

To Members of the Schools Forum

Finance Directorate
Schools Finance Team
Level 3, Civic Centre
West Street, Oldham
OL1 1XJ

Tel: 0161 770 4925

Dear Colleague,

Re: SCHOOLS FORUM 17 JANUARY 2024

Please find attached the agenda and papers for the next meeting of the Schools Forum to be held at **4.00pm** on Wednesday 17 January 2024 via Microsoft Teams.

If you are unable to attend this meeting, please email your apologies to Vicky.Gibbons@oldham.gov.uk.

Yours sincerely

Andy Cooper

Senior Finance Manager

Agenda

SCHOOLS FORUM

Wednesday 17 January 2024 4.00pm

Teams Meeting

		<u>Approx duration</u>	<u>Officer</u>	<u>Papers</u>
1	Welcome and Apologies Apologies/Declarations of Interest		Chair	-
2	Minutes and Matters Arising Minutes of meeting held on 11th October 2023	5 mins	Chair	Attached
3	Dedicated Schools Grant	30 mins	Andy Cooper	Attached
4	Scheme For Financing Schools	15 mins	Andy Cooper	Attached
5	Forward Plan	5 mins	Andy Cooper	Attached
	Any other business – Must be notified to Andy.Cooper@oldham.gov.uk or by telephone 0161 770 4925 24 hours before the meeting			
	Dates of next meeting: 20th March 2024			

Minutes

Meeting of Schools Forum

Wednesday 11 October 2023 4.00pm
Teams Meeting

Present:

Liz Travis	Holy Trinity CE Primary (In the Chair)
Karl Newell	Crompton House Trust
Rob Higgins	The Cranmer Trust
Stewart Ash	Pinnacle Trust
Tracey Cavanagh	Holy Rosary RC Primary school
Anthony Leighton	The Cranmer Trust
Nigel Yeo	Trade Union representative

Also Present:

Matthew Bulmer	Director of Education, Early Years and Skills
Gerard Jones	Managing Director, Children and Young People
Amber Burton	Assistant Director SEND & Inclusion
Andy Cooper	Senior Finance Manager
Vicky Gibbons	Senior Accountant
Lee Walsh	Assistant Director Finance

1 WELCOME AND APOLOGIES

- 1.1 Apologies were received from Paul McGrath and Ian Windeatt.
- 1.2 Members were requested to declare any business, pecuniary and personal interests. No declarations were made

2 MINUTES AND MATTERS ARISING

- 2.1 It was noted that the following adjustment to the minutes was required:

Section 3.4 –

The DSG for 2023-24 has been updated and the current position, in comparison to that projected at the March 2023 meeting, means there will be an expected surplus of £2.5m, rather than £2.3m. This is due to the additional in-year surplus for 2022-23 of £335,000 less the additional spending in Special Schools of £164,000.

should be changed to read:

The DSG for 2023-24 has been updated and the current position, in comparison to that projected at the March 2023 meeting, means there will be an expected surplus of £2.517m, rather than £2.344m. This is due to the additional underspend carried forward from 2022/23 of £0.335m plus a change in schools block expenditure of £0.002m less the additional projected spend for Special Schools of £0.164m.

RESOLVED: that after the above amendment the minutes of the meeting held on 14 June 2023 be approved as a correct record and signed by the Chair.

3 2023/24 DEDICATED SCHOOLS GRANT UPDATE & 2024/25 ESTIMATE & ADDITIONAL FUNDING ANNOUNCEMENTS

- 3.1 Andy Copper updated the Forum on the latest position for the DSG for 2023/24 & 2024/25.
- 3.2 Since the last Schools Forum meeting the projected outturn for 2023/24 had increased by £0.676m from £2.517m to £3.193m. The change was in the main as consequence of increased funding within the High Needs Block for special free school funding and funding for imports & exports.
- 3.3 Since the last Schools Forum meeting, information received in July 2023 provided indicative DSG allocations for 2024/25. Following this, the ESFA provided local authorities with updated provisional allocations after realizing they had made an error with their calculation of the Schools Block.
- 3.4 Members were provided with information in the paper detailing the main changes and features of the 2024/25 funding announcements.
- 3.5 Whilst the error did not impact on the forecasted outturn for 2024/25 presented to Schools Forum, as a consequence Schools Block income reduced by £2.248m and consequently the budget requirement for schools reduced by the same amount.
- 3.6 Since the last Schools Forum meeting the projected outturn for 2024/25 had increased by £1.260m from £2.765m to £4.025m. The change was, in the main as consequence of increased funding within the High Needs Block for special free school funding and funding for imports & exports plus the change in the projected underspend brought forward from 2023/24 offset by additional expected costs in special schools, Post 16 & EHCP's in mainstream schools.
- 3.7 A summary of the High Needs block for 2015/16 to 2024/25 (both before and after movement from the schools block) was provided to members. The projected cumulative balance on the High Needs Block (after including school block transfers) was projected to be a surplus of £0.352m at the end of 2024/25.

- 3.8 Further announcements had also been made by the ESFA regarding additional funding for Early Years, Teachers pay additional grant and additional support for schools in financial difficulty. Details of these can be seen in sections 6 – 8 of the report.

