

DERBYSHIRE SCHOOLS FORUM

28th June 2023

**Virtual Meeting via Microsoft
Teams**

AGENDA

1. Apologies for Absence
2. Minutes of the Schools Forum meeting held on 30th January 2023 and actions arising p.2
3. 2022-23 DSG Outturn report p.8
4. Early Years Supplementary Grant – verbal update

Please remember to send any apologies to
CAYA.BSHQSupport@derbyshire.gov.uk

DERBYSHIRE COUNTY COUNCIL

DERBYSHIRE SCHOOLS' FORUM

Minutes of the Meeting Held on 30th January 2023
Committee Room 1, County Hall at 5pm

Present

Members

Name	School / Organisation /
George Wolfe	Curbar Primary
Alan Thomas	Northfield Junior School
Peter Johnston	The Village Federation
Michelle Jenkins	Etwall Primary
Chris Greenhough	Swanwick School & Sports College
Peter Hallsworth	South Normanton Nursery
Julian Scholefield	Esteem MAT
Karen Hayes	Esteem MAT
Keith Hirst	Brookfield Community School
Sarah Baker	TEAM Education Trust
Simon Redfern	St Ralph Sherwin CMAT
Margaret Mason	Children 1st
Peter Crowe	ASCL

Substitutes

Name	School / Organisation /
Cilla Holman	Hadfield Infants School
Liz Seymour	Church of England Diocese - Derby

Observers

Name	School / Organisation /
Cllr Ruth George	DCC

DCC Officers/others

Name	School / Organisation /
Saranjit Shetra	Assistant Director, Education & Improvement
Amanda Gordon	CS & T Finance (Early Years)
Dan Careless	Strategic Lead Schools & Learning
Phil Burrows	CS & T Finance
Shelley Kerslake	CS & T Finance
Andy Walker	CS & T Finance
Ruth Lane	CS & T Finance
Michael Crawford	CS & T Finance
Eddie Grant	CS & T Finance

Peter Johnston chaired the meeting.

23/01 Apologies for Absence

Name	School / Organisation /
Jennifer Murphy	Hunloke Park Primary
Nick Goforth	Belper Secondary School
Donna Wakefield	Redhill Academy Trust
Deborah Turner	NEU
Cllr Alex Dale	DCC
Ben Riggott	Parkside Community School
Carol Cammiss	Executive Director, Children's Services
Tom Osborn	St Anne's C of E Primary School

23/02 Minutes of The Schools Forum 15th December 2023

The minutes were agreed and the action point regarding land rents and regulations would be carried forward to the next meeting as there had been insufficient time to research the matter.

23/03 Briefing note: update following DSG funding settlement 2023-24

SK presented the paper to update the Schools Forum on the funding settlement for 2023-24 and the implications for Derbyshire's primary and secondary sector formulae, Pupil Growth Fund (PGF) and Central School Services Block (CSSB) allocations.

As anticipated, applying the National Funding Formula (NFF) multipliers to the DfE's published school formula data would cost more than the Schools Block total allocation, therefore, multipliers had to be pared back by 0.7%. The final multipliers and de-delegation rates will go for Cabinet for approval later in February.

The settlement also included a Maintained Schools Additional Grant (MSAG) worth around £19.411m, which is equivalent to a further 3.6% increase in schools' delegated resources. This will provide additional funding for the 5 to 16-year-old age range and will be available to maintained primary and secondary schools, academies and free schools. The ESFA intend that the grant will be subsumed into the DSG and mainstream NFF for 2024-25.

The Pupil Growth Fund (PGF) and Central School Services Block (CSSB) were previously approved by Forum.

No questions were raised from the floor.

23/04 Dedicated Schools Grant Monitoring 2022-23 – Quarter 3

SK presented the paper to provide the Schools Forum with an update of the Revenue Budget position of the Dedicated Schools Grant for 2022-23 up to the end of December 2022 (Quarter 3).

