for Childcare explained that the Annual stakeholder consultation had started on 5th February, 2024 in view of the DfE requiring all Local Authorities to advise all Early Years and Childcare providers with the new rates by 20th February, 2024. It was advised that thirteen responses had been received, and it was noted that , three providers were not in agreement in view of concerns raised regarding the rates for 3- to 4-year-old children.

It was reported that the Early Years Pupil Premium had been increased by 68p per hour, which provided £388 for eligible children per financial year and that the Disability Access Fund had been increased by £29 to £910 for eligible children. It was noted that Government had specified that every funded child would now be eligible to access the Early Years Pupil Premium and Disability Access Fund.

Resolved

That the publication of information regarding the proposed Early years Funding Allocations: Funding Arrangements and Changes for 2024/25, be noted.

47 Delivering Best Value (DBV) in SEND Update

A report of the Director of Children's Services was submitted updating Schools Forum on the Delivering Best Value in SEND programme in Dudley.

The Acting Head of SEND presented the report and, in doing so, provided an update on the progress of the DBV in SEND programme. It was reported that Primary and Secondary Schools were invited to join the DBV work streams, sub-working groups, and the task and finish groups that were available. A link had been circulated inviting colleagues to join the work streams and it was noted that some same educational settings had requested to attend various work streams with different staff members and the breakdown and frequency of meetings were outlined in the report submitted.

In response to the request from Representatives at the last meeting of the Schools Forum, the school survey was extended and that feedback together with the schools workshop day that had been held at Himley Hall in January, 2024 would be shared at a future meeting of the Forum.

The Acting Head of SEND referred Representatives to Work Stream 1, redesigning specialist services and the Ordinarily Available Provision (OAP) offer, and reported that 10 sessions had been carried out with Genuine Partnerships to carry out the four cornerstones and co-production. It was explained that the invitation had been extended to all schools in Dudley to join the initiative and that upcoming sessions were scheduled to take place for March and April 2024.

Work was being undertaken towards co-producing the Working Together Charter for Dudley SEND, which would support the four cornerstones framework and the Charter would outline the shared vision and help build trust, communicate effectively, and value the diverse perspectives and contributions from everyone across the SEND partnership with a view for the Charter to benefit all stakeholders.

The Acting Head of SEND reported that a stakeholder working group had been established which would undertake meetings on a fortnightly basis. It was advised that many gaps had been identified concerning shaping the reorganisation of the future service model, that feedback had now been shared with the most recent group, and it was noted that there had been representations from Headteachers, Special Educational Needs Coordinators (SENCO's), Early Years settings, Primary Schools, Secondary Schools and Post 16, at the workshops.

In regards to the OAP work workshop, it was reported that a broader representation had been sought for participation within the sub-groups to inform each of the four broad areas of SEND and it was advised that there was a discussion taking place concerning the proposal of using the Revolution portal as a digital platform to house the OAP framework., Concerns had been raised, however regarding access to the Revolution portal and it was noted that this would need to be co-ordinated with the task and finish group to consider all options that were available.

The Acting Head of SEND further reported that work was continuing to be carried out regarding the evaluation for the training requirements for mainstream schools, details of which was outlined within the report submitted.

Representatives were referred to Workstream 2 of the report submitted concerning developing and delivering the sufficiency strategy, and the Acting Head of SEND advised that work was continuing regarding the commissioning of the third-party supplier for the SEND Sufficiency Strategy Development. It was advised that stakeholder working groups would be established once the work had been completed and that 9 schools had expressed an interest in joining the work group.

The Acting Head of SEND clarified that the tender process for the Resource Bases had concluded and that feedback from the Panel was being consolidated to reach a decision. It was noted that potential schools would be contacted regarding the outcome by the end of February, 2024.

Representatives were referred to Workstream 3 of the report submitted concerning preparation for adulthood, and the Acting Head of SEND advised that the workstream was in regard to the commitment, which encompassed a range of factors crucial for preparing young people for adulthood. It was noted that there was a significant amount of overlap with Dudley Adult Social Care in particular concerning Post-19 preparation for Adulthood and consideration was being given to remove potential duplication.

It was noted that two stakeholder working groups were being established with a view to focus on Not in Education, Employment or Training (NEET) and Employability, to formulate a comprehensive Post 16 curriculum and pathway and the second stakeholder working group would focus on Careers, Progression and Transition into Adulthood.

In regard to Workstream 4 concerning redesigning the spend profile, it was reported that the workstream had not been included within the formal agreement with the DfE, however, it was considered to be a vital action that formed the foundation for other DBV work being carried out and Representatives were referred to Table 2 regarding the Programme Plan of Workstream Activities for January, 2024 to March, 2024.

In response to a query from Mrs A Hannaway, Primary School Headteacher Representative, concerning the frequency of meetings outlined in Table 1 concerning the Workstreams and Stakeholder Groups, the Acting Head of SEND clarified that the information regarding Building Schools Capacity Task and Finish Group had since been updated and undertook to provide Members of the Forum with information regarding the frequency of meetings.

In reference to Workstream 2, Ms J Higgins, Academy Member, commented that the RAG rating status for the Developing and Delivering our Sufficiency Strategy should be monitoring rather than on track in view of complexities of the areas.

In response, the Acting Head of SEND advised that the ongoing work within the Workstreams outlined the work that could be carried out within the earliest possible time rather than the need for a diagnosis.

Resolved

- (1) That the content of the Delivering Best Value in SEND Update be noted.
- (2) That the Acting Head of SEND provide information to Members of the Forum concerning the frequency of the Building Schools Capacity Task and Finish Group meetings.

48 Directorate of Children's Services – Verbal Update

The Director of Children's Services referred to the Council's challenging financial position and advised that a legal balanced budget had been set, which would be submitted and recommended at the meeting of the Full Council on 4th March, 2024. The budget included growth for Children's Services of £7.8m a year to respond to demand, however, it was noted that this was a general fund for Children's Services and would not be included for Schools budgets.

Resolved

That the verbal update on the Directorate of Children's Services, be noted.