RESOLVED: Schools Forum:

- Noted the changes to the DSG allocation for 2023/24
- Noted the latest settlement of the Dedicated Schools Grant for 2023/24 of £321.956m.
- Approved the latest deployment of Dedicated Schools Grant 2023/24 of £319.662m.
- Noted the 2024/25 budget update.
- Noted the financial position of the High Needs Block and the historical movements the Schools Block
- Noted the updated recovery plan shown in table 9
- Noted the additional funding announcements detailed in section 6,7 & 8
- Noted the proposed DSG budget for 2023/24 for each funding block

4 FORWARD PLAN

- 4.1 Members were informed of the proposed agenda items for the next meetings of Schools Forum.

The proposed meeting dates are set out below:

- 22 November 2023
- 17 January 2024

5 DELIVERING BETTER VALUE (DBV) IN SEND

- 5.1 Amber Burton provided the Forum with an update of the progress made with DBV and the High Needs Block & SEND reforms. Details included the following:

- Funding application for DBV was successful and agreed on 15th September 2023 with £1m worth of investment funding coming in
- Can be used for frontline support & SEN support including specialist teachers
- Evaluation needed along the way re the effectiveness of any new posts and future sustainability and what is working well for schools and settings
- Change programme investment- indicative £1m of funding (over two years)
- Costs in independent sector – numbers going into the independent sector have reduced but costs have increased significantly (which is out of the LA control).

- Conference planned for schools and partners on 28th November to look at all the programmes that are going on and the Improvement Programme for SEND. Using it as a day to celebrate the opportunities that we have and to make sure we are listening to schools and settings about what they want that to look like. Invites and agenda to be sent out.
- Additional requests for Notional SEND funding from schools which we can't do as would have to be an agreed policy that's fair and open and transparent across all schools in Oldham. We won't agree additional notional SEND funding unless we know that a school is significantly disadvantaged for exceptional reasons, which doesn't happen very often. Amber proposed information being made available about how SEND funding works (including the High Needs Block as a guide to that) and proposed to circulate through the conference on 28th November

6 ANY OTHER BUSINESS

- 6.1 Liz Travis raised issues around engaging the Schools Forum group to make informed decisions particularly because of the complexity of the papers and members also not being fully clear about the remit of the Forum. Whilst they are approving spend how much are they holding to account? Liz asked the group if they fully understand what the Forum is and what their role is.
- 6.2 Karl Newell responded saying that it is sometimes difficult for members to get their head round that they are representing their groups/sectors rather than individual organisations. Some members sit with their Business Manager pre the meetings to try and unpick the financial content of the papers.
- 6.3 Rob Higgins reiterated Karl's point re the sectors they represent and that it is about finding information, sharing it back and where there is challenge from different sectors bringing it back to the Forum. Historically there was a Fair funding Group which was a sub-group of the Forum that would make recommendations to Forum.
- 6.4 Andy Cooper confirmed that the majority of reports have been in the same format for a number of years and were done at a point when we had a significant deficit. Andy also confirmed that the LA would be more than happy to change reports and their contents, and that they are here to service the Forum. The LA would be more than happy to address the format in which Forum want information presenting and also if there is further information required that currently isn't being provided.

ACTION: The content and format of report for future meetings will be reviewed. Terms of Reference and Roles & Responsibilities of Schools Forum to be brought to a future meeting.

(There being no further business, members were thanked for their attendance and the meeting was declared closed at 16.45)

Signed: _____ Chair

Date: _____

**Joint Report:
Director of Finance
Director of Education, Early Years and Skills**

Item 3 – Dedicated Schools Grant Update

Schools Forum – 17th January 2024

1 Purpose of the Report

1.1 This report provides an update on the following:

- The Dedicated Schools Grant (DSG) funding allocations published by the Department for Education on 19 December 2023 (Section 2)
- The deployment of the dedicated schools grant and the impact on the DSG Management plan (Section 3)
- Confirmation of activities funded from within the Central School Services Block and Retained Duties Funding (Section 4)
- De Delegated Funding for 2024/25 (Section 5)
- Growth Funding 2024/25 (Section 6)

2 Funding Allocations 2024/25

2.1 On 19th December 2023 the Department for Education, via the Education and Skills Funding Agency published funding allocations for 2024 to 2025 through the schools, high needs and central school services national funding formulae (NFF). These are presented in the table below together with allocations for 2023/24 for comparative purposes.

Table 1 – DSG Allocations for 2024/25 compared to 2023/24

Dedicated Schools Grant (DSG)	2023/24 £000	2024/25 £000	Difference £000
Schools Block	239,288	253,966	14,678
Schools Block growth	1,304	1,346	42
High Needs Block	59,146	61,474	2,328
Early Years Block	19,757	30,609	10,852
Central Schools Block on-going	1,612	1,673	61
Central Schools Block historic	849	679	(170)
Sub Total	321,956	349,747	27,791

2.2 Table 1 above shows that the DSG funding across all four blocks has increased by £27.791m an increase of 8.6% compared to the previous year. The Settlement advised of the following in relation to the 4 Blocks;

Schools Block

2.3 A confirmed notional Schools Block, including Growth of **£255.312m**.

The amount allocated is based on the National Funding Formula (NFF) which calculates “notional” budgets for each school in Oldham and uses the total of these budgets to calculate the Local Authority (LA) allocation. The School’s Block is made up of the following funding for 2024/25:

- A primary unit of funding (PUF) of £5,338.55 and:
- A secondary unit of funding (SUF) of £6,888.94

2.4 The units of funding are based on 2023/24 (October 2023) pupil numbers and characteristics and make up the vast majority of the Schools block, as illustrated in Table 3 below. This core school funding covers funding for all pupil and school led factors in the funding formula. The PUF and SUF are multiplied by the pupil numbers in reception to year 11 plus pupils aged 4 to 10 not assigned to a year group for primary and pupils in year groups 7 to 11, plus pupils aged 11 to 15, not assigned to a year group for secondary, plus funding for the following factors based on historical spend:

- Premises- includes funding for PFI, split sites and Business Rates. Since 2022/23 the charges for National Non-domestic rates (NNDR) can be paid directly to the billing authority by the ESFA, removing schools from the payment process, however Oldham has chosen not to implement this process at this stage, therefore, there are no changes to the existing NNDR arrangements for 2024.
- Growth- the differences between the primary and secondary numbers on roll between the October 2022 and October 2023 school censuses.

2.5 The number of pupils in resourced provision in maintained primary schools, secondary schools, and academies, is included in the pupil numbers as these pupils receive their core element funding through the School’s Block, Table 3 shows the composition of the schools block including the growth allocation.

Table 2- Analysis of Schools Block

	Primary	Secondary	Total £000's
Guaranteed unit of funding (£)	5,338.55	6,888.94	
October 2023 pupil numbers	23,719.50	17,636.00	41,355.50
Pupil Led Sub Total (£000)	126,628	121,494	248,122
Premises factors funding (£000)			5,844
Schools Block Sub Total			253,966
Additional growth in pupil numbers	150.5	476.5	
Unit Value including Area cost adjustment of £1.005666 (£)	1,559	2,333	
Growth Allocation (£000)	235	1,112	1,346
TOTAL FUNDING (£000)			255,312

- 2.6 The financial year 2024/25 is the seventh year of the National Funding Formula (NFF) for schools. However, the national funding formula is currently only used to calculate the Dedicated Schools Grant Schools Block to be allocated to each Local Authority. Individual school budget shares and Academy General Annual Grant (GAG) allocations are calculated using the Local Authority funding formula. The Local Authority proposes any amendments to the funding and is responsible for making the final decisions on the formula.
- 2.7 The overall Schools' Block funding provided to Local Authorities is ring-fenced. It is proposed that the local funding formula model for 2024/25 will not change from the model applied in 2023/24. The only exception change being an increase in the Area Cost Adjustment (ACA) to 1.00250 in 2024/25 from 1.001 in 2023/24 (the full Area Cost Adjustment for Oldham is currently 1.00567). The funding model is based around funding being fair to all schools and targets funding to schools. The Authority is required to consult with schools in relation to the NFF and a consultation document was issued on December and is attached at Appendix A, at which point the Area Cost Adjustment was proposed as being slightly higher at 1.00300

High Needs Block

- 2.8 The High Needs Block mainly funds pupils in specialist and alternative settings, such as special schools (both maintained and independent), resource units within mainstream schools, pupil referral units, and pupils with high needs in mainstream and early years settings and post 16 colleges. It also contributes to central support services such as Educational Psychology and Advisory Teachers for pupils with Special Educational Needs and / or Disabilities.
- 2.9 Table 3 analyses the funding allocation for the High Needs Block for 2024/25 and compares it to 2023/24. The allocation is provisional as there are still adjustments to be confirmed including an adjustment for Springboard and Halcyon Way Free School funding which are included within the Local Authority allocation and funding for imports/exports (Oldham children educated in schools outside the borough and children from outside the borough educated in Oldham schools). For planning purposes, the allocation for both special free schools and imports/exports has been estimated at the same allocation as for 2023/24.

Table 3 - High Needs Block Allocation

High Needs Block- Funding Allocations	2023/24 £000	2024/25 £000
High Needs Formula	47,434	51,304
Hospital Allocation	662	680
Additional Allocation	2178	
Special Schools Census	6,434	7,052
Additional funding for Special Free School	806	806
Import/Export Adjustment (not yet known 2023/24)	1,632	1,632
Gross High Needs Allocation	59,146	61,474

2.10 The provisional allocation for 2024/25 for High Needs is £61.474m, an increase of £2.328m (3.9%) compared to the final 2023/24 allocation of £59.146m.

Early Years Block

2.11 The total allocation for 2024/25 for Early Years is £30.609m, an increase of £10.852m (54.9%) compared to the final 2023/24 allocation of £19.757m.

Table 4 – Early Years Block Allocation

Early Years Block – Funding Allocations	2023/24 £000	2024/25 £000	Difference £000
3 & 4 Year Olds Universal	11,555	13,007	1,452
3 & 4 Year Olds Extended	4,193	4,764	571
2 Year Olds - Disadvantaged entitlement	3,653	5,159	1,506
2 Year Olds - Working Parents entitlement	0	4,161	4,161
Under 2s entitlement	0	2,878	2,878
<i>Early Years Pupil Premium (EYPP)</i>			
3 & 4 Year olds	226	265	39
2 Year Olds		151	151
Under 2's		8	8
<i>Disability Access Funding (DAF)</i>			
3 & 4 Year olds	130	171	41
2 Year Olds		34	34
Under 2's		11	11
Total	19,757	30,609	10,852

2.12 Aside from the uplifts to the existing funding allocations, the main changes to the funding in 2024/25 are the introduction of the following new entitlements with a combined value of £7.242m:

- The entitlement to 15 hours of free childcare for eligible children of working parents starting from April 2024 for 2-year-olds (£4.161m) and from September 2024 for children aged between 9 months and 2 years old (£2.878m).