The total deficit on 31st March 2022 stood at £5.050m which is now estimated to increase to £6.520m by 31st March 2023, due largely to overspends in the High Needs Block. Element 3 top up funding.

There is a risk with a sensitivity of £0.200m - £1.500m that High Needs Block placements and Element 3 top-ups could increase before the end of the year.

No questions were raised from the floor.

23/05 Update from Dan Careless – Strategic Lead for Schools and Learning

Dan Careless presented a briefing on the work he and colleagues are doing in particular regarding SEND. The presentation was circulated after the meeting.

The following points were raised by Forum members;

Insufficient LA support is being offered to Early Years providers for both SEND and social support for families. Supporting children early would save a lot of social and community problems as children progress through primary and secondary schools. There is currently no platform to discuss these issues.

Problems in development in younger children have been compounded by Covid.

A number of previous SEND reviews have never resulted in actions for change.

Special schools are full, yet the LA keeps asking them to take more pupils. Demand is increasing. We need a better operating model now, not in 2/3 years.

Out of County/Independent provision is expensive.

Dan Careless addressed the points by saying the LA is trying to work on now and the future with 21 different workstreams, slim lining procedures, reducing unproductive meetings, liaising with partners in other LA's, Police and Health to address wider issues and gathering more data to assess current needs and enable him to project ahead.

Peter Johnson summarised and thanked Dan for the presentation saying there is no perfect solution without unlimited funds.

23/06 High Needs Block (HNB) budget proposals 2023-24

SK presented a paper to report the High Needs Block settlement for 2023-24 and seek the views of the Schools Forum and feedback on its allocation.

The planned changes outlined by Dan Careless which are expected to impact on HNB spending are not yet at the stage where they can be reflected in the 2023-24 budget and a greater impact of that work is anticipated in 2024-5 and beyond.

The settlement is increased by £11.255m from 2022-23, an increase of 11.4%. However, we are constrained by the existing HNB overspends. The number of EHCP's has increased by 10% over 2022 and further growth is anticipated.

The debate is, are we spending too much on SEND or is more funding required. The DfE have signalled that future increases in HNB will be much lower than 2022-23 and 2023-24 and made clear that the DSG override, the legislation which keeps DSG balances separate from Council reserves, will end on 31st March 2026 and will not be extended.

There is little change in the number of places being commissioned, however Top ups are forecast to exceed the budget in almost every area in 2022-23 and further increases are budgeted for 2023-24.

There is a High Needs additional grant, which is similar to the Mainstream Schools Additional Grant (MSAG) and requires a minimum increase of 3.4% to funding for special schools and support centres which will be allocated as a separate grant. In addition it is proposed to increase element 3 top ups for special schools and support centres by 2.3% to bring increases in line with the increase to basic entitlement for mainstream schools. Increases for ERS provision are proposed on the same basis.

The budget for Top ups in mainstream schools resulting from EHCPs and GRIPs assumes no increase in rates as the costs of meeting increased demand fully utilise the funding available and no contingency is available.

No inflationary increase is included for central services, therefore a real terms cut is proposed.

Final allocations of HNB are a matter for the LA.

Forum members expressed the following views and feedback;

Table 1 shows the increase in Independent/Non maintained Top ups and GRIPs has increased by 180% since 2019-20, whereas Specials has only increased by 49%.

Why have Early Years Top ups/GRIPS increased by so little.

Are children in other LA's who are overspending their HNB by far more than Derbyshire getting better support.

Parents are saying that their children with SEND cannot access Early Years education as providers cannot afford to take them due to lack of LA financial support.

The need for SEN support often only becomes evident after a child has started in Early Years settings.

What is the Special Free School funding?

Replies from LA representatives were;

The increase in Independent/Non maintained Top ups is critical and work to assess this is on-going. Lots of other work is on-going to improve the SEN data held as previously mentioned. We are working with Health to determine what expenditure is their responsibility and what is LAs for children with SEND.

There is another very small amount of £0.2m of support for Early Years SEN within the Early Years Block so the table isn't entirely the full picture.

