

**Schools Forum**  
**Wednesday, 6 March 2024 at 08.00 am**

**Venue – Remote Meeting**

<https://bradford.public-i.tv/core/portal/home>

**PLEASE NOTE**

All meetings will be held in public; the agenda, decision list and minutes will be publicly available on the Council's website and Committee Secretariat, Room 112, City Hall, Bradford.

The taking of photographs, filming and sound recording of the meeting is allowed except if Councillors vote to exclude the public to discuss confidential matters covered by Schedule 12A of the Local Government Act 1972. Recording activity should be respectful to the conduct of the meeting and behaviour that disrupts the meeting (such as oral commentary) will not be permitted. Anyone attending the meeting who wishes to record or film the meeting's proceedings is advised to liaise with the Forum Clerk Asad Shah (01274 432280) who will provide guidance and ensure that any necessary arrangements are in place. Those present who are invited to make spoken contributions should be aware that they may be filmed or sound recorded

**1. APOLOGIES FOR ABSENCE**

The Business Advisor (Schools) will report the names of alternate Members who are attending the meeting in place of appointed Members.

**2. DISCLOSURES OF INTEREST**

To receive disclosures of interests from Members on matters to be considered at the meeting. The disclosure must include the nature of the interest.

An interest must also be disclosed in the meeting when it only becomes apparent to the member during the meeting.

**3. MINUTES OF 10 JANUARY 2024 & MATTERS ARISING (minutes) 1 - 30**

**That the minutes of the meeting held on Wednesday 10 January 2024 be signed as a correct record.**

(Asad Shah – 01274 432280)

**4. MATTERS RAISED BY SCHOOLS**

Members will be asked to consider any issues raised by schools.

**5. STANDING ITEM - DSG GROWTH FUND ALLOCATIONS (a)**

There are no new allocations for 2023/24 presented to this meeting.

**6. SCHOOLS BLOCK FALLING ROLLS FUND ALLOCATIONS 2023/24 (a) 31 - 36**

The Business Advisor (Schools) will present a report, **Document RD**, which provides an update for the Schools Forum on the application, in the 2023/24 financial year, of the Schools Block Falling Rolls Fund for mainstream primary phase-maintained schools and mainstream primary phase academies.

**Recommended –**

**The Schools Forum is asked to note that, as set out in Document RD, and following the agreed established criteria, there are no allocations to be made from the Schools Block Falling Rolls Fund in 2023/24.**

**The Forum is asked to note that the sum of £500,000 is confirmed as unspent within the Schools Block and is carried forward into 2024/25 as a ring-fenced sum.**

(Andrew Redding – 01274 432678)

**7. MATTERS CONCERNING THE DEDICATED SCHOOLS GRANT (i) 37 - 42**

The Business Advisor (Schools) will present a report, **Document RE**, which provides an update on a number of matters relating to the Dedicated Schools Grant.

**Recommended –**

**The Schools Forum is asked to consider and to note the information provided in the report.**

(Andrew Redding – 01274 432678)

**8. MATTERS CONCERNING SCHOOL AND ACADEMY BUDGETS (i) 43 - 50**

The Business Advisor (Schools) will present a report, **Document RF**, which provides an update on matters concerning school and academy

budgets. This includes an update on the position of the conversion of maintained schools to academy status and on the general forecasted position of school and academy budgets over the 2024-2027 3-year period.

**Recommended –**

**The Schools Forum is asked to consider and to note the information provided in the report.**

(Andrew Redding – 01274 432678)

## **9. SCHOOLS FORUM STANDING ITEMS (i)**

Updates on the following Forum standing items will be provided verbally where these have not been covered within other agenda items:

Schools Forum membership

- Update from the High Needs Block Steering Group
- Update from the Schools Financial Performance Group (SFPG)
- Update on School / Academy Budgets
- Update from the Early Years Working Group (EYWG)
- Update from the Formula Funding Working Group (FFWG)
- Update on Primary School Places
- Update on Academies & Free Schools

**Recommended –**

**The Forum is asked to note the information provided.**

(Andrew Redding – 01274 432678)

## **10. AOB / FUTURE AGENDA ITEMS**

Members will be asked for any additional items of business, for consideration at a future meeting.

## **11. DATE OF NEXT MEETING**

The next Forum meeting is planned for Wednesday 22 May 2024.

(a) Denotes an item for action (including where a formal view or recommendation is required).

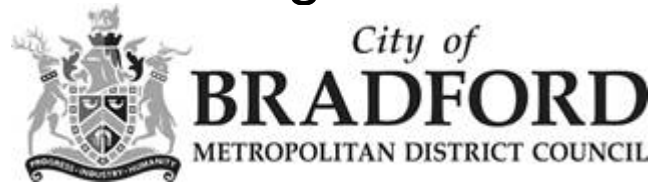
(i) Denotes an item for information.

Signposting of High Needs Information

- As per the schedule presented on 14 October 2020, "Forum members

are expected to access 'outside of the Forum meetings' wider SEND information that is presented to other groups and that is already published, including information presented to the SEND Partnership. The Authority will signpost this information (webpage links) for Forum members at the bottom of agendas."

- SEND Partnership Board (minutes of meetings):  
<https://localoffer.bradford.gov.uk/coproduction--feedback/send-strategic-partnership-board->



**Note: These minutes are subject to approval as a correct record at the next meeting of the Schools Forum on 6 March 2024**

## Schools Forum meeting held at City Hall on Wednesday 10 January 2024

Commenced 08:05  
Concluded 11:00

### RECORD OF MEETING ATTENDEES, APOLOGIES AND ABSENCES

#### Schools & Academies Members

##### IN ATTENDANCE

<b>Member</b>	<b>Membership Group</b>
<b>Ian Morrel (Chair)</b>	<b>Maintained Secondary Schools – Headteacher</b>
Ashley Reed (Vice Chair)	Academies Member
Amanda Sloney	Academies Member
Rowena Dixon	Academies Member
Matthew Hill	Academies Member
Brent Fitzpatrick OBE	Academies Member
Sarah Murray	Academies Member
Melanie Saville	Academies Member
Helen Williams	Academies Member
Michael Thorp	Academies Member
Jonathan Nixon	Academies Member
Wahid Zaman	Academies Member
Richard Bottomley	Academies Member – Alternative Provision Academies
Graham Swinbourne	Maintained Primary Schools - Headteacher
Kathryn Swales	Maintained Primary Schools - Headteacher
Victoria Merriman	Maintained Primary Schools - Headteacher