The meeting ended at 7.00pm

CHAIR

Schools Forum – 16 April 2024

Report of the Director of Children's Services

Dedicated Schools Grant Budget Process 2024/25 – Final Update

Purpose

1. To provide Schools Forum with a final update in respect of the Dedicated Schools Grant budget planning process for 2024/25 and to carry out the annual consultation on financial issues, as required by the Schools Forum (England) (Coronavirus) (Amendment) Regulations 2020 as amended by the School and Early Years Finance (England) Regulations 2021.

Schools Forum Role and Responsibilities

2. The Forum is the 'guardian' of the local Schools Budget, and its distribution among schools and other bodies, and therefore must be closely involved throughout the development process.

Recommendations

3. That Schools Forum:
 - note the updated information in respect of the Dedicated Schools Grant and the annual consultation on financial issues for the 2024/25 financial year;
 - note that there is no request to transfer budget between funding blocks for 2024/25.

Background

Consultation

4. The Dedicated Schools Grant (DSG) can only be used for the purposes of the Schools Budget as defined in the School and Early Years Finance and Childcare (England) Regulations 2024. The Schools Budget consists of delegated budgets allocated to individual schools, Pupil Referral Units (PRUs) and Early Years Provision in Private, Voluntary and Independent (PVI) providers, a budget for other provision for pupils which local authorities fund centrally, which now includes the bulk of high needs provision, including post-school provision up to age 25, together with centrally retained expenditure in respect of special educational needs and early years services.
5. The distribution of the DSG to local authorities is allocated in four funding blocks:
 - Schools Block
 - Early Years Block
 - High Needs Block and
 - Central School Services Block.
6. For 2024/25 a series of central expenditure controls remain a requirement for Schools Forum to approve, as discussed and agreed at the Schools Forum meeting on 27 February 2024.
7. Mainstream and Special school budgets have now been issued for 2024/25. There is a requirement to issue budgets to Early Years providers by 31 March 2024.

Dedicated Schools Grant (DSG) Budget Update for 2024/25

8. Since the 27 February 2024 report to Schools Forum, we have received an updated DSG allocation for 2024/25 (25 March 2024). The Early Years Block allocation has increased from £30.777m to £31.341m as a result of updated numbers of under 2's. The High Needs Block has been updated for recoupment deductions resulting in a reduction from £54.136m to £53.751m.
9. Schools Forum should note that there will be further in year adjustments in respect of the Early Years block during 2024/25 for the Spring 2025 updated pupil count data which will be backdated to September 2024.
10. For 2024/25 virements between the four blocks are permissible, in consultation with Schools Forum. For 2024/25, Table 1 confirms that no virement is requested between the blocks:

Table 1 – Dudley’s Provisional DSG 2024/25 at March 2024

	Schools Block £m	Central School Block £m	Early Years Block £m	High Needs Block £m
Schools Block	261.374			
Central School Block		1.849		
Early Years Block			31.341	
High Needs Block				53.751
Virement	-	-	-	-
Provisional 2024/25 DSG Budget	261.374	1.849	31.341	53.751
Total Provisional DSG 2024/25	£348.315m			

Arrangements for Pupils with Special Educational Needs and Disabilities (SEND)

11. As part of the High Needs Block financial recovery plan, now within the Delivering Better Value in SEND (DBV) Programme, it is the Local Authority’s intention to continue to review the services it provides during 2024/25 to ensure best value, effectiveness and efficiency are being delivered. All stakeholders, including Schools Forum, are being consulted as part of this review.

Funding for High Needs Pupils

12. For 2024/25, Dudley will fund High Needs pupils in mainstream schools from the proposed funding levels derived as part of the matrix and detailed at Appendix A. Indicative budgets for special schools and Sycamore PRU have been issued on an individual basis. The SEND funding matrix and approach to special school provision led funding will be reviewed on an annual basis and consultation with all stakeholders will take place as part of the ongoing High Needs review.

13. Funding to support Special Educational Needs units and resource bases is a key element of our Delivering Better Value (DBV) implementation strategy. The current ongoing extension of our Resource Base provision through the creation of additional targeted Bases over a three-year period (2022 – 2025) will enable more children and young people to access a mainstream curriculum and environment appropriate to their level of need and resilience.

Existing, new and future Bases are facilitated through joint working with the local authority, whether procured within maintained or academy schools, and are required to establish governance arrangements (to include LA representation) ensuring robust management of the provisions in securing improving outcomes for children and young people.

Planned Places 2024/25

14. Dudley proposes to commission pre 16 SEND planned places (including special school post 16 provision) for the 2024/25 academic year in line with Appendix B. The Education and Skills Funding Agency (ESFA) is responsible for the funding arrangements in respect of planned places for post 16 education.

Dudley's Other Special Educational Needs Services

15. Dudley currently provides the following DSG funded SEND central services:
- Visual Impairment Service
 - Hearing Impairment Service
 - Physical Impairment Medical Inclusion Service
 - Learning Support Service (traded)
 - Autism Outreach Service
 - Specialist Early Years Service
 - Speech & Language Centre
 - Specialist early years provisions

Consultation is in progress at the time of writing this report on a redesign of the following service areas:

- Visual Impairment Service
- Hearing Impairment Service
- Physical Impairment Medical Inclusion Service
- Autism Outreach Service

This consultation will have finished by the time of the Schools Forum meeting, with final proposals under review. The redesign is intended to be broadly cost-neutral and to ensure that our mainstream schools have the right resource and capability to support all children.

Arrangements for use of Pupil Referral Units and the Education of Children Otherwise than at School

16. Pupil Referral Units

Pupil Referral Unit provision in Dudley is located at the Sycamore Short Stay School providing educational provision from the sixth day of permanent exclusion and the Cherry Tree Learning Centre provides Hospital, Home and Medical Education for those children too ill to attend school.

Sycamore Short Stay School (LA Maintained Pupil Referral Unit)

The Sycamore Short Stay School is commissioned to provide 32 places of Sixth Day provision for children who have been permanently excluded in KS1, 2 & 3. The Behavioural Outreach team also work out of the Sycamore Short Stay School providing outreach support to primary-age pupils which is funded on a de-delegated basis. De-delegated funding for 2024/25 was agreed by Schools Forum on 14 November 2023.

Cherry Tree Learning Centre (Academy Pupil Referral Unit)

Cherry Tree Learning Centre is commissioned to provide 76 places within the Provider's campus/hospital and home service and will continue to be funded on a historical basis in respect of their places until such time that the DfE review the funding arrangements for this provision.