Between 97/98% of 3 and 4 year olds access Early Years provision but can't comment on % with SEND.

The HNB allocation has only just been received so not been able to investigate the £6,000 allocated to Special Free School funding yet.

The views and feedback of the Forum were noted.

23/07 Early Years Block Funding Settlement 2023-24

SK presented a paper to update the Schools Forum on the Early Years Block announcements for 2023-24 and to seek approval to central early years budgets for next year.

The settlement shows an increase of £0.19 to £4.80 per hour from 2022-23.

The Authority proposes the following for 2023-24:

(i) A universal & extended hourly rate of £4.47, an increase of £0.17 (3.95%),

(ii) An enhanced hourly rate for nursery schools of £0.58, an increase of £0.02 (3.57%),

(iii) The existing deprivation multiplier to increase to £1.35 per hour per eligible child in line with the increase in Early Years Pupil Premium, which applies to the same cohort of children, i.e., an increase of 3.32% in 2023-24.

(iv) A nursery school lump sum of £95,500, an increase of £3,000 (3.24%). This would be in line with the increase for mainstream schools and academies.

(v) A supplement will be introduced for the former TPPG grant at an hourly rate of £0.35 for nursery schools and £0.24 for other school settings. This will be funded via universal and extended hours for these settings. PVI settings will be able to claim this supplement if they have a qualified teacher employed in a teaching role and are paying into the teachers' pension scheme. A contingency fund is proposed to contribute to the sector's additional costs

The Forum decides Early Years Central Budgets which must meet a passporting test of a maximum of 5% of funding retained for this purpose.

LA proposals are very similar to 2022-23 and are for 3.64% of funding to be retained for central services, a decrease of 0.08% from 2022-23 which was agreed by Forum members and no questions were raised.

The meeting closed at 6.50pm.

The next meeting will be held at County Hall, Matlock on 28 June 2023 at 4pm.

Summary of action points

Action point	Responsibility	Timeline
Provide a history of land rents and regulations	SK	June 2023 meeting

Joint Report of the Executive Director for Children's Services
and the Director of Finance & ICT

Dedicated Schools Grant Monitoring 2022-23 – Outturn

1. Purpose of the Report

To provide the Schools Forum with the final position of the Revenue Budget outturn position of the Dedicated Schools Grant for 2022-23.

2. Information and Analysis

2.1. Outturn Summary

2.1.1 Opening position

The net total DSG deficit brought forward from 2021-22 was £5.050m, which represents an accumulated overspend against the allocated grant of £8.177m, partially offset by other earmarked DSG reserve funds, as shown below.

Reserve	Balance at 31st March 2022
	£m
Uncommitted DSG	(8.177)
Support for pupils in schools	0.056
New Schools pre & post opening grants	2.924
Early Years contingency	0.146
Total	(5.050)

2.1.2 In-year results

The Dedicated Schools Grant (DSG) and 6th form grant income due to the Authority in 2022-23 totalled £391.704m. The Revenue Budget Monitoring Statement shows year-end expenditure of £391.204m. Both of these figures exclude monies recouped from the LA's gross DSG by the Education and Skills Funding Agency (ESFA), funds which are subsequently paid directly by the ESFA to academies.

Taking into account planned use of reserves of £0.131m, the 2022-23 DSG in year underspend was £0.419m.

The significant areas of expenditure and income are shown in the table below:

DSG Block	Approved* Budget	* Expenditure	Over/ (Under) Spend
	£m	£m	£m
Central School Services Block	4.591	4.019	(0.573)
Pupil Growth Funding	1.071	0.743	(0.327)
Re-pooled school funding	5.160	4.583	(0.577)
Early Years Block	42.875	41.198	(1.677)
High Needs Block	99.967	105.464	5.498
Schools Block	519.830	517.067	(2.763)
Total Expenditure	673.493	673.072	(0.419)
Dedicated Schools Grant	(673.493)	673.493	0.000
(Surplus)/Deficit			(0.419)

*Figures are shown before recoupment of academy funds by the ESFA.