##### APOLOGIES RECEIVED

<b>Member</b>	<b>Membership Group</b>
Isabel Peat	Academies Member
Victoria Birch	Academies Member
Lyndsey Brown	Academies Member - Special School Academies
Sian Hudson	Maintained Nursery Schools - Headteacher
Gareth Baterip	Maintained Primary Schools - Headteacher
Helen Willett	Maintained Special Schools

##### NOT IN ATTENDANCE (WITHOUT APOLOGIES RECEIVED)

<b>Member</b>	<b>Membership Group</b>
Bev George	Maintained Nursery Schools – Governor
Kirsty Ratcliffe	Pupil Referral Unit (maintained)

## **Non-Schools Members**

### IN ATTENDANCE

<b>Member</b>	<b>Membership Group</b>
Tom Bright	Teaching Unions

### APOLOGIES RECEIVED

<b>Member</b>	<b>Membership Group</b>

### NOT IN ATTENDANCE (WITHOUT APOLOGIES RECEIVED)

<b>Member</b>	<b>Membership Group</b>
Junaid Karim	Council for Mosques (Bradford)
Ruth Terry MBE	Officer Representing Vulnerable Children

### **Substitute Members present at the meeting as a Member (not as an Observer)**

<b>Substitute Member</b>	<b>Membership Group</b>
Louise Sagar	Academies Member

### **Substitute Members present at the meeting as an Observer (not as a Member)**

<b>Substitute Member</b>	<b>Membership Group</b>

### **Local Authority Officers present at the meeting**

<b>Officer</b>	<b>Position</b>
Andrew Redding	Business Advisor (Schools)
Asad Shah	Committee Secretariat
Dawn Haigh	Principal Finance Officer (Schools)
Marium Haque	Strategic Director, Children's Services
Niall Devlin	Assistant Director, SEND and Inclusion
Richard Crane	Assistant Director, Schools and Learning

**40% of the School Forum's membership (filled membership positions) must be present for a meeting to be quorate. This meeting was quorate, with 67% of members present (18 out of 27 currently filled membership positions).**

In introducing the meeting, the Chair explained:

- This is the main annual recommendations and decisions meeting for the Forum for the 2024/25 financial year.
- As we've done in previous years, agenda item 12 pulls together all the recommendations and decisions into one document (Document RC). The agenda items running up to this provide updates and little more information, which will aid Members' understanding of the recommendations and decisions that they are now asked to take. So we will run through these documents (relatively quickly) and then turn the Forum's attention at agenda item 12 to the recommendations and decisions. We have previously approached decision making 'by exception', section by section.

- There are no particular ‘surprises’ being presented today, with the main themes of the decisions and recommendations being as we have presented and discussed across the autumn term. We are however:
  - Presenting the Early Years settlement and consultation document on our proposed Early Years Single Funding Formula for the first time.
  - Showing that the cost of our Schools Block funding formula has quite substantially changed, as a result of the October 2023 Census, though the cost of this is covered within the Schools Block settlement.
  - Showing a potentially more challenging financial position for the High Needs Block than we presented in December, but with no change in the overall direction of travel.

These matters require highlight and consideration, though the Chair explained that none of them really materially alter the decisions we take for 2024/25.

- Members may feel that they need more time to consider some of the final recommendations and decisions. If so, the provisional meeting next Wednesday is available.

#### **743. DISCLOSURES OF INTEREST**

The following members declared interests for agenda item 5 (Growth Fund allocations): Helen Williams and Ashley Reed.

#### **744. MINUTES OF 6 DECEMBER 2023 & MATTERS ARISING**

The Business Advisor (Schools) reported on progress made on “Action” items from the 7 December meeting. He reported that:

- **Item 738 (SEND Sufficiency Statement)** – We have provided information on PRU / AP places planning within the 2024/25 budget under agenda item 11 (update DSG Management Plan). We are making provision from the 2024/25 planned budget for 300 places, increased from the 160 places in the 2023/24 planned budget this time last year.

The Business Advisor then reported the following:

- On the 19 December, the DfE confirmed that Pupil Premium Grant rates of funding for 2024/25 are increasing, by 1.5% (rounded). These increases are reflected in the indicative modelling that is presented to the Forum at this meeting.
- The DfE has now confirmed that there will be a new Teachers Pensions Grant in support of the 5% increase in the employer’s contribution to teacher pensions from April 2024. Further details on this are still to be published by the

DfE.

- So far, we cannot see that the DfE has announced the post-16 funding settlement for the 2024/25 academic year.

**Resolved –**

- (1) That progress made on “Action” items and Matters Arising be noted.**
- (2) That the minutes of the meeting held on 6 December 2023 be signed as a correct record.**

#### **745. MATTERS RAISED BY SCHOOLS**

No matters were raised, and no resolutions were passed on this item.

#### **746. STANDING ITEM - DSG GROWTH FUND ALLOCATIONS**

As presented by the Business Advisor (Schools), in Document QV, Forum Members were asked to agree proposed allocations, from the 2023/24 Schools Block Growth Fund, to maintained secondary schools and to secondary academies. These allocations were agreed. Members did not have any comments and did not ask any questions.

**Resolved –**

- (1) The Schools Forum agreed to allocate a total of £770,431 from the Growth Fund in 2023/24 to maintained secondary schools and secondary academies, as set out in Document QV.**
- (2) Members noted that an indicative total sum of £1,149,175 of surplus balance of Growth Fund is ring-fenced and is forecasted to be carried forward into 2024/25 within the Schools Block.**

**LEAD:**        *Business Advisor, Schools*

#### **747. CONSULTATION – EARLY YEARS BLOCK FUNDING ARRANGEMENTS 2024/25**

The Business Advisor (Schools) presented a report, **Document QW**, which presented the Authority’s consultation on proposals for Bradford’s 2024/25 Early Years Single Funding Formula (EYSFF), including our proposals for new formula funding for the two new entitlements. It was explained, subject to the Forum’s agreement, that this consultation will go live immediately following this meeting and will have a closing date for responses of 5 February 2024. The Business Advisor explained that this consultation follows from discussions in the 6



December Schools Forum meeting about the implications for our decision-making timetable of the later publication by the DfE of the 2024/25 Early Years Block settlement and operational guidance. These were published by the DfE on 29 November. The Early Years Working Group met on 14 December.