- Extending the eligibility for Early Years Pupil Premium to eligible children aged 2 years old (£0.034m) and those under 2 (£.008m)
- Extending the eligibility for Disabled Access Funding eligible children aged 2 years old (£0.034m) and those under 2 (£0.011m)

2.13 The Authority will be undertaking the usual consultation with the education sector/providers regarding proposed rates to be passported to providers in 2024/25 in the coming weeks. The results of this consultation will help to inform Oldham's final funding rates to providers and this information will be brought to the March Schools Forum meeting (date tbc). Early Years budgets for schools will be issued by 31st March 2024.

Central School Services Block

2.14 The Central Services School Block (CSSB) introduced in 2018/19 brings together a number of services previously funded from other areas of the DSG and is used to fund the former Education Services Grant retained ongoing responsibilities such as admissions, Schools Forum and historical commitments including premature retirements for teachers in maintained schools and academies

2.15 The confirmed allocation for 2024/25 is £2.352m, a reduction of £0.109m compared to the previous year as shown in the table below:

Table 5 – Central School Services

Central Schools Services Block	2023/24		2024/25	
	Data	£000	Data	£000
£ Per Pupil	39.10		40.45	
Pupil Numbers (Oct 22 and Oct 23)	41,219		41,356	
Funding for Ongoing Commitments		1,612		1,673
Funding for Historic Commitments		849		679
Sub Total		2,461		2,352

2.16 For 2024/25 the Department for Education has reduced the national funding for historic commitments, again by 20%, a reduction of £0.170m. The DfE will continue to unwind this funding in future years. The Authority submitted a successful application for funding protection in 2023/24 whereby the funding was reinstated at the level received in 2022/23 (on the basis that the cost will still be incurred). A further application will be submitted to try prevent a reduction in 2024/25.

3 DSG Management Plan

3.1 Table 6 summarises the current DSG Management Plan for 2023/24 to 2025/26. This shows an in-year projected surplus of £2.117m for 2023/24, the projected outturn including anticipated Growth underspend of £0.545m committed for 2024/25 is £3.561m. The position is forecast to further improve with an in year 2024/25 forecast surplus of £0.826m with £4.387m being carried forward into 2025/26. This in turn produces a 2025/26 in-year surplus of £0.476m leading to an overall surplus balance of £4.863m at 31 March 2026.

Table 6 – DSG Management Plan

DSG Management Plan 2023/24 to 2025/26	2023/24 £000	2024/25 £000	2025/26 £000
Schools Block (excludes central services)	240,592	255,312	255,312
Central Schools Services Block	2,461	2,352	2,352
High Needs Block – pre/post 16	59,146	61,474	62,570
Early Years Block	15,748	17,771	17,771
Two Year Olds' Funding	3,653	12,198	12,198
Early Years Pupil Premium	226	424	424
Early Years Disability Access Fund	130	216	216
Total Grant	321,956	349,747	350,843
<u>Budget Requirement</u>			
Individual Schools Budgets	241,032	255,857	255,312
Early Year Funding Delegated to Schools	7,108	8,240	8,240
High Needs Funding for Schools (including Post 16)	45,437	47,578	49,569
Total Delegated to Schools	293,577	311,675	313,121
Central Schools Services	2,461	2,352	2,352
Central Early Years Services	1,047	899	899
Central High Needs Services	11,153	12,525	12,525
Three and Four Year old PVI's	7,765	8,998	8,998
Two Year Old Funding	3,480	11,832	11,832
Total Retained Centrally	25,906	36,606	36,606
Early Years Pupil Premium	226	424	424
Early Years Disability Access Fund	130	216	216
Total Budget Requirement	319,839	348,921	350,367
In Year Surplus	2,117	826	476
Balance brought Forward	899	3,561	4,387
Provisional (Deficit)/Surplus	3,016	4,387	4,863
Anticipated Growth underspend committed for 24/25	545	0	0
Projected Surplus	3,561	4,387	4,863

- 3.2 Table 7 below summarises the movement and major variances between financial years within the current iteration of the Management Plan. For 2023/24 funding increased by £21.831m, the largest increase being in the schools Block; £13.513m of which £13.046m was distributed to schools. Funding for High Needs increased by £6.896m between 2022/23 and 2023/24, this was more than offset by increased expenditure of £8.101m, the largest uplifts being in relation to Maintained Special Schools (£4.832m) and EHCP's (£0.965m), Central; including out of boroughs (£0.794m) and Post 16 (£0.774m). Future years clearly rely on a series of assumptions in relation to both income and expenditure which will be kept under review and the Management Plan will be updated accordingly.