2.2. Key Variances

- 2.2.1. **Central School Services Block (£0.573m u/s)** - The Forum agreed to leave £0.581m unallocated and thus available to help support the Authority's deficit recovery plans.
- 2.2.2. **Pupil Growth Fund (£0.327m u/s)**. The balance is primarily due to allocations to support schools to meet KS1 pupil/teacher ratios which was below the allocated budget.
- 2.2.3. **Re-pooled school funding (£0.577m u/s)** – This underspend is for those services/functions funded by monies de-delegated or top-sliced from schools' budgets. The underspends include lower costs for primary school maternity cover (£0.240m u/s) and school redundancy costs (£0.160m u/s).
- 2.2.4. **Early Years Block (£1.677m u/s)** – A significant underspend of £1.464m on funding for 2, 3 & 4 year olds. Retrospective changes to the allocation for Jan 22 census data (£0.917m) and an anticipated adjustment for the Jan 23 census (£0.288m) have not seen a corresponding rise in payments made to providers. In addition to this there was an £0.199m underspend for the early years improvement service due to vacancies.
- 2.2.5. **High Needs Block (£5.498m o/s)** – Appendix 1. shows a more detailed breakdown of High Needs Block spending for 2022-23 compared to the budget allocations.

Areas where support for children and young people have been increasing above the initial estimates prepared for budget setting are:

- Element 3 top up payments in respect of mainstream secondary, primary and nursery school children were £3.825m above the approved budget.
- Element 3 top up payments in respect of children receiving their education in special schools and alternative provision (AP) exceeded the approved budget by £2.974m.

This includes an overspend of £0.838m in respect of children who are educated in Derbyshire special schools and academies and £1.958m overspend on other Local Authority special schools and academies, Independent and non-maintained schools. Expenditure on alternative provision exceeded budget by £0.178m.

The individual overspends listed above are partially offset by an unallocated contingency budget within the High Needs Block of £1.836m, this sum was set aside to cover demographic pressures this year.

Central support services and other budgets exceeded budget by £0.494m.

2.2.6 Schools Block (£2.763m u/s) – A one-off 0.5% high needs block transfer was approved for 22-23 and totals £2.627m. For reporting purposes and to demonstrate the underlying positions of individual blocks this has been shown as an underspend against the school block.

2.3 Impact

The overall DSG balances as at 31st March 2023 are as follows:

Reserve	Balance at 31st March 2023
	£m
Uncommitted DSG	(7.897)
Support for pupils in schools	0.107
New Schools pre & post opening grants	3.003
Early Years contingency	0.156
Total deficit	(4.631)

The DfE have included provisions in the School and Early Years Finance (England) Regulations 2021 that a DSG deficit must be carried forward to be dealt with from future DSG income, unless the Secretary of State authorises the LA not to do this.

2.4 Individual School Balances

Collectively, local authority schools overspent in-year by a total of £2.760 million after allowing for a reduction of £0.852 million due to schools converting to academy status. The following table shows an analysis of schools' balances as at 31 March 2023 compared with the position at 31 March 2022.

	Nurs (£ million)	Prim (£ million)	Sec (£ million)	Spec (£ million)	Total (£ million)
Balance as at 31 March 2023	0.400	29.144	2.886	0.939	33.368
Balance as at 31 March 2022 – schools remaining maintained	0.619	30.609	3.098	1.801	36.128
Balance as at 31 March 2022 – schools converted to academy in 2022/23	0.000	0.296	0.556	0.000	0.852
Net Increase/(Decrease) (£ million)	(0.220)	(1.761)	(0.768)	(0.863)	(3.612)
	Nurs (£ million)	Prim (£ million)	Sec (£ million)	Spec (£ million)	Total (£ million)
March 2023 surplus balances (£ million)	0.417	29.999	3.439	1.027	34.883
March 2022 surplus balances (£ million)	0.619	31.442	4.164	1.853	38.078
March 2023 deficit balances (£ million)	0.018	0.855	0.553	0.089	1.515
March 2022 deficit balances (£ million)	0.000	0.537	0.509	0.052	1.098

In addition to the £33.368 million held by schools, £0.758 million was held in the Schools' Capital Reserve account. This reserve holds earmarked funds for future capital developments at individual schools in order to minimise the distorting effect of holding these funds within their own school balances

3 Background Papers

Held on file within Corporate Services and Transformation Department.
Officer contact details – Eddie Grant, eddie.grant@derbyshire.gov.uk.