Alternative Provision

17. Dudley currently has a number of contracts for educational placements with external alternative providers for children who have been permanently excluded from school at Key Stage 4. Place funding is paid on the basis of agreed places while top-up funding is paid on the basis of filled places.

Table 2 reflects the 2024/25 budget position.

Table 2 – Commissioned Alternative Provision

Commissioned Activity					
Lot	Provider	Places	Place Funding	Top Up Funding	Total Budget
KS4 Alternative 6 th Day Provision	Dudley College	25	£250,000	£57,827	£307,827
KS4 Alternative 6 th Day Provision	Impact Education	25	£250,000	£57,828	£307,828

KS4 Complex Needs 6 th Day provision	Impact Education	10	£100,000	£26,125	£126,125
KS3 Alternative 6 th Day Provision	Impact Education	15	£150,000	£60,160	£210,160
KS3 Complex Needs 6 th Day provision	Impact Education	10	£100,000	£6,333	£106,333
TOTAL COMMISSIONED ACTIVITY		85	£850,000	£208,273	£1,058,273
Non-Commissioned Activity					
Activity					Total Budget
Preventative Placements					(£20,000)
Inclusion Team					£194,000
Other Inclusion activity					£272,900
Net position of exclusions/admissions budget from schools					(£120,000)
TOTAL NON-COMMISSIONED ACTIVITY					£326,900
TOTAL ALTERNATIVE PROVISION BUDGET					£1,385,173

Arrangements for Early Years Provision

18. Early Years Funding

Schools Forum received a report at the 27 February 2024 meeting regarding the Early Years funding arrangements, which included Early Years Inclusion Fund to support lower-level SEN for 2, 3 and 4 year olds.

Revenue Grants

19. Administration Arrangements for the Allocation of Central Government Grants

All grants allocated to schools via the local authority from Central Government are based on the Government's set criteria. Schools are advised of the value of the grant for budget purposes in March (or as soon as practically available) with the actual cash being paid to the school when this has been received by the local authority.

20. **Pupil Premium**

The Pupil Premium is the most significant grant distributed to schools. This is a DfE grant provided as additional support for looked after children and those from low income families. Schools are free to spend the money they are allocated as they see fit. However the DfE is clear that schools will be held accountable for how this additional funding to support pupils from low-income families and from service families is used.

For 2024/25 rates will increase by around 1.5% to 1.7%. Schools will receive £1,480 per primary pupil who is currently eligible for free school meals (FSM) or has been eligible for FSM in the past 6 years (FSM 'Ever 6') and the allocation for secondary sector will be £1,050 for FSM 'Ever 6' pupils. Eligible Children Looked After will receive £2,570 each. Service children will receive £340 each.

In respect of children looked after, the ESFA have confirmed there will be no change to the methodology for calculating allocations for looked-after children. As before, ESFA will allocate a provisional amount per child looked after in June 2024. That allocation will then be updated and finalised based on the children looked-after data return SSDA903.

Pupil premium funding will continue to be based on the October census for mainstream and special schools. Pupil premium funding for the financial year starting on 1 April 2024 will therefore be based on the October 2023 census rather than the January census as was the case prior to 2021/22.

21. **PE and Sports Grant**

The PE and Sports Grant has been available since academic year 2013/14. For 2023/24 all schools with 17 or more eligible primary school pupils receive £16,000 for the academic year, plus a top-up of £10 per eligible pupil. Schools with 16 or fewer eligible pupils receive £1,000 per eligible pupil. These values are unchanged from the previous year. For the 2023/24 academic year the grant for Dudley schools is £1.572m. The DfE has confirmed that the PE and Sports Grant will continue in 2023/24 and 2024/25 with a national investment of £600m overall.

22. **Universal Infant Free School Meal Grant**

In 2023/24 the funding rate per meal increased to £2.53 per meal taken, based on actual take-up by newly eligible infant pupils which will be measured in the Schools Census for the Autumn and Spring terms.

The DfE have yet to confirm the continuation of the Universal Infant Free School Meal grant in 2024/25 and the funding rate per meal.

The grant funding is available in respect of those pupils in Reception, Year 1 and Year 2 who are not currently eligible for a free school meal.

Schools are reminded to encourage parents or carers of all children who meet the eligibility criteria for Free School Meals to apply online at the below address to ensure the school receives its full entitlement for Pupil Premium grant.

<http://www.dudley.gov.uk/resident/your-council/council-tax-and-benefits/benefits/free-school-meals/>

23. **Teachers' Pay Grant & Teachers' Pension Employer Contribution Grant (2018 and 2019)**

From 2021/22, funding to support the teachers' pay award and increased teachers' pension employer contributions that came into effect in September 2018 and September 2019 will continue to be paid through the schools, high needs and central school service block National Funding Formula, instead of via separate grant allocations.

From 2023/24 the early years element of the funding to support the teachers' pay award and increased teachers' pension employer contributions will be paid through the early years funding formulae instead of a separate grant allocation.

24. **Household Support Fund**

The Household Support Fund is a grant from central government allocated to local authorities to support residents in financial need during the cost of living crisis. Schools have received allocations to buy supermarket vouchers for pupils eligible for free school meals to cover holiday periods and also to support families experiencing hardship. Although the Chancellor's Autumn Statement indicated that this funding would cease at the end of 2023/24, the Budget in March 2024 has provided an extension of funding to local authorities for the first six months of 2024/25 and local proposals for distribution of the grant are currently being agreed.

25. **Holiday Activity Fund**

The DfE has confirmed in March 2024 that the Holiday Activity Fund (HAF) will continue throughout 2024/25, funding free holiday clubs and supporting parents whose children (from Reception to year 11) are eligible for free school meals. HAF provides support with childcare costs by providing free, nutritious meals and enrichment activities such as football, play sessions and cooking classes.

26. **Recovery Premium Funding**

The Recovery Premium grant is part of the government's package of funding to support pupils whose education has been impacted by the pandemic and will continue for 2023/24 academic year. This grant is focused on pupil premium eligible pupils and pupils in specialist settings such as special schools, special units and pupil referral units. However, schools can use this funding to deliver support for any pupil so long as this is evidence-based and supported by an assessment of individual need. This has been allocated on the basis of pupils eligible for free school meals at any point in the past six years, eligible no recourse to public funds pupils, looked-after children and children who have been adopted from care or who have left care on a special guardianship order or child arrangements order.