Table 7– DSG Management Plan Variances

DSG Management Plan 2023/24 to 2025/26	2023/24	2024/25	2025/26
	£000	£000	£000
Balance b/fd	899	3,561	4,387
Change in surplus / (deficit) from previous year	3,672	2,662	826
	4,571	6,223	5,213
Additional DSG funding compared to previous year:			
Early Years Block	928	10,852	0
Schools Block	13,513	14,720	0
High Needs Block	6,896	2,328	1,096
Central School Services Block	44	(109)	0
Additional adjustment to budget requirement compared to previous year:			
Early Years Block	(1,240)	(10,853)	0
Schools Block	(13,046)	(15,371)	545
High Needs - EHCP's	(965)	(212)	(387)
High Needs - Resourced	(411)	(506)	(419)
High Needs - Special Schools	(4,832)	(1,125)	(660)
High Needs - Post 16	(774)	(298)	(525)
High Needs - High Needs Contingency	27	0	
High Needs - central (including OOB)	(794)		
High Needs - Service Improvement / development	(352)	(1,371)	0
Central School Services Block (including licences)	(4)	109	0
Projected Surplus	3,561	4,387	4,863

- 3.3 It is an important element of the financial management of the Authority that the DSG is not in a deficit position, clearly the financial position of the DSG has improved with a surplus having been reported in 2022/23 and the current version of the Management Plan demonstrating that the surplus, based on current projections is forecast to increase and stabilise in the current and future years. Implementation of the programme of work funded under the Delivering Better Value in SEND combined with the complimentary work undertaken in the North West Change Partnership Programme (NWCPP) and the Early Language Support for Every Child initiative (ELSEC) will be pivotal in the consolidation and future sustainability of the of the DSG in Oldham and work will continue during the remainder of 2023/24, throughout 2024/25 and beyond to ensure that the projected surplus position is maintained going forward.

4 Central School Services Block

- 4.1 Sections 2.14 to 2.16 provided details of the Central School Services funding allocation. Schools Forum is required each year to confirm the amounts on each line for activities funded within this block, as shown in Table 8 below:

Table 8- CSSB Proposed 2024/25 Allocation

	2023/24 £000	2024/25 £000	Narrative
Schools Forum	13	13	Hosting, servicing and administration of the Schools Forum
Access Admissions	702	702	Cost of admissions and appeals
Premature retirements	849	679	Retirement costs. These costs will reduce over time. It covers approximately 380 people
Sub Total	1,564	1,394	
National Copyright School Leases	245	272	Relates to the purchase by the DfE of a single national licence managed by DfE for all state funded schools in England (final figure TBC)
Total	1,809	1,666	

- 4.2 In addition, the retained duties rate (£15 per pupil in 2017/18) was paid to Local Authorities, to fund the duties that they delivered for all pupils. The retained duties element of the Education Services Grant (ESG) was transferred to the CSSB and requires Schools Forum to confirm the contribution that the Local Authority holds for all schools
- 4.3 The Authority is therefore requesting Schools Forum to confirm the contribution of £0.686m (£0.652m in 2023/24) from the CSSB for duties previously covered by ESG for the Statutory and Regulatory duties.

5 De-delegated Funding

- 5.1 The funding reforms introduced from April 2013 outlined the requirement for, in the first instance, as much as possible of Central Services and the corresponding funding to be delegated to schools and academies, so that local decision making is made by schools and academies directly. This change required Local Authorities to delegate funding relating to a number of centrally retained budgets to schools via the Local Funding Formula.
- 5.2 The table below provides details of the services for Oldham which it is proposed will be de delegated in 2024/25.

Table 9- De-delegated Funding

De-delegation Item	Primary per pupil amount 2024/25 £	Total Budget for Primary 2024/25 £000	Secondary per pupil amount 2024/25 £	Total Budget for Secondary 2024/25 £000
School improvement (including previous Monitoring & Brokering Grant) and Under Performing Schools	29.53	443		
Contingencies	8.55	128		
Insurance	19.44	292	18.37	81
Teacher Union Duties	4.1	62	3.87	17
TOTAL		925		98

- 5.3 Locally maintained schools have the option of de-delegating the funding back to the LA to provide better value for money or to pool risk. The Schools Forum representatives of each sector are the decision-making body in such matters, following discussion with their wider stakeholder colleagues. The decision-making process is subject to an annual review and the appropriate Primary and Secondary Forum representatives from maintained schools are requested to confirm the decision for each of the de-delegated services for 2024/25.
- 5.4 These budgets are reviewed regularly to ensure the amounts and the purpose is still relevant as more schools move to academy, trust and foundation school status. The proposed amounts to be de-delegated per pupil for 2023/24 for these services are the same as previous years except for School Improvement and under performing schools which has increased by 10%. De-delegation will mean funding for these services is removed from the formula before school budgets are issued.
- 5.5 Any unspent de-delegated funding remaining at the year-end can be carried forward to the following funding period, but its use would be subject to the regulations operating in the year.
- 5.6 Where contingencies and Teacher Union duties have been unspent in previous years the balance has been carried forward as an earmarked reserve to fund future years commitments.

6 Growth Funding

- 6.1 The growth fund is to support pupil growth relating to LA planned basic need for schools where it has already been agreed with the LA that there will be an increase in the planned admission numbers (PAN) by means of the provision of a school extension. Additional funding will be made available in relation to the number of additional pupils taken.
- 6.2 Reference may be made to the number of classes required and may include consideration of the number of pupils leaving the school in that year.
- 6.3 Any allocation will be based on the basic per pupil element funding and would be provided only for a maximum of the first academic year that an additional class is created or until the pupils are included on the October census (as additional funding will then flow through to the school based on the October pupil count).