Within his presentation, the Business Advisor explained to the Forum how our Early Years Block settlement for 2024/25 is improved on 2023/24, but that this improvement must be assessed in the context of the continued significant increases in salaries costs for all providers, including a further c. 10% increase in the National Living Wage. This Business Advisor also explained that the issue of the funding of 26 weeks of delivery for the new Under 2s entitlement is still to be addressed by the DfE and we currently await the DfE's announcement on this matter. For the planned budget, that is presented to today's meeting, we assume that this issue will not be resolved, meaning that we will have £1.2m of unfunded delivery cost in 2024/25, which would be met from our Early Years Block reserves. However, if this issue is resolved (the DfE funds 26 weeks rather than 22 weeks for the delivery of the new Under 2s entitlement for the period September 2024 to March 2025), the £1.2m overspend will be removed and this will not be a call on Early Years Block reserves.

Members did not have any comments or questions on the Authority's EYSFF proposals. The Forum offered its support for these and agreed for the consultation document to be published.

#### **Resolved –**

- (1) That the information presented in Document QW be noted.**
- (2) That the Schools Forum supports the proposals for the Early Years Single Funding Formula for 2024/25 that the Authority puts forward within the consultation document.**
- (3) That the document (Appendix 1) be published and that a consultation takes place with providers, as set out in Document QW.**

**LEAD:**        *Business Advisor, Schools*

#### **748.    UPDATED 2024/25 DSG POSITION**

The Business Advisor (Schools) presented a report, **Document QX**, which updated Forum Members on the position of the Dedicated Schools Grant (DSG) for the 2024/25 financial year. This is a main reference document for this meeting.

The Forum's attention focused on the £22m estimated overspending within the High Needs Block, with overall DSG balances estimated to reduce from £30m to £7m by the end of 2024/25 (and then for our DSG account to move into cumulative deficit by the end of 2025/26).

A member representing maintained primary school headteachers asked how the £22m overspend is constructed. The Business Advisor responded that further

details are provided in the DSG Management Plan under agenda item 11, but broadly this comes from: £4m carried forward overspend from 2023/24 minus £5.5m more High Needs Block income in 2024/25 plus £23m increased spend estimated for 2024/25. The £23m is made up of expected significant continued growth in spending in 6 main areas. The member asked why the increase in High Needs Block income is not keeping pace with increasing costs. The Business Advisor responded that we had previously assessed that the Government's 2022-2025 3-year national school funding settlement was frontloaded, meaning that increases in funding per pupil were expected to be much lower in 2024/25. This is what has now happened, with our increase in High Needs Block funding being capped at 5% per pupil in 2024/25 compared with increases higher than 10% in each of the last few years. This is happening at a time when our rates of growth in spending are increasing not reducing. The Chair added, in presentations to the Forum over the last 18 months, that we have predicted that this scale of financial challenge was on the horizon, and this was a key reason for caution in our approach to the use of our High Needs Block surplus balance.

An Academies Member asked for clarification on what would happen in 12 months' time if we were to find ourselves with a deficit DSG account or setting a 2025/26 planned budget that results in deficit. What would the DfE do? The Business Advisor responded to explain the 'statutory accounting override' and the DfE's existing Safety Value and Delivering Better Value intervention and support programmes. He explained that we would wish to engage with the DfE as early as possible, to highlight our prediction and to ask for support. This is one of the mitigating actions that we now propose to take (to contact the DfE). The Strategic Director, Children's Services, highlighted for Forum members that the issue of High Needs Block deficits is a national one and she offered her view that action on a national level will be required from government in order to resolve the clear crisis that is currently present. Whilst Bradford has been successful in managing high needs block financial pressures, working collaboratively, that Bradford is now in difficulty evidences the scale of the funding issues that are present at a national level. We and other authorities are very worried about the future. In this context, it is important to highlight that we are a pilot authority for the SEND national review reforms and we are also already talking to the DfE, sharing our experience of how to create specialist places (in the absence of a new special school free school). The Chair reinforced the Director's message, that our DSG management so far has been the product of partnership and collaborative working, but that we are now heading into very challenging times.

The Business Advisor explained that, in assessing the action that we have taken so far to mitigate against deficit, we appear to already be doing a number of the things that the DfE has recommended to the existing Safety Value and Delivering Better Value local authorities. He stated that the main remaining DSG management action that we must now consider is a Schools Block to High Needs Block transfer of funds, from April 2025. This is something that will be further discussed with the Schools Forum and is likely to come into our consultation on 2025/26 arrangements. Authorities can transfer up to 0.5% of the Schools Block (roughly £3m) with the approval of the Schools Forum. A member representing maintained primary school headteachers expressed concerns about this, about the potential for growth in surplus balance (the last time we transferred funds in 2019/20 this preceded the growth in surplus balance) and the top-slicing of school budgets 'by stealth'. The Business Advisor responded to explain that no decisions

have been taken and the process of considering and consulting on a transfer, as well as the requirement to obtain Schools Forum approval, is designed so that any transfer of funds is done transparently. The Chair also responded that such a transfer needs to be looked at from a strategic as well as a financial perspective.

An Academies Member asked what would happen if we took no further mitigating action, and whether the possibility of this approach was part of the Authority's strategic thinking. This is recognising that this is a national problem, many other authorities are already in deficit, and that the size of our estimated overspend is such that new mitigating action is unlikely to resolve this but that such action will likely have substantial impact on our high needs provision. The Business Advisor responded that we anticipate that the DfE will 'intervene' on the back of our 2024/25 forecast and that we would wish to pro-actively communicate with the DfE on the scale of our challenge and deficit risk. One of the considerations for whether and what further actions we take will be the DfE's view about the acceptability of the size of any DSG deficit that we might hold e.g. the DfE may or may not accept that we cannot fully resolve our deficit in the short term and may or may not agree deficit limits rather than insisting that the deficit is fully resolved. The DfE may also direct us to take specific types of mitigating action. We will not know this until we've had these discussions with the DfE.

The Business Advisor responded to a final question from the member representing maintained primary school headteachers regarding whether we receive funding in relation to pupils in our schools with EHCPs that come from other authorities.

**Resolved – That the information presented in Document QX be noted.**

#### **749. UPDATED 2023/24 DSG SPENDING AND BALANCES FORECAST**

The Business Advisor (Schools) presented statements, **Document QY Appendices 1 and 2**, which updated Forum Members on the forecasted spending positions of each of the DSG Blocks for 2023/24, on the estimated values of balances to be carried forward into 2024/25, and on the proposed uses of these balances. These statements replaced the initial indicative forecasts that were presented to the Schools Forum on 6 December (in Document QS).