27. **National Tutoring**

The National Tutoring Programme (NTP) provides additional, targeted support for those children and young people who need the most help, with funding allocations based on the number of pupils eligible for pupil premium. This support can be provided by in-house academic mentors, by school-led tutoring or by external accredited tuition partners. For 2023/24 academic year, schools may claim 50% of the unit cost of eligible tuition but must contribute the remainder of the cost from their pupil premium funding or other core school budgets.

All current funding must be spent by the end of the 2023/24 academic year (including the summer 2024 holiday) and the year-end statement including guidance will be issued in June 2024. This is the final year of NTP funding and from the 2024/25 academic year onwards, DfE encourages schools to continue to deliver tutoring using core budgets, such as pupil premium.

28. **Supplementary Grant**

In December 2021, the DfE announced a £1.2 billion national supplementary grant to support schools in 2022/23 in relation to the impact of the Health and Social Care Levy and other cost pressures, giving schools additional resources to raise attainment, increase teacher pay and continue to rise to the challenges of Covid response and recovery. From 2023/24 onwards, this funding has been rolled into the formula allocation.

29. **Mainstream Schools Additional Grant**

The Mainstream Schools Additional Grant (MSAG) announced in December 2022, supported schools with additional cost pressures in 2023.24. From 2024/25 onwards, this funding has been rolled into the formula allocation.

30. **Teachers' Pay Additional Grant**

In July 2023, the DfE announced £525m to support schools with the September 2023 teachers' pay award, with a further £900 million in 2024 to 2025. This funding is being provided for mainstream schools, special schools and alternative provision (AP), early years, and 16 to 19 provision. Allocations reflect relative pupil numbers and core funding amounts across these different types of provision.

This funding is allocated through Teachers' Pay Additional Grant (TPAG) in 2023/24 (September to March) and for the whole of 2024/25. It will then be rolled into the formula allocation from 2025/26. Mainstream academies will also receive funding via TPAG for April to August 2025, reflecting that their funding is based on academic years.

TPAG funding rates are based on the same factors used in the MSAG for 2023/24:

- a basic per-pupil rate with different rates for primary, key stage 3 and key stage 4
- a lump sum paid to all schools, regardless of pupil numbers
- a per-pupil rate for pupils who are recorded as having been eligible for free school meals at any point in the last 6 years (FSM6), with different rates for primary and secondary pupils

An area cost adjustment (ACA) is also applied to reflect geographical variation in labour costs, using the same ACAs as the schools national funding formula for 2023/24.

31. **Teachers' Pension Employer Contribution Grant**

In October 2023, DfE published the outcome of the valuation of the teachers' pension scheme (TPS) based upon 2020 data. This confirmed a need to increase the employer contribution rate by 5 percentage points, to 28.6%, from 1 April 2024 to ensure that the scheme continues to meet present and future obligations. Additional funding has been provided through the Teachers' Pension Employer Contribution Grant (TPECG) to cover the increase for employers centrally funded by the department for the 2024/25 financial year. Funding for future years will be determined at the next spending review.

Funding will be provided in 2024/25 through TPECG for mainstream schools (for the 5 to 16-year-old age range), high needs settings (including maintained special schools, special academies and free schools, hospital schools, non-maintained special schools, independent special schools and alternative provision (AP) made by pupil referral units and AP academies and free schools), and local authorities with centrally employed teachers in the 2024/25 financial year. Early years, 16 to 19 education and further education settings will also receive additional funding.

Mainstream academies will also receive funding via TPECG for April to August 2025, reflecting that their funding is based on academic years.

TPECG funding rates are based on the same factors used in the TPAG:

- a basic per-pupil rate with different rates for primary, key stage 3 and key stage 4
- a lump sum paid to all schools, regardless of pupil numbers
- a per-pupil rate for pupils who are recorded as having been eligible for free school meals at any point in the last 6 years (FSM6), with different rates for primary and secondary pupils

An area cost adjustment (ACA) is also applied to reflect geographical variation in labour costs, using the same ACAs as the schools national funding formula for 2023/24.

Capital Grants

32. **Devolved Formula Capital Grant**

Devolved Formula Capital grant will continue for 2024/25 with the same methodology and eligibility as in previous years. Every school will receive a fixed lump sum (£4,000) and a variable amount based on pupil numbers (base £11.25 per weighted pupil). Allocations are calculated each year to

reflect the latest January school census.

Dudley is responsible for the payment of devolved formula capital for all maintained schools excluding Voluntary Aided (VA) schools: as VA school premises are not within the ownership of a Local Authority then the DfE pay the grant directly to the VA school Governors.

Table 3 – Devolved Formula Capital 2024/25 Rates (Excluding VA Schools)

Type of school	Lump Sum £	Per Pupil £
Nursery and Primary	£4,000	£11.25
Secondary	£4,000	£16.88
Post 16	£4,000	£22.50
Special schools and Pupil Referral Units and Boarding Pupil rate	£4,000	£50.62

33. **Basic Need Capital Grant**

Basic need funding is allocated by the Department for Education on the basis of a comparison of forecast pupil numbers with school capacity, with shortfalls in capacity attracting funding.

Adjustments are made to account for school places for which central government funding has already been provided but which are not reflected by the data collected through School Capacity Survey (SCAP).

In June 2023 the DfE announced indicative basic need capital allocations up to 2025/26 based on Dudley's latest SCAP return, which are detailed below in Table 4.

Table 4 – Dudley's Basic Need Capital Allocation (updated June 2023)

	2022/23	2023/24	2024/25	2025/26
Basic Need	£ 5,433,421	£0	£0	£0

34. **School Building Condition Allocations (SCA)**

School building condition allocations are made to bodies responsible for the maintenance of school buildings: local authorities, larger MATs and larger VA school bodies. Smaller MATs, VA school bodies and sixth form colleges can instead bid into the Condition Improvement Fund (CIF).

School condition allocations are for capital investment in maintaining and improving the condition of the school estate (buildings and grounds), focusing on building condition, building compliance, energy efficiency, and health and safety issues. Allocations take into account the information the DfE has collected through the Condition Data Collection (CDC) return as well as pupil number data. The allocation methodology was revised in 2021/22 and transitional protection was put in place, with 2024/25 expected to be the last year where protection is applied.