6.4 The current estimated requirement for the growth fund budget for 2024/25 is £1.290m of which £545k will be funded from the estimated underspend on growth from 2023/24 to be carried forward into 2024/25.

7 Summary

7.1 The proposed DSG budget for 2023/24 for each funding block is summarised in the table below:

Block	Allocation 2024/25 £000's	Retained £000's	Delegated £000's	Retained / Delegated £000's	Total Deployed £000's	Surplus / (Deficit) £000's
Schools	255,312		255,857		255,857	(545)
High Needs	61,474	12,525	47,578		60,103	1,371
Early Years	30,609	21,729	8,240	640	30,609	0
Central Schools Block	2,352	2,352			2,352	0
Total Funding	349,747	36,606	311,675	640	348,921	826

8 Actions/ Recommendations

8.1

a) Schools Forum is requested to:

- 1) Note the settlement of Dedicated Schools grant for 2024/25
- 2) Note the current 2023/24 projected DSG surplus of £3.561m (Section 3 - Table 6)
- 3) Approve the deployment of Dedicated Schools Grant (Section 3 – table 6)
- 4) Approve the allocation for each service area, totalling £1.666m of funding from the Central Schools Services Block above (section 4).
- 5) Approve retention of £0.686m retained duties funding in the Central Schools Block (section 4)
- 6) Approve the provisional Growth Funding for 2024/25 of £1.290m (section 6)

b) Representatives from each sector for maintained schools are requested to approve the de – delegation of School Improvement and under performing schools, Teacher Union Duties, contingencies and Insurance for 2023/24 for locally maintained schools as follows:

1. Maintained Primary Schools- £0.925m
2. Maintained secondary Schools- £0.098m

Appendix A- Funding Consultation issued to Schools

To: Headteachers & Chairs of Governing

Bodies of Mainstream Primary & Secondary
Schools

Corporate Resources Directorate

Schools Finance Team

Level 3, Civic Centre

West Street, Oldham, OL1 1UG

Dear Colleagues,

Mainstream Schools Funding 2024/25

1 Funding Announcements 2024/25

- 1.1 On 17th July 2023 the Department for Education, via the Education and Skills Funding Agency published provisional funding allocations for 2024 to 2025 through the schools, high needs and central school services national funding formulae (NFF). These are presented in the table below together with allocations for 2023/24 for comparative purposes.

Table 1 – DSG Allocations for 2024/25 compared to 2023/24

Dedicated Schools Grant (DSG)	2023/24 £000	2024/25 £000	Difference £000
Schools Block	239,288	252,852	13,564
Schools Block growth	1,304	tbc	-1,304
High Needs Block	59,146	60,856	1,710
Central Schools Block on-going	1,612	1,667	55
Central Schools Block historic	849	679	-170
Sub Total	302,199	316,054	13,855
Early Years Block	19,757	tbc	-19,757
Total	321,956	316,054	-5,902

The Early Years Block allocations are traditionally released at a later date and cannot therefore be included at this time for 2024/25. Excluding the Early Years Block and Schools Block growth funding has increased by £13.855m or 4.58%.

- 1.2 The financial year 2024/25 is the seventh year of the National Funding Formula (NFF) for schools. However, the national funding formula is currently only used to calculate the Dedicated Schools Grant Schools Block to be allocated to each Local Authority. Individual school budget shares and Academy General Annual Grant (GAG) allocations are calculated using the Local Authority funding formula. The Local Authority proposes any amendments to the funding and is responsible for making the final decisions on the

formula. Any proposed amendments to the local funding formula must be subject to formal consultation with all schools.

- 1.3 The overall Schools' Block funding provided to Local Authorities is ring-fenced.
- 1.4 The 2024/25 "provisional" Schools' Block allocation for Oldham (based on October 2022 pupil numbers) is £252.852m excluding any growth allocation for 2024/25. This provides an additional £13.564m in 2024/25 compared to the Schools Block allocation for 2023/24. The actual budget for 2024/25 NFF allocation to Local Authorities will be based on October 2023 pupil numbers (not on characteristics to Local Authorities). A change in pupil numbers will affect a Local Authority schools block allocation in 2024/25.
- 1.5.1 Growth allocations for 2024/25 will also be based on pupil data from the October 2023 census and will be notified as part of the Dedicated Schools Grant (DSG) allocation in December 2023.
- 1.6 It is proposed that the local funding formula model for 2024/25 will not change from the model applied in 2023/24. The only exception being a change to the Area Cost Adjustment as outlined in section 2.1 below). The funding model is based around funding being fair to all schools and targets funding to schools.