Members did not have any comments and did not ask any questions.

**Resolved - That the information presented in Document QY be noted.**

#### **750. CENTRALLY MANAGED AND DE-DELEGATED FUNDS 2024/25**

The Business Advisor (Schools) presented statements, **Document QZ Appendices 1, 2 and 3**, which set out proposed Schools Block, Central Schools Services Block and Early Years Block centrally managed and de-delegated funds for the 2024/25 financial year. The statements at Appendix 1 and Appendix 2 replaced the indicative information that was presented to the Schools Forum on 6

December (in Document QU). Appendix 3 newly presented the contributions to be made by each maintained primary and secondary school to de-delegated funds held within the Schools Block and how these compare with the contributions made in 2023/24.

An Academies Member asked for clarification on why it is proposed that a further £0.950m of budget is taken in 2024/25 for the Growth Fund in the Schools Block when £1.1m of balance is carried forward. The Business Advisor explained the rationale for this, linking to the expected changes in Growth Fund arrangements as well as the potential for the £1.1m balance to be used to help to support a Schools Block to High Needs Block transfer, should this be accepted in 2025/26.

**Resolved - That the information presented in Document QZ be noted.**

#### **751. INDICATIVE BUDGETS, FUNDING RATES AND PRO-FORMAS 2024/25**

The Principal Finance Officers (Schools) and the Business Advisor (Schools) presented the report, **Document RA, with Appendices 1-5.**

Appendices 1a, 1b and 1c showed the indicative values of allocations to be delegated to individual primary and secondary maintained schools and academies within the Schools Block.

Appendix 1d provided an analysis of the change in cost of Schools Block formula funding following the use of the data collected in / based on the October 2023 Census. Modelling previously presented to the Forum has been based on October 2022 Census data.

Appendices 2a, 2b and 2c showed the proposed indicative rates of funding for early years settings for the 2024/25 financial year. These rates were shown, prior to the completion of the consultation on our Early Years Single Funding Formula (which closes on 5 February).

Appendix 3 provides a more detailed analysis of how the High Needs Block planned budget has been constructed at individual setting level.

Appendices 4 and 5 showed the draft Primary and Secondary and Early Years pro-formas, which summarise the Authority's proposed formula funding arrangements.

Members did not have any comments and did not ask any questions on this modelling.

**Resolved – That the information presented in Document RA be noted.**

#### **752. UPDATED DSG MANAGEMENT PLAN**

The Business Advisor (Schools) presented a report, **Document RB**, which was an updated version of the Authority's Management Plan for the Dedicated Schools Grant. This Plan was first presented to the Schools Forum in January 2021. The Plan explains the general management principles that guide our decision making and then focuses on High Needs Block matters. Alongside this Plan was presented a list of specialist places planned to be commissioned in 2024/25 and a future year forecast of the High Needs Block.

Having discussed the position of the High Needs Block under agenda item 7, Forum members did not have any further comments and did not ask any more questions.

**Resolved – That the DSG Management Plan presented in Document RB be noted.**

### **753. FINAL DECISION AND FORMAL RECOMMENDATIONS 2024/25 DSG**

**Resolved –**

**These are the decisions and recommendations that the Schools Forum has made in supporting the Local Authority to establish the Dedicated Schools Grant (DSG) planned budget and formula funding arrangements for the 2024/25 financial year. The Forum has taken decisions (as required by the Regulations), and has made formal recommendations, which will go forward for presentation to the Executive on 20 February 2024.**

**Important points of note, which help explain the rationale for decisions / recommendations, are also recorded.**

#### **1. Schools Block Centrally Managed Funds 2024/25 (DECISION)**

##### **Schools Block De-Delegated Funds 2024/25 (DECISION)**

**Please refer to Document QZ Appendices 1 – 3.**

**1.1 Schools Members representing maintained primary & secondary schools agreed as follows the values of de-delegated funds, and the contributions to be taken from the 2024/25 formula funding allocations of maintained primary & secondary schools.**

**Items were agreed by majority.**

- a) School Re-Organisation Costs (Safeguarded Salaries) (Primary & Secondary): agreed to continue de-delegation from both the primary and secondary phases for the actual cost of continuing safeguarded salaries in maintained primary and secondary schools.**
- b) School Re-Organisation Costs (Sponsored academy conversions budget deficits) (Primary phase only): agreed to continue to 'pause' de-delegation from the primary phase, meaning that no new contribution is**

taken in 2024/25. The Schools Forum will be provided with monitoring reports where this fund's brought forward balance is used in 2024/25 for this purpose.

- c) **Exceptional Costs & Schools in Financial Difficulty (Primary phase only):** agreed to continue de-delegation from the primary phase at the 2023/24 per pupil value.
- d) **Costs of FSM Eligibility Assessments (Primary & Secondary):** agreed to continue de-delegation from both the primary and secondary phases at the 2023/24 per FSM6 values increased by 6%, with contributions continuing to be taken using Free School Meals (FSM) Ever 6 data.
- e) **Fisher Family Trust (Primary phase only):** please note that the Schools Members representing maintained primary schools decided on 11 October 2023 to cease de-delegation for the purposes of subscribing to FFT. This decision is repeated here only for reference and for completeness.
- f) **Trade Union Facilities Time – Negotiator Time (Primary & Secondary):** agreed to continue de-delegation from primary and secondary phases at 95% of the 2023/24 per pupil value.
- g) **Trade Union Facilities Time – Health and Safety Time (Primary & Secondary):** agreed to continue de-delegation from primary and secondary phases at 95% of the 2023/24 per pupil value.
- h) **School Maternity / Paternity ‘insurance’ fund (Primary phase only):** agreed to continue de-delegation from the primary phase at a value forecasted to afford the scheme for a full year. The £app cost is shown in Document QZ Appendix 2 (£28.32 per pupil, which is + 7% on 2023/24). The £28.32 per pupil value includes the release, on a one-off basis, of £0.10m of balance brought forward within this fund and it is estimated that the scheme will cost £0.70m in total in 2024/25.
- i) **School Staff Public Duties and Suspensions Fund (Primary phase only):** agreed to continue de-delegation from the primary phase on the same £app basis as 2023/24.
- j) **School Improvement (Replacement of the School Improvement Monitoring and Brokering Grant) (Primary & Secondary):** agreed to continue de-delegation from primary and secondary phases at the 2023/24 per pupil value.