Dudley's provisional allocation for 2024/25, as updated in March 2024, is as detailed in Table 5.

Table 5 – Dudley's 2024/25 SCA Allocation (Excluding VA Schools)

	Transitional Protection	Total SCA
SCA	£0	£3,694,282

35. **Capital Funding to Support SEND – Special Provision and High Needs Provision**

From 2018/19 to 2020/21, the Special Provision Capital Fund (SPCF) allocations supported English councils to both create more school places and to improve facilities for children with special educational needs and disabilities. ESFA confirmed in February 2021 that the allocations are not time limited, and there is no requirement to spend before 31 March 2021. Dudley has received total funding of £1,241,900 over this three-year period.

From 2021/22, SPCF was replaced with the High Needs Provision Capital Allocation (HNPCA). In October 2021, the Government announced that it was investing £2.6bn between 2022 and 2025 to support local authorities to deliver new places and improve existing provision for children and young people with SEND, particularly those with more complex needs, and for those pupils that require alternative provision.

Funding has been allocated proportionally:

- 50% based on pupil population;
- 50% based on pupil population weighted to reflect LAs' pupil to capacity ratio for pupils in specialist provision.

The final tranche of funding from the £2.6bn was announced in March 2024. Dudley's allocations are noted in table 6. Funding beyond 2024/25 is contingent on the outcomes of future spending reviews and additional capital funding beyond this period cannot be guaranteed.

Table 6 High Needs Provision Capital Allocations

HNPCA Capital	
2021/22	£1,416,043
2022/23	£4,460,696
2023/24 (initial)	£3,899,186
2023/24 (March 2024)	£4,224,723
2024/25 (March 2024)	£1,718,054

Budget Working Group Discussed

36. Yes, 9 April 2024.

Finance

37. From 1st April 2006, the Schools Budget has been funded by a direct grant; Dedicated School Grant (DSG). This report is financial in nature and relevant information is contained within the body of the report.

Law

38. The Schools Forum is a statutory decision making and consultative body constituted in line with the School Standards and Framework Act 1998, and its associated regulations, including the Schools Forum (England) Regulations 2012, to enable members of the local school community to work in partnership with Dudley Metropolitan Borough Council when making decisions about school funding and finances.

The funding of schools is prescribed by the Department for Education (DfE) through the School and Early Years Finance (England) Regulations 2024.

Risk Management

39. There are no material risks to the Council's Risk Management Framework resulting from the contents of this report.

Equality Impact

40. This report has no direct implications for the Council's commitment to equality and diversity.

Human Resources/Organisational Development

41. This report has no direct implications for human resources, organisational development or service transformation.

Commercial/Procurement

42. There is no impact on the potential to commercially trade and no impact on our customer base.

Environment / Climate Change

43. This report has no direct implications on the environment or the Council's work in addressing Climate and achieving Net Zero target by 2041.

Council Priorities and Projects

44. The 2022/2025 Council Plan is clear in its ambitions for educational outcomes including raising skills, educational and work potential, increasing good or better schools and closing the gap for disadvantaged pupils.

This report relates to the use of the Dedicated Schools Grant funding to support the educational outcomes of children and young people in the borough.

As a result of the Council's focus on an Improvement and Sustainability Programme, the current Council Plan has been paused to allow a new one-year plan which will reflect the focus on improvement and financial sustainability.



Catherine Driscoll
Director of Children's Services

Contact Officer:

Catherine Ludwig, Finance Manager

Telephone: 01384 815075

Email: catherine.ludwig@dudley.gov.uk

Background Papers

Appendix A – Dudley's Proposed SEND Funding for mainstream schools 2024/25.

Appendix B – Dudley's Proposed Planned Place Commissioned and Central Provision for 2024/25 Academic Year.

Appendix A

Dudley's SEND Funding – Mainstream Schools

Level	Points	Funding
1	4 - 34	£0
2	35 – 47	£2,000
3	48 – 58	£3,000
4	59 – 69	£4,000
5	70 – 84	£6,000
6	85 – 99	£8,000
7	100+	£10,000

Proposed Planned Place Commissioned and Central Provision 2024/25 Academic Year

Provision	Central or Commissioned	FTE Places	Details
Ashwood Park Primary School	Central	20	Resourced Provision –Primary Hearing Impaired.
Crestwood School	Central	10	Resourced Provision –Secondary Hearing Impaired.
Quarry Bank Primary School	Central	20	Speech and Language Intervention Centre – Part time
Gigmill Primary School	Commissioned	8	SEN Unit – Autistic Spectrum Disorder
Beacon Hill Academy School	Commissioned	10	Resourced Provision – Autistic Spectrum Disorder
Hob Green Primary School	Commissioned	24	Resourced Provision – Speech and Language Unit KS1 & KS2
Hawbush Primary School	Commissioned	12	SEN Unit - Social, Emotional and Mental Health (SEMH)
Caslon Primary School	Commissioned	12	SEN Unit - Social, Emotional and Mental Health (SEMH)
Dawley Brook Primary School	Commissioned	Up to 12	Resource Base - Communication & Interaction and Cognition & Learning
Jessons CE Primary School	Commissioned	12	Resource Base - Communication & Interaction and Cognition & Learning
Rufford Primary School	Commissioned	Up to 12	Resource Base - Communication & Interaction and Cognition & Learning
Bromley Pensnett Primary School	Commissioned	Up to 12	Resource Base - Communication & Interaction and Cognition & Learning
Crestwood School	Commissioned	Up to 12	Resource Base – SEMH and emotional based school avoidance / neurodiversity
Primary Schools	Commissioned		Further primary SEN Units to be commissioned to meet needs
Secondary Schools	Commissioned		Further secondary SEN units to be commissioned to meet needs, particularly focused on Hearing Impairment, complex

			Communication & Interaction and SEMH
Special Schools Provision	Commissioned	984	<p>Special school provision across Dudley Special Schools (based on current budgeted provision)</p> <ul style="list-style-type: none"> ▪ Brier - 190 ▪ Halesbury – 172 ▪ Old Park – 152 ▪ Pens Meadow – 109 ▪ Rosewood - 58 ▪ Sutton -191 ▪ Woodsetton -112
Special Schools Provision	Commissioned		Funding based on provision led model (individual designation and unique characteristics).
Sycamore Short Stay School	Commissioned	32	Pupil Referral Unit – maintained sixth day Provision for KS2 & KS3
Cherry Tree Learning Centre Academy	Commissioned	76	Pupil Referral Unit – Academy Hospital, Home & Medical Education

Schools Forum 16 April 2024

Report of the Director of Children's Services

Dedicated Schools Grant Projected Outturn Update 2023/24

Purpose

1. To provide Schools Forum with the latest financial forecast in respect of the Schools Budget for the 2023/24 financial year ending 31 March 2024.