4 Officers' Recommendations

That the Schools Forum notes

- (i) the report and the underspend for 2022-23 DSG
- (ii) the reduction in the accumulated DSG deficit
- (iii) The position in regards of school balances

**Carol Cammiss
Executive Director
for Children's Services**

**Mark Kenyon
Director of
Finance & ICT**

Report Author: Eddie Grant

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Appendix 1 - High Needs Block Expenditure 2022-23

	Budget	Outturn	Year End Variance - (under) /over spend
Places / School budgets			
HNB - Special Places	3,891,998	3,891,998	0
HNB - ERS Places	667,500	667,500	0
HNB - P16 SEN in maintained schools	140,000	140,000	0
HNB - Spire lodge SLA	220,508	220,508	0
HNB - EY Schools	133,200	133,200	0
HNB - Recoupment	11,597,492	11,597,492	0
	16,650,698	16,650,698	0
Top-ups			
HNB - Nursery Top-ups	657,752	932,900	275,148
HNB - Primary Top-ups	7,861,152	9,173,134	1,311,982
HNB - Primary GRIP	5,383,823	6,773,335	1,389,512
HNB - Secondary Top-ups	7,464,568	8,073,240	608,672
HNB - Secondary GRIP	963,345	1,203,918	240,573
HNB - Special Top-ups - Derbyshire Schools & Academies	16,134,562	16,973,272	838,710
HNB - Special Top-ups - Other LAs and Independent/NM schools	20,756,750	22,714,975	1,958,225
HNB - Post 16 Top-ups	4,003,866	4,043,999	40,133
HNB - PRU Top-ups	2,107,847	2,285,362	177,515
	65,333,665	72,174,136	6,840,471
Other			
HNB - Access & Inclusion	115,000	98,019	(16,981)
HNB - Access & Inclusion - Project	314,000	48,506	(265,494)
HNB - Behaviour Services	2,000,127	1,990,062	(10,065)
HNB - Behaviour Support - TAPS	277,412	259,412	(18,000)
Children Missing Education:			
HNB - Unallocated efficiencies target	(450,000)	0	450,000
HNB - Inclusion Pathways	887,311	843,659	(43,652)
HNB - Inclusion Pathways - OOST	1,250,152	1,397,221	147,069
HNB - Inclusion Pathways - TMP	826,588	1,186,683	360,095
HNB - Inclusion Pathways - Virtual classroom	210,217	215,218	5,001
HNB - Inclusion Pathways - Hasland	16,345	4,604	(11,741)
HNB - Hospital Tution	110,000	29,848	(80,152)
HNB - Primary Exclusions	(71,000)	(50,497)	20,503
HNB - Secondary Exclusions	(365,000)	(439,861)	(74,861)
HNB - PRU to Provision Transport	100,000	196,982	96,982
HNB - Virtual School	1,035,411	933,339	(102,072)
HNB - Ed Psychologists	400,000	400,000	0

HNB - Specialist SEN Services	2,273,201	2,262,854	(10,347)
HNB - SSSEN	5,033,848	4,871,142	(162,706)
HNB - Community Care worker posts	87,722	87,722	0
HNB - Other	1,594,757	1,881,603	286,846
HNB - Contingency	500,000	423,115	(76,885)
HNB - Unallocated	1,836,205	0	(1,836,205)
	17,982,296	16,639,629	(1,342,667)
 Total HNB	 99,966,659	 105,464,463	 5,497,805