2 Proposed Funding Formula – Mainstream Schools

- 2.1 The Government has confirmed plans to introduce the direct national funding formula, and that it will bring forward the relevant legislation required at the earliest opportunity. The direct national funding formula will determine school funding allocations directly, rather than by local funding formulae. Oldham's proposed formula for 2024/25 is the same as for 2023/24 and is based on Oldham remaining on funding at the National Funding formula allocations for 2024/25 with the only change being an increase in the Area Cost Adjustment (ACA) to 1.003 in 2024/25 from 1.001 in 2023/24 (the full Area Cost Adjustment for Oldham is currently 1.00567).
- 2.2 The 2024/25 NFF cash values are based on:
- a) Funding through the schools NFF is increasing by 1.90% per pupil, compared to 2023/24 with the funding floor allocating at least 0.5% more in pupil-led funding per pupil, and higher minimum per pupil funding levels directing further increases to the lowest funded schools.
 - b) The other main features in 2024/25 are:
 - The introduction of a formulaic approach to allocating split site funding to ensure consistency across the country
 - The core factors in the schools NFF (such as the basic entitlement, and the lump sum that all schools attract) will increase by 1.4%. The Free School Meal (FSM) factor will increase by 1.6%.
 - Through the minimum per pupil funding levels, every primary school will receive at least £4,610 per pupil, and every secondary school at least £5,995.

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- The 2023/24 Mainstream Schools Additional Grant (MSAG) will be rolled into the schools NFF ensuring that this additional funding forms an on-going part of schools' core budgets.
 - Local authorities will continue to set a minimum funding guarantee of between +0.0% and +0.5%.
 - Local authorities must use the new NFF requirements for growth funding, whereby additional classes (driven by basic need) must be funded by at least the minimum funding level set out in the funding calculation.
 - Local authorities must also follow the new NFF requirements for falling rolls funding, whereby local authorities can only provide falling rolls funding to schools where school capacity survey (SCAP) data shows that school places will be required in the subsequent three to five years. The restriction that schools must be judged Good or Outstanding at their last Ofsted inspection to be eligible for funding is also being removed from 2024/25.

2.3 The financial modelling is based on October 2022 pupil numbers and characteristics. If the 'characteristics' of schools have changed in 2023 the currently proposed increase to the ACA to 1.003 may not be possible. Conversely, if any changes in pupil characteristics mean that additional funds are available following the modelling, then this will be used to further increase the Area Cost Adjustment towards the full Area Cost Adjustment for Oldham of 1.00567, any future adjustment will have an equitable impact on all schools.

2.4 The indicative Schools Block allocations to Local Authorities are funded by multiplying a Primary Unit of Funding (PUF's) and Secondary Units of Funding (SUF's) cash value by each pupil. The PUF's and SUF's for 2024/25 have been calculated based on school and pupil characteristics data from the 2023/24 authority proforma tool (APT) data which was based on October 2022 census information. They will not be updated for any characteristic changes to the October 2023 census until 2025/26. If there is a significant change in characteristics such as eligibility for free school meals we will need to adjust the Area Cost Adjustment used in our local formulae as necessary to meet any affordability pressures.

3 Growth

3.1 Growth funding is allocated through the NFF within each Local Authority's schools block. Unlike the other factors in the NFF, a provisional growth allocation is not published. This is because growth funding is based on the latest pupil data, recorded in the October 2023 census, which is not yet available. Instead, each Local Authority's growth allocation is included in the DSG published in December. For 2024/25 growth will be calculated using the same methodology as in 2023/24, based on the growth in pupil numbers between the October 2022 and October 2023 censuses.

3.3 The fund is to support pupil growth relating to LA planned basic need for schools where it has already been agreed with the LA that there will be an increase in the planned admission numbers (PAN) by means of the provision of a school extension.

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- 3.4 Additional funding is made available to schools in relation to the number of additional pupils taken.
 - 3.5 Any allocation will be based on the basic per pupil element funding and would be provided only for a maximum of the first academic year that an additional class is created or until the pupils are included on the October census (as additional funding will then flow through to the school based on the October pupil count).

4. Principles / Timeline

- 4.1 The 2024/25 formula is based on the principles originally agreed in Oldham for 2019/20 by elected Members to maintain the movement towards the National Funding Formula and to ensure the Local Authority is being fair to all schools.
- 4.2 The table below provides a summary of the key dates within the 2024/25 budget setting cycle:

Table 2 – Timeline

Action/Issue	Date(s)
Information sent to schools re 2024-25 budgets	08 December23
Schools Funding settlement (i.e., Final DSG allocation confirmed by DfE)	Mid to late December 2023
Determination of final local funding formula	December 2023 to January 2024
Schools Forum meeting	17 January 24
Council Cabinet Meeting	22 January 24
Local Funding Formula submission to DfE (Compliance)	22 January 24
Statutory deadline to issue final school budget figures	28February 24

5 Information attached

- 5.1 Appendix 1 shows the 2023/24 actual funded cash values (NFF amounts including 1.001 ACA) together with the 2024/25 proposed cash values (NFF amounts with both a 1.001 & a 1.003 ACA).

Yours sincerely,

Schools Finance Team.