Schools Forum Role and Responsibilities

2. From 1 April 2006, the Schools Budget has been funded by a direct Department for Education (DfE) grant: The Dedicated School Grant (DSG).
3. Schools Forum is the 'guardian' of the local Schools Budget, and its distribution among schools and other bodies, and therefore must be closely involved throughout the development process.

Recommendation

4. Schools Forum to note the 2023/24 forecast outturn position at 31 January 2024 in respect of the centrally retained areas of the Schools Budget, which is funded by the Dedicated School Grant.

Background

5. The Dedicated Schools Grant (DSG) is a DfE ring fenced grant which funds the Schools Budget. Where the Schools Budget is defined as a combination of centrally retained budgets together with the ISB (Individual Schools Budget).

6. The DSG can only be applied to meet expenditure properly included in the Schools Budget, as defined by the School and Early Years Finance (England) Regulations 2023.
7. At final outturn stage, the local authority is required to append an additional note to the Statement of Accounts confirming the deployment of the DSG in support of the Schools Budget, as required by the Accounts and Audit (Amendment) (England) Regulations 2015. The Director of Finance and Legal Services is also required to confirm final deployment of the DSG in support of the Schools Budget in connection with the Section 251 Outturn Statement.
8. This report is an update position at 31 January 2024 in respect of the central budget areas of the DSG for the 2023/24 financial year.
9. For the purposes of declaring the outturn, the amount of the Individual Schools Budget (ISB) actually distributed to schools is regarded, for DSG purposes, as spent by the authority once it is deployed to schools' budget shares. Thus whilst the Individual Schools Budgets (ISB) element of the DSG can be under-spent, this is recorded as a school's roll-forward.

Dedicated Schools Grant 2023/24

10. For the 2023/24 financial year the DSG is currently £319.443m, this includes the business rates allocation of £2.412m for maintained schools and academies for presentational purposes only. Business rates are now centralised; therefore, funding is no longer received via the Dedicated Schools Grant.
11. Whilst Dudley is responsible for calculating the budget share for each Academy School which totalled £145.360m at 05 February 2024 based on the latest allocation (February 2024), each of the 49 Dudley Academy Schools receive their annual budget as a direct grant from the Education and Skills Funding Agency. Thus, the LA is not responsible for the monitoring of the Academy School funding or the year end outturn and roll-forward position.

12. The remaining £171.671m relates to Dudley maintained schools and centrally provided services as follows:
 - a. £53.169m relates to central budgets, however, at budget setting this assumed that the High Needs Block would end the year with a deficit position of £4.646m
 - b. £0.235m de-delegations from maintained mainstream schools.
 - c. £118.267m Dudley school and nursery education delegated budgets.
13. Centrally retained budgets reflect a deduction of place funding for 76 places, £0.760m for Cherry Tree Home and Hospital Pupil Referral Unit following the academy order that took place from December 2019.
14. A further £1.064m is payable in grant by the Education and Skills Funding Agency which is passed directly to Dudley's mainstream 6th form maintained schools. From September 2019 the special school post 16 grant was included within the main DSG grant.
15. Appendix B reports that there is a forecast over spend in respect of the centrally retained DSG budget for 2023/24 of £7.449m, this excludes the School Specific Contingency reserve as at 31 January 2024.
16. Appendix B analyses this overspend by funding block, which is also summarised as follows:
 - a. High Needs Block £7.449m:
Mainly in relation to Education and Health Care Plan top up payments, outborough placements, imports/exports adjustment and the proposed pay award.
 - b. Central School Services Block £0.420m:
Pressures in relation to fines (Education Investigation Service), the proposed pay award across the service and payments in relation to outborough non-SEN independent schools.
 - c. Early Years Block (£0.037m):
Lower pupil numbers, noting the impact of lagged funding, partly offset by pay award pressures.
 - d. Reserve Transfers £23.317m:
Relates to the brought forward deficit position from 2022/23.

17. If an authority's actual spend on central expenditure is more or less than its central expenditure budget, the over/under-spend must be carried forward to the Schools Budget in future years. Where the under spend includes funding in respect of de-delegated items then the surplus funds (or overspending) at the end of the financial year can be carried forward into the next financial year when the schools' budgets will be adjusted accordingly.
18. The overall forecast overspending position of £31.149m at 31 January 2024 is set against a centrally retained budget of £53.169m. It is assumed that the forecast over spend will be carried forward into 2024/25 financial year against the DSG reserve, to be resolved as part of the strategic recovery of the High Needs Block in future years. The Local Authority are working collaboratively with Newton Europe and CIPFA as part of the Delivering Better Value in SEND Programme, the financial recovery plan will be reviewed and updated throughout the process and shared with Forum as part of the regular reporting cycle.

Budget Working Group Discussed

19. Yes – 09 April 2024

Finance

20. From 1 April 2006, the Schools Budget has been funded by a direct grant: Dedicated School Grant (DSG).

Law

21. The Schools Forum is a statutory decision making and consultative body constituted in line with the School Standards and Framework Act 1998, and its associated regulations, including the Schools Forum (England) (Coronavirus) (Amendment) Regulations 2020, to enable members of the local school community to work in partnership with Dudley Metropolitan Borough Council when making decisions about school funding and finances.
22. The funding of schools is prescribed by the Department for Education (DfE) through the School and Early Years Finance (England) Regulations 2023.