**1.2 Schools Members representing maintained primary & secondary schools only agreed the principles behind the management of the Schools Block de-delegated funds listed in paragraph 1.1:**

- a) **Any over or under spend within these funds will be written off from, or added back to, the DSG's de-delegated funds in 2025/26 on a phase specific, fund specific, basis i.e. if primary schools overspend in the maternity / paternity insurance scheme fund the value of the fund**

created through de-delegation in 2025/26, support by available surplus balances brought forward, will need to compensate for this.

- b) These decisions set the position for the 2024/25 financial year only.
- c) The funds will be managed and allocated according to their applicable criteria as set out in the autumn 2023 consultation document (meaning that the criteria to be used in 2024/25 are unchanged from 2023/24).

1.3 The Schools Forum noted that a total net surplus balance of de-delegated funds of £0.625m is forecasted to be carried forward within the Schools Block into 2024/25. As such, the Schools Forum is not asked to write off from the 2024/25 Schools Budget any deficit associated with de-delegated funds. Within the 2024/25 proposals, £0.100m of the £0.625m is specifically earmarked to support the cost of the school maternity / paternity insurance fund. On this basis, assuming no other over or under spends, it is estimated that the existing balance of de-delegated funds held within the Schools Block at the end of the 2024/25 financial will reduce to £0.525m. However, this is prior to the addition of a proportion of the additional £0.934m 'Schools in Financial Difficulty' DSG funding that the Local Authority has been allocated in respect of maintained schools in 2023/24. At this time, pending decisions about how a proportion of these funds are allocated to maintained schools before 31 March 2024, the Authority cannot confirm the value of this funding that will be carried forward. However, the intention is that any remaining funds that are carried forward will be added to the balance of the Exceptional Costs and Schools in Financial Difficulty de-delegated fund to be allocated to continue to support maintained schools from April 2024. A report setting out the spending of the funds in the 2023/24 financial year and the carry forward into 2024/25 will be presented to the Forum at the next meeting in March 2024.

### **Schools Block Growth Fund 2024/25 (DECISION)**

Please refer to Document QZ Appendix 1 (full list of DSG centrally managed funds) and Document RC Appendix 1 (list of allocations from the Growth Fund to existing expanding schools and academies for the Forum's approval).

**All Forum Members by consensus agreed:**

1.4 The allocations from the 2024/25 Schools Block Growth Fund to existing expansions and existing bulge classes as listed in Document RC Appendix 1. Members noted:

- a) There are 19 allocations with a total gross value of £0.683m. 6 Primary schools / Primary academies; 3 all-through academies; 10 Secondary academies.
- b) The allocations to the all-through academies and to the secondary academies simply complete, for the full 2023/24 academic year, the growth fund allocations that are set out in Document QV (presented

under agenda item 5), which cover the period up to 31 March 2024. Document RC Appendix 1 does not include allocations from the Growth Fund to the secondary phase for the 2024/25 academic year. Allocations for both continuing and new expansions and bulge classes in the secondary phase for the 2024/25 academic year will be funded from the provision explained in paragraph 1.5 below and will be presented to the Schools Forum for agreement in December 2024, following the collection of the October 2024 Census.

- c) The £0.513m for academies for the period April to August 2024 will be reimbursed back to the Schools Block via the ESFA's academy recoupment process. As such, the £0.513m does not represent a cost to our 2024/25 Schools Block. So, although the Forum is asked to approve allocations totalling £0.683m, as listed in Document RC Appendix 1, the actual net cost of these allocations to our 2024/25 Schools Block is £0.683m minus £0.513m = £0.170m.

1.5 A further planned budget of £0.950m is taken from the 2024/25 Schools Block for the Growth Fund to cover new allocations to be agreed during 2024/25. This planned budget is only for growth in the secondary-phase i.e. no new budget provision is taken from the 2024/25 Schools Block for primary-phase growth. All new in-year allocations from the Growth Fund will be agreed by the Schools Forum, prior to confirmation these with the receiving school or academy. Growth Fund allocations will continue as a standing Schools Forum agenda item to enable this.

- a) Recognising: that the pupil population in the primary-phase is reducing, as a consequence of demographic trends, and that a value of £1.149m of balance held within the Schools Block is forecasted to be carried forward into 2024/25, that no new budget has been taken from the 2024/25 Schools Block allocation for the purposes of funding growth in the primary-phase. A proportion of the £1.149m balance instead will be available to be used to meet any costs of new growth or bulge classes that may be agreed for the primary phase in 2024/25.
- b) £0.950m will fund 12 additional forms of entry or bulge classes in the secondary phase at September 2024 (for the period September 2024 to 31 March 2025). By comparison, the Authority has funded 11 forms of entry, in total, for the period September 2023 to March 2024.
- c) Regarding the £1.149m Growth Fund balance: new flexibilities (for the management of growth, falling rolls and 'surplus places') are still expected to be brought into Schools Block arrangements in the future, following the most recent National Funding Formula (NFF) consultation and the DfE's policy decision that local authorities should retain Growth Fund responsibilities under the NFF. Retaining a surplus balance into 2025/26 will help us to maximise the benefit of any new flexibilities that are introduced from April 2025. Falling rolls is also a significant issue for the primary phase, in particular, and we take the view that we would still wish to see how any new flexibilities could be used, before committing the Growth Fund balance (as well as the Falling Rolls Fund Balance – see below) elsewhere to more general



formula spending.

**1.6 To use the criteria for the allocation of the Schools Block Growth Fund in 2024/25 as set out in the autumn 2023 consultation document, which are the criteria used in 2023/24.**

### **Schools Block Falling Rolls Fund 2024/25 (DECISION)**

Please refer to Document QZ Appendix 1 (full list of DSG centrally managed funds).