Email: schoolsteam.finance@oldham.gov.uk

Appendix 1											
National Funding Factors		2023/24 Cash Values NFF and also used in Oldham formula (including 1.001 ACA)		2024/25 Cash Values NFF proposed to be used in Oldham formula (with 1.001 ACA).		% change in values compared to 2023/24 Values		2024/25 Cash Values NFF proposed to be used in Oldham formula (with 1.001 ACA).		% change in values compared to 2023/24 Values	
		Primary £	Secondary £	Primary £	Secondary £	Primary %	Secondary %	Primary £	Secondary £	Primary %	Secondary %
Basic Per Pupil KS1 / KS2 (including funding previously allocated through the Mainstream School Additional Grant (MSAG) allocated in 23/24 at £119		3,517		3,566		1.39%		3,573		1.59%	
Basic Per Pupil KS3 (including funding previously allocated through the MSAG in 2023/24 at £168 per pupil + ACA)			4,958		5,027		1.39%		5,037		1.59%
Basic Per Pupil KS4 (including funding previously allocated through the MSAG in 2023/24 at £190 per pupil + ACA)			5,589		5,667		1.40%		5,678		1.59%
Attainment		1,156	1,752	1,171	1,777	1.31%	1.41%	1,174	1,780	1.56%	1.60%
Free School Meals		480	480	490	490	2.08%	2.08%	491	491	2.29%	2.29%
Free School Meals Ever6 (including funding previously allocated through the MSAG in 2023/24 at £104 per pupil primary and £152 secondary + ACA)		810	1,183	821	1,201	1.36%	1.52%	822	1,204	1.48%	1.78%
English as Add'l Language		581	1,567	591	1,587	1.72%	1.28%	592	1,590	1.89%	1.47%
Mobility		946	1,361	961	1,381	1.59%	1.47%	963	1,384	1.80%	1.69%
IDACI	F	230	335	235	340	2.17%	1.49%	236	341	2.61%	1.79%
	E	280	445	285	450	1.79%	1.12%	286	451	2.14%	1.35%
	D	440	621	445	631	1.14%	1.61%	446	632	1.36%	1.77%
	C	480	681	485	691	1.04%	1.47%	486	692	1.25%	1.62%
	B	511	731	516	741	0.98%	1.37%	517	742	1.17%	1.50%
	A	671	931	681	946	1.49%	1.61%	682	948	1.64%	1.83%
Lump Sum (including funding previously allocated through the MSAG in 2023/24 at £4,510 + ACA)		132,643	132,643	134,534	134,534	1.43%	1.43%	134,803	134,803	1.63%	1.63%
Minimum Funding Levels (including funding previously allocated through the MSAG in 2023/24 at £143 to primary, £186 to KS3 and £208 to KS4)		4,548	5,910	4,610	5,995	1.36%	1.44%	4,610	5,995	1.36%	1.44%

Report of the Director of Finance

Item 4 – Scheme for Financing Schools – DfE Directed Revisions and LA Revisions

17th January 2024

1. Purpose of the Paper

The purpose of this report is to update Schools Forum on the consultation process re the requirement to update the Oldham Scheme for Financing Schools, effective from April 2023.

2. Background

Local authorities are required to publish schemes for financing schools setting out the financial relationship between them and the schools they maintain. The DfE has issued revised guidance on local authority schemes for financing schools which Local Authorities must take into account when they revise their scheme.

3. Revisions

Changes to some of the wording in the scheme are called ‘directed revisions’. This means that authorities must incorporate within, or remove from, their schemes the specified wording and no other process is needed in order to make the changes. The power of directed revision is used, to remove outdated provisions and to insert new provisions that are required for the implementation of policy.

The summary of scheme changes is as follows:

- Directed revisions already announced
- The Local Authority has updated Oldham's scheme in accordance with the specified instructions

4. Updates

A summary of the changes in accordance with updates to Guidance from the DFE and other Local Authority revisions for 2023 is attached. There are no directed revisions.

A copy of the summary changes and the scheme was sent to schools for consultation and ended on 15th December 2023. The revised version has been published on the Council's website.

5. Actions/ Recommendations

To update the members of the Schools Forum representing maintained schools on the main changes to the document.

Summary of main changes - Scheme for Financing Schools April 2023

SECTION(S)	DETAILS	REVISION
2.10	Purchasing, tendering and contracting requirements – removed references to the EU as necessary	LA Revision
2.15	Schools Financial Values Standard (SFVS) – removed out of date wording re the SFVS replacing the FMSiS in 2013.	LA Revision
3.5.1	Restrictions on accounts – wording removed re accounts showing no risk to the sum invested (as there is only a protection guarantee in place up to £85k on balances deposited).	LA Revision
5.4	Income from the sale of assets – wording added as per the DfE guidance: “Any retention of funds from the sale of land assets is subject to the consent of the Secretary of State, and any conditions the Secretary of State may attach to that consent relating to use of proceeds”	LA Revision

Report of the Director of Finance

Item 5 – Forward Plan for 2023/24

17 January 2024

Purpose of Report

The purpose of the report is to set out the proposed future date(s) for Schools Forum meetings and suggested agenda items for the financial year 2023/24.

Proposed Meeting Dates for 2023/24

The proposed future meeting date is set out below:

- 20 March 2024

Proposed Agenda Items by Meeting

The following sets out the proposed agenda for the future meeting for the financial year 2023/24. There will be other items presented as appropriate.

Meeting - 20 March 2024

Item	Purpose	Officer Responsible
2023/24 – 2025/26 DSG Management Plan Update	To Update Members	Finance Team
Early Years Funding 2024 - 2025	To agree formula changes and update members	Finance Team
Schools Forum Roles & Responsibilities	To Update Members	Finance Team

Recommendation

Schools Forum is requested to review the Forward Plan and agree/ suggest amendments to the contents of this report.