Risk Management

23. There are no material risks to the Council's Risk Management Framework resulting from the contents of this report.

Equality Impact

24. This report has no direct implications for the Council's commitment to equality and diversity.

Human Resources / Organisational Development

25. This report has no direct implications for human resources, organisational development or service transformation.

Commercial / Procurement

26. There is no impact on the potential to commercially trade and no impact on our customer base.

Environment / Climate Change

27. This report has no direct implications on the environment or the Council's work in addressing Climate and achieving Net Zero target by 2041.

Council Priorities and Projects

28. The 2022/2025 Council Plan is clear in its ambitions for educational outcomes including raising skills, educational and work potential, increasing good or better schools and closing the gap for disadvantaged pupils. This report relates to the use of the Dedicated Schools Grant funding to support the educational outcomes of children and young people in the borough. As a result of the Council's focus on an Improvement and Sustainability Programme, the current Council Plan has been paused to allow a new one-year plan which will reflect the focus on improvement and financial sustainability.



Catherine Driscoll
Director of Children's Services

Contact Officer: James Wilson – Senior Principal Accountant
Telephone: 01384 815864
Email: james.wilson@dudley.gov.uk

List of Background Papers

Appendix A: Dedicated Schools Grant Forecast Outturn Statement 2023/24 at 31 January 2024.

Appendix B: Analysis of Dedicated Schools Grant Forecast Outturn by Funding Block 2023/24 at 31 January 2024.

Dedicated Schools Grant Forecast Outturn Statement 2023/24 at 31 January 2024**Appendix A**

Dedicated Schools Grant	2023/24 Latest Budget £m	2023/24 Forecast Outturn £m	2023/24 Variance (+ over/ - under spend) £m	Comments
Individual Schools Budget (ISB)	122.913	122.876	(0.037)*	*Schools can roll-forward any under spend (Nursery, Primary, Secondary & Special) Dudley 6 th form school.
Post 16 pupils - 6 th Form Funding	1.064	1.064	0	
De- Delegated Budgets	0.235	0.235	0	
Centrally Retained Budgets	53.169	56.392	3.223	Significant pressures as a result of increased demand of Education Health and Care Plans.
Education & Skills Funding Agency (ESFA) - 6 th Form Grant	(1.064)	(1.064)	0	Oldswinford Hospital School
Use of DSG Reserve	(4.646)	23.317	27.963	Original budget assumed deficit position of £4.646m on High Needs Block for 2023/24 and B/Fwd deficit of £26.676m from 2022/23.
Total DSG payable to Dudley 2023/24	171.671	202.820	31.149	

Academy Schools Funding paid to School via ESFA	145.360	145.360	0	Allocated to Academy School directly via the Education & Skills Funding Agency 49 schools at 31 January 2024 and based on latest DSG allocation.
Business Rates Allocation	2.412	2.412	0	
Total DSG 2023/24	319.443	350.592	31.149	Deficit Position forecast on Central DSG reserve at year end

Analysis of Dedicated Schools Grant Forecast Outturn by Funding Block 2023/24 at 31 January 2024**Appendix B**

	Latest Budget 2023/24	2023/24 Position Jan 2024	2022/23 B/Fwd Deficit Position	Jan 2024 Cumulative Forecast 2023/24 (+ over / - under)	Total % Variance
	£m	£m	£m	£m	
Schools Block	246.386	-	-	-	-
High Needs Block	51.326	7.449	26.676	34.125	66.5%
Early Years Block	19.888	-0.037	-2.989	-3.026	-15.2%
Central School Services Block	1.843	0.420	-0.370	0.050	2.7%
Dedicated Schools Grant	319.443	7.832	23.317	31.149	9.8%

Schools Forum 16 April 2024

Report of the Director of Children's Services

School and Early Years Finance and Childcare (England) Regulations 2024

Purpose

1. To provide Schools Forum with an update in respect of the latest amendments to the School and Early Years Finance and Childcare (England) Regulations 2024 as advised by Central Government.

Schools Forum Role and Responsibilities

2. To be aware of the regulatory framework which governs the financing of schools and the use of the Dedicated Schools Grant.

Recommendation

3. Schools Forum to note the amendments to the School and Early Years Finance and Childcare (England) Regulations 2024 with the effective date to be confirmed and relating to financial year 2024/25 only.

Background

4. The School and Early Years Finance and Childcare (England) Regulations 2024 were laid before Parliament on 22 January 2024 with the effective date to be confirmed.
5. They set the parameters that local authorities must abide by in determining schools' budgets, and the budgets which are allowed to be retained centrally by local authorities. They also set out how local authorities are to allocate funding to maintained schools and private, voluntary and independent early years providers through locally determined funding formulae.

6. The 2024 Regulations relate to 2024/25 financial year only.
7. An explanatory memorandum which summarises the changes is attached at Appendix A for information.
8. A copy of the School and Early Years Finance and Childcare (England) Regulations 2024 is available at:

<https://www.legislation.gov.uk/uksi/2024/66/contents/made>

Summary of Changes

9. Low Prior Attainment

The low prior attainment factor is used in the NFF to direct more funding towards pupils with additional needs and has been mandatory for local authorities to use since 2023-24. It must be applied for primary pupils identified as not achieving the expected level of development in the early years foundation stage profile (EYFSP) and secondary pupils not reaching the expected standard at the end of Key Stage 2 in reading, writing or maths.

In 2023-24, local authorities were required to use 2019 assessment data as a proxy for the calculation of low prior attainment funding with regard to year groups which did not sit assessments in 2020 and 2021 due to the COVID-19 pandemic. 2022 assessment data is now available (for the first time) to be used in the NFF calculations for 2024-25, and so it is used as a proxy for the cancelled assessments from 2021. These regulations require local authorities to likewise use 2022 data as a proxy for 2021, with 2019 data to be used as a proxy for the cancelled assessments in 2020 (which also follows the approach taken in the NFF).

10. Changes to Growth and Falling Rolls Funding

From 2024-25 local authorities must provide additional funding where a school or Academy has agreed with the local authority to provide an extra class in order to meet basic need in the area (either as a bulge class or as an ongoing commitment)

Since the introduction of the NFF in 2018-19, local authorities have been able to operate a falling rolls fund to support schools which see a short-term fall in the number of pupils on roll. For the first time, in 2024-25 funding will be allocated to local authorities on the basis of falling rolls, as well as growth.