**All Forum Members by consensus agreed:**

**1.7 To continue the Falling Rolls Fund for the primary phase for the 2024/25 financial year. Whilst we have concluded that the Falling Rolls Fund currently holds limited value, as it is not a mechanism that will support the vast majority of primary-phase schools and academies, it is a mechanism that was developed following close review. As such, the Authority does not wish to remove this mechanism entirely from our Schools Block funding approach.**

**1.8 To use the criteria for the allocation of the Schools Block Falling Roll Fund in 2024/25 as set out in the autumn 2023 consultation document. In this consultation, we proposed, following the example criteria that the DfE has given within its guidance, to take the opportunity to review the 2 key criteria that trigger eligibility. In its examples, the DfE uses triggers of 5% (for the % by which a school's number on roll must have reduced year on year) and 85% (the % a school's total number on roll must be lower than in relation to its full capacity). We currently use triggers of 3% and 90%. We amend our scheme to use the DfE's example triggers. This was agreed.**

**1.9 That the cost of the 2024/25 Falling Rolls Fund be met from the balance that will be brought forward from 2023/24, rather than by taking new budget from the 2024/25 Schools Block. Forum Members noted that actual allocations from the Falling Rolls Fund for this current financial year will be presented to the Schools Forum in March 2024. The final value of balance that will be carried into 2024/25, therefore, will be confirmed at this point. On current modelling, however, the Authority anticipates that there will not be any allocations from this fund for the 2023/24 financial year. Therefore, the balance carried forward is expected to be £0.500m.**

**1.10 To continue to retain this balance in 2024/25, to be available to support costs in 2024/25, but also to be available to support schools and academies via the new flexibilities (for the management of falling rolls) that are still expected to be brought into Schools Block arrangements in the future. Falling rolls is a significant issue for the primary phase, in particular, and we take the view that we would still wish to see how the expected new flexibilities could be used, before committing this balance (as well as the Growth Fund balance – see above) elsewhere to more general formula spending.**

## **2. Early Years Block Centrally Retained Funds 2024/25 (DECISION)**

Please refer to Document QZ Appendix 1 (full list of DSG centrally managed funds).

All Forum Members by consensus agreed:

**2.1 To establish the 2024/25 DSG planned budget by deciding the retention of funds for central management within the Early Years Block as listed in Document QZ Appendix 1. It was highlighted for Forum Members that the DSG Conditions of Grant for 2024/25 require that a minimum 95% of the funding that is available in respect of each entitlement funding stream is delegated to providers for that entitlement. There are 4 entitlement fund streams and 4 separate calculations of the 95% (effectively there are now 4 'mini budgets' within the Early Years Block): Under 2s Working Parents, 2-year-olds Disadvantage, 2-year-olds Working Parents and 3&4-year-olds entitlements. This 95% restriction has the effect of limiting the % of funding for each stream that can be centrally retained (limited to 5%) and limiting the extent to which funding for one stream can be used to pay for another.**

- a) £0.097m (continuation) for the Early Years Block's contribution to the DfE Copyright Licences charge. This charge is still to be confirmed by the DfE and so is based on an estimate at this time. This contribution is charged fully to the 3&4-year-olds entitlements funding stream and is included within the maximum 5% that the Authority is permitted to centrally retain from 3&4-year-olds entitlement funding.**
- b) £0.123m (continuation) for access by maintained nursery schools to Schools Block de-delegated funds (Trade Union Facilities Time, Maternity / Paternity Insurance Scheme, Staff Public Duties and Suspensions). A breakdown of the £0.123m is given in Document QZ Appendix 2. This contribution is charged fully to the 3&4-year-olds entitlements funding stream and is included within the maximum 5% that the Authority is permitted to centrally retain from 3&-4-year-olds entitlement funding.**
- c) £1.563m (continuation and increase) for the estimated cost of allocations to early years providers from the Early Years SEND Inclusion Fund (EYIF). This budget is substantially increased on the £0.650m that was held in 2023/24, for two reasons: a) the extension of EYIF to the new Under 2s and 2-year-olds Working Parents entitlements (requiring new budget to be taken) and b) in response to the significant and expected continued growth in the number of EYIF claims from providers in respect of 3&4-year-olds entitlement children. EYIF spending in Bradford is estimated to increase by around 40% in 2023/24 and by the same % again in 2024/25, before we factor in the additional cost that will come from the extension of EYIF across all the entitlements. The £1.563m 2024/25 planned budget is split across the entitlements as follows, with each entitlement funding stream paying for its own EYIF budget. The Forum noted that the split of the budget,**

especially relating to the new entitlements, is heavily estimated at this time:

<b>Under 2s Working Parents</b>	<b>£83,000</b>
<b>2-year-olds Disadvantage</b>	<b>£200,000</b>
<b>2-year-olds Working Parents</b>	<b>£200,000</b>
<b>3&amp;-4-year-olds entitlements</b>	<b>£1,080,000</b>

The criteria that to be used to allocate the SEND Inclusion Fund are set out in our consultation on Early Years Single Funding Formula arrangements for 2024/25. Please see Document QW. These criteria are the same as currently used in 2023/24. The consultation is currently live and closes on 5 February. The outcomes of the consultation will be presented to the Schools Forum on 6 March. At this time, we are establishing the planned budget for the Early Years Block on the basis that the Authority's proposals will be agreed and implemented. The Forum agreed this approach. Whilst we continue our existing core approach to the allocation of EYIF in 2024/25, the Authority will pilot in 2024/25, with sample providers across all sectors, an amended approach, which seeks to explore further the options for reducing bureaucracy and reducing / removing the need for providers with consistent numbers of entitlement children in receipt of EYIF to claim funding. We will seek to explore further how we could allocate EYIF funding 'in advance' (rather than via application) based on predictive data, then review termly with an expectation that settings will evidence how they have used their funding and the impact this has had on the child. The outcomes of this pilot, together with the DfE's stated national review on EYIF approaches, will help inform the potential for wider changes and improvements in our EYIF from April 2025. Further information on the pilot will be published shortly.

Although the £1.563m EYIF budget is shown here as centrally retained, this is only the case at the start of the financial year. The full value of this budget is intended for allocation to providers during the year. As such, the £1.563m is treated as delegated funding for the purposes of calculating the minimum 95% of each entitlement funding stream that the Authority is required by the DSG Conditions to delegate.

- d) £0.298m (continuation and increase) for the Area SENCOs function that is managed by the Local Authority in respect of Private, Voluntary and Independent (PVI) early years providers. The budget for 2024/25 includes an allowance for pay award / inflation, as well as £0.06m for new capacity that is required to support the PVI sector in response to the significant growth of SEND and growth in the number of EYIF claims, as well in response to the new entitlements (that will mostly be delivered in the PVI sector). It is anticipated that this capacity will need to be further enhanced as the new entitlements establish and further extend (to 30 hours) in 2025/26. Therefore, this is a point of continued review and a proposal for a further increase in capacity is likely to be brought forward for the 2025/26 budget round. The £0.298m is included within the maximum 5% that the Authority is permitted to centrally retain, and this has been charged across the 4 entitlement funding

streams on a pro-rata basis using estimated delivery numbers.