Local authorities will continue to have discretion over whether or not to operate a falling rolls fund in 2024-25. Where local authorities operate a fund, they will only be able to provide funding where the 2022 school capacity data (SCAP) shows that school places will be required in the subsequent three to five years. The previous restriction that this funding can only be provided to schools judged “Good” or “Outstanding” in their latest Ofsted judgement will be removed from 2024-25.

11. Early Years Funding

From April 2024 the Government will be funding, and local authorities will be required to provide, the following additional FEYEs for eligible children of working parents:

- 15 hours for 38 weeks of the year for children aged two years from 1 April 2024
- 15 hours for 38 weeks of the year for children aged nine months to two years from 1 Sep 2024
- 30 hours for 38 weeks of the year for children aged nine months to two years, from 1 Sep 2025

Additionally, from April 2024, the government will fund, and local authorities will be required to provide, EYPP and DAF funding for each qualifying disadvantaged and disabled child of any age who is in receipt of the FEYEs.

12. Social Deprivation for Early Years

For three- and four-year-olds, the 2023 Regulations require a local authority to take into account in their formula at least one factor based on the incidence of social deprivation in pupils or children in its area. This is optional for disadvantaged two year-olds.

The 2024 regulations maintain the mandatory social deprivation supplement in respect of three- and four-year-olds, and extend the option for including a deprivation supplement in respect of all children aged two and under.

13. Early Years Pupil Premium (EYPP)

The 2024 regulations extend eligibility for EYPP to all children eligible for any of the new FEYEs, including the current disadvantaged two-year-old entitlement, provided that they meet the other eligibility criteria (which remain unchanged).

The Regulations require a local authority to use the same rate (at least 68 pence per hour per child) for all amounts included in respect of the EYPP.

14. Disability Access Fund (DAF)

The 2024 regulations extend eligibility for the DAF to all children eligible for any of the FEYEs, including the current disadvantaged two-year-old entitlement and each of the new entitlements, provided that they meet the other eligibility criteria (which remain unchanged).

The Regulations require a local authority to include the same quantum of funding per eligible child, for all amounts included in respect of the DAF, which must be at least £910 per child per year.

15. Early Years 95% Pass Through Requirement

The 2024 regulations extend the requirement for a local authority to pass through to their providers at least 95% of their annual DSG funding allocation to the FEYEs for children aged two and under and clarify that this requirement applies separately to the entitlements for: nine months-old children up to two-year-olds of working parents, two-year-old children of working parents, two-year-old children from disadvantaged families, three- and four year- olds (universal and additional hours).

The regulations clarify that EYPP and DAF funding are excluded from the 95% pass through calculation.

16. 12% Early Years Discretionary Funding Cap

As a consequence of extending the use of a discretionary social deprivation supplement in respect of all children aged two and under, these Regulations extend the 12% discretionary funding cap requirement to apply in respect of all children aged two and under. “Discretionary funding” continues to mean any amount attributable to

the social deprivation supplement and any amount included by taking into account the additional requirements. These Regulations also clarify that any amounts included by a local authority in respect of the EYPP and the DAF are not included for the purpose of calculating the 12%.

17. Local Authority Funding Rates: Two Year Olds

For the 2024-25 financial year, we are replacing our current formula used to fund local authorities for delivering the disadvantaged two-year-old entitlement with a single formula for funding all entitlements for children aged two and under – the disadvantaged two-year-old entitlement. This formula will be used to create a single hourly funding rate used to calculate each local authority's 2024-25 DSG funding allocations for delivering FEYEs for children under the age of two, and a separate single rate for two-year-olds.

18. Special Educational Needs Inclusion Fund ("SENIF")

The 2024 regulations require local authorities to have a SENIF to be used to support all children with SEN, who are eligible for, or are taking up, the new and existing entitlements, regardless of the number of hours taken.

19. Early Years Census

The 2024 Regulations amend the Schedule to the Childcare (Provision of Information About Young Children) (England) Regulations 2009, to simplify how information about a "stretched" free entitlement is provided and recorded. The current Schedule requires early years childcare providers and early years childminder agencies to undertake a complicated calculation based on the total number of funded hours in the spring term and an assumption that the spring term is 13 weeks long which is confusing and burdensome. The amendments made by these Regulations allow early years childcare providers and early years childminder agencies to record the number of free hours taken up in a census week (usually in January each year) and the number of weeks that the child is expected to take their funded hours across the funding period in line with the arrangements made between a child's parent and the provider. These amendments will reduce administrative burdens on early years childcare providers and early years childminder agencies and will support more accurate funding calculations.

HTCF - Budget Working Group Discussed – Yes 9 April 2024

Finance

20. From 1 April 2006, the Schools Budget has been funded by a direct grant: Dedicated School Grant (DSG).

Law

21. The funding of schools is prescribed by the Department for Education (DfE) through the School and Early Years Finance and Childcare (England) Regulations 2024.
22. The Schools Forum is a statutory decision making and consultative body constituted in line with the School Standards and Framework Act 1998, and its associated regulations, including the Schools Forum (England) Regulations 2012, to enable members of the local school community to work in partnership with Dudley Metropolitan Borough Council when making decisions about school funding and finances.

Risk Management

23. There are no material risks to the Council's Risk Management Framework resulting from the contents of this report.

Equality Impact

24. This report has no direct implications for the Council's commitment to equality and diversity.

Human Resources /Organisational Development

25. This report has no direct implications for organisational development, human resources or service transformation.

Commercial/Procurement

26. There is no impact on the potential to commercially trade and no impact on our customer base.

Environment / Climate Change

27. This report has no direct implications on the environment or the Council's work in addressing Climate and achieving Net Zero target by 2041.

Council Priorities and Projects

28. The 2022/2025 Council Plan is clear in its ambitions for educational outcomes including raising skills, educational and work potential, increasing good or better schools and closing the gap for disadvantaged pupils. This report relates to the use of the Dedicated Schools Grant funding to support the educational outcomes of children and young people in the borough. As a result of the Council's focus on an Improvement and Sustainability Programme, the current Council Plan has been paused to allow a new one-year plan which will reflect the focus on improvement and financial sustainability.



Catherine Driscoll
Director of Children's Services

Contact Officer:

James Wilson – Senior Principal Accountant

Telephone: 01384 815864

Email: james.wilson@dudley.gov.uk