- e) £0.593m (continuation and increase) for the Early Years Block's contribution to early years SEND support services. The budget for 2024/25 includes an allowance for pay award / inflation, as well as an additional £0.195m to meet existing spending pressures within early years SEND support services and in support of early years providers. This includes spending on early years portage, educational psychology support for early years providers, and early years SEND parental support workers. This additional contribution is also supporting the Council's budget in the management of increased costs (ensuring that the Early Years Block continues to make legitimate and appropriate contribution to the cost of support services as the cost of these services increases). The £0.593m is included within the maximum 5% that the Authority is permitted to centrally retain, and this has been charged across the 4 entitlement funding streams on a pro-rata basis using estimated delivery numbers.
- f) £0.562m (continuation) for the Early Years Block's contribution to the cost of the Authority's early years entitlement funding and provider support services. The budget for 2024/25 includes an allowance for pay award / inflation. The £0.562m is included within the maximum 5% that the Authority is permitted to centrally retain, and this has been charged across the 4 entitlement funding streams on a pro-rata basis using estimated delivery numbers.

2.2 The Schools Forum noted that a total value of £1.673m of the centrally retained budgets that are listed in paragraph 2.1 are included within the maximum 5% that the Authority is permitted to centrally retain. This calculation is broken down into the 4 separate entitlement funding streams as follows:

• Under 2s Working Parents entitlement	£154,891	95.5%
• 2-year-olds Disadvantage entitlement	£135,313	96.7%
• 2-year-olds Working Parents entitlement	£258,924	95.5%
• 3&4-year-olds entitlements	£1,123,834	97.4%

This confirms that our proposals comply with the DSG Conditions.

It was highlighted for Forum Members that the DfE has signalled that, once the new entitlements are fully established and embedded, the delegation % will be increased to 97% for all the entitlement streams. In this context, we would expect (and we have sought to achieve this) that our delegation %s for the existing 2-year-olds Disadvantage entitlement and for the existing 3&4-year-olds entitlements will already be close to 97%. We would expect that the delegation %s for the new Under 2s and 2-year-olds Working Parents entitlements in 2024/25 would be lower as these are not yet fully established.

2.3 Finally, the Schools Forum noted that it is not expected that the balance of Early Years Block centrally managed funds held at the end of the 2023/24 financial year will be a deficit. As such, the Schools Forum is

not asked to write off from the 2024/25 Schools Budget any deficit associated with an Early Years Block fund.

### **3. The Central Schools Services Block 2024/25 (DECISION)**

Please refer to Document QZ Appendix 1 (full list of DSG centrally managed funds).

All Forum Members by consensus agreed:

**3.1 The allocation of the Central Schools Services Block (CSSB) for 2024/25 as listed in Document QZ Appendix 1:**

- a) **Schools Forum Running Costs:** continue at £12,400, which is the 2023/24 value of £11,700 plus an allowance for pay award and inflation. This budget contributes to the costs of running the Schools Forum that are met by School Funding Team and by Committee Secretariat.
- b) **Pupil Admissions:** continue this budget at £1.066m, which is the 2023/24 value of £0.987m plus an allowance for pay award and inflation.
- c) **DfE Copyright Licences:** a value of £0.332m. The cost of copyright licences for primary and secondary schools and academies is met from the CSSB. This is not a matter for decision for the Schools Forum, as the DfE negotiates the price and top slices our DSG. The costs for early years and high needs providers are charged within our DSG model to the respective blocks. The DfE has not yet confirmed the 2024/25 costs. At this time, we have estimated an increase of 10% on 2023/24.
- d) **Education Services Grant (ESG) Statutory Duties:** continue this budget at £1.579m, which will continue to passport to the Local Authority's budget the 2023/24 committed cash budget plus an additional £0.02m, which is specifically to provide a contribution for the Authority's critical incidents support service for schools and academies. The £1.579m budget comes from the former ESG Centrally Retained Duties Grant that was transferred into the DSG at April 2017 and is now allocated in support of the statutory duties that are delivered by the Local Authority on behalf of all state funded schools and academies. A list of statutory activities was presented to the Forum on 6 December 2023 in Document QU Appendix 3.
- e) **Education Access Officers:** continue and uplifted in 2024/25 to £0.540m (from £0.500m held in 2023/24) for pay award / inflation.
- f) **Education Services Planning:** continue at £0.157m, which is the 2023/24 value of £0.148m plus an allowance for pay award and inflation.

**3.2 The Schools Forum noted that, as a result of these proposals, there is no transfer of CSSB funding to any other DSG block. The full value of the 2024/25 CSSB settlement is allocated to spending within the CSSB. The Schools Forum also noted that CSSB spending for 2024/25 is funded**

without any reliance on any other DSG block. However, the total cost of the funds listed in 3.1 above is £3.687m, which exceeds the 2024/25 CSSB allocation by £0.059m. The £0.059m is met from the surplus balance that is forecasted to be carried forward into 2024/25. Please see section 5.

#### **4. The High Needs Block 2024/25 (RECOMMENDATION)**

Please refer to:

- Document QX (the 2024/25 DSG summary, which summarises the planned High Needs Block budget).
- Document RB (the DSG Management Plan, which includes an updated view of the estimated High Needs Block future year trajectory and a list of planned commissioned specialist places).
- Document RA Appendix 3 (which shows in more detail how the High Needs Block planned budget for 2023/24 has been constructed at individual setting and budget heading level).

**4.1 All Forum Members by consensus agreed that the formula approach (the High Needs Funding Model) that the Authority proposed in our consultation, and that was reported back to the Schools Forum on 6 December 2023 (Document QQ), is used to delegate High Needs Block funding to high needs providers, mainstream schools and academies and other settings in the 2024/25 financial year. This approach includes the following significant elements:**

- a) The continuation, with uplift (ranging between 3.6% at Band 3L and 1.7% at Band 4H; 1.7% for the Day Rate Model), of our EHCP Banded Model and of our PRU / Alternative Provision Day Rate Model.**
- b) The continuation of the existing setting-led need factors as are currently applied to the funding of specialist provisions.**
- c) The continuation of the allocation to specialist provisions of the former Teacher Pay Grant and the former Teacher Pension Grant, separately from top-up funding, using the method and values we used in 2023/24.**
- d) The continuation of the pass through to special schools, special school academies, PRUs and alternative provision academies, the additional “3.4% place-element” funding that was allocated in 2023/24, as required by the DfE and the 2024/25 DSG Conditions of Grant.**
- e) The continuation for an additional year of the SEND Funding Floor mechanism in support of Element 2 funding for SEND and EHCPs in mainstream primary and secondary settings.**
- f) The slight incremental amendment of our definition of Notional SEND budgets for mainstream schools and academies.**

**4.2 The Schools Forum noted the following significant elements, estimates and assumptions, which are incorporated into the construction of the 2024/25 High Needs Block (HNB) planned budget that is presented to this**

meeting:

- a) **The 2024/25 High Needs Block planned budget is calculated without any transfers of funding in from other Blocks or out to other Blocks.**
- b) **As we have previously reported to the Forum, the DfE's national SEND / EHCP / Alternative Provision system and funding reviews are very likely to have significant implications for our High Needs Block income and expenditure going forward. We are a pilot local authority. Whilst we have made some small adjustments in approach, which are aimed at supporting transition, for example, our incremental modest adjustment to our definition of Notional SEND budgets, we have not significantly adjusted our 2024/25 High Needs Block planned budget in anticipation of changes that may come. There are no changes in the national high needs funding system in 2024/25. In its messaging to local authorities, about High Needs Block management, the DfE has stressed that the SEND Green Paper represents a longer-term programme of change. However, it is quite possible that changes to the high needs funding system may be directed for the 2025/26 financial year. As such, we anticipate that, alongside review work that will be necessary in order to manage our forecasted deficit position, we will also need to review our funding arrangements for 2025/26 in the light of directed changes.**
- c) **Forum members are reminded that the Authority presented reports in May (Document OM) and July (Document OR) 2022, following discussions regarding the use and retention of the High Needs Block surplus balance that was carried forward from the 2021/22 financial year. The July 2022 report set out a plan for £920,000 of investment, in 3 areas, in support of inclusion. The initial investment period has been extended and will run to the end of the 2023/24 academic year. The outreach support budget element has also been extended to the PRU / AP Academy, at an additional cost of £60,000. Currently, for budget planning purposes, it is assumed that £0.980m will continue for a full financial year in 2024/25.**
- d) **The 2024/25 planned budget that is presented to this meeting includes £3.87m of revenue budget for the further development of specialist SEND provisions. This is made up of full year (from April: +100 places) and part year (from September: +100 places) budget provision. This provision aligns with the SEND Sufficiency Statement, which was presented to the Forum on 6 December (Document QT). A list of planned commissioned places is presented in Document RB Appendix 1.**
- e) **The 2024/25 planned budget is constructed to support the building of capacity for the longer term, by seeking to avoid under-estimating the full cost (when established and fully occupied) of new SEND places. The planned budget is constructed, therefore, on a 'full year full places occupancy' basis. This is done with the understanding that the filling of newly established or establishing capacity will be achieved in a managed way, and that there will be some degree of fluctuation in the occupancy of new and existing provisions during the year. Whilst the**

**2024/25 planned budget includes £3.87m of revenue provision for new SEND specialist places, therefore, it is expected that the actual spending on newly created places in 2024/25 will be lower than this, as places will be created and occupied at different points.**

- f) The 2024/25 planned budget for Alternative Provision / PRU provision continues to be based on the principle that our PRU / AP provisions, where funded from the High Needs Block, deliver Local Authority-commissioned provision for pupils permanent excluded. In response to the significant increase in the number of permanent exclusions, the 2024/25 planned budget now makes provision for estimated 300 places on a full year basis, uplifted from 160 places within the 2023/24 planned budget. This represents a significant additional cost within the High Needs Block. The 2024/25 planned budget at this time going forward continues not to fund any additional school-commissioned alternative provision. The DfE's SEND Green Paper has proposed some substantial changes to the way Alternative Provision is funded, and the role of the PRUs / AP Academies. The possible financial implications of these changes are not yet built into our planned budget. This is an area we will need to review closely as further announcements are made and as pilot work develops.**
- g) The Local Authority continues to take a prudent approach to the setting of the planned budget. The Forum is reminded that High Needs Block expenditure is more difficult to predict than that in other DSG blocks and is more subject to changes during the year. This difficulty is especially present currently due to the amount of structural change that continues to be delivered, and the scale of growth in the numbers of children and young people with EHCPs.**
- h) The 2024/25 planned budget continues to be constructed incorporating the financial efficiencies that have come from the amalgamation of Bradford's hospital education, Tracks and medical home tuition provisions into a single Local Authority managed service. The DfE has not yet developed a national formula-based approach to the funding of these provisions, and continues to fund local authorities, through the High Needs Block, on historic information.**
- i) How we have continued and uplifted our existing EHCP Banded Model means that separate additional arrangements are not required in order for us to comply with the DfE's Minimum Funding Guarantee for special schools and for special school academies.**
- j) Provision for SEND mainstream teaching support services held within the planned continues to include a large proportion of the £0.980m inclusion investment. The total 2024/25 High Needs Block budget provision for these services is £6.546m. This compares with the 2023/24 High Needs Block planned budget value of £5.715m. In setting the 2024/25 planned budget, we have sought to anticipate the impact of significant salaries costs increases on these services, especially the 5% increase in the employer's contribution to teacher pensions at April 2024, which we do not expect to receive additional funding for.**



- k) The 2024/25 planned budget is based on a general estimate that our spend on: a) pupils with EHCPs in mainstream settings, b) students in post-16 Further Education & SPI settings, and c) pupils placed in independent and non-maintained special school provisions and in out of authority-maintained provisions, will continue to grow in 2024/25 at broadly the same rates as in 2023/24 (with these 2023/24 rates having been estimated at December 2023). Simply put, we are estimating that our number of children and young people with EHCPs will continue to substantially grow over the next 12 months. Spending in these 3 areas has substantially increased during 2022/23 and 2023/24, and combined, these are major contributors to the forecasted overspending within the High Needs Block, in 2024/25. This is discussed further in the DSG Management Plan that is presented in Document RB.
- l) As we discuss in more detail in the DSG Management Plan at Document RB, we currently estimate we may overspend our 2024/25 High Needs Block allocation by £22m, meaning that the £22.7m High Needs Block surplus balance that is projected to be held at the end of the 2023/24 financial year may largely be spent by the end of the 2024/25 financial year. We further estimate at this time that our High Needs Block and then DSG account may post a cumulative deficit at the close of the 2025/26 financial year, with the size of the deficit continuing to grow in the absence of new significant mitigating response, additional income from the DfE or a significant slowing in EHCP growth rates. Although this forecast is based on a series of estimates, which may change, the scale of deficit that is forecasted clearly indicates a structural budget issue. Strategic work is needed to continue to put forward options for new actions that will contribute to the resolution of the forecasted High Needs Block deficit. We are seeking to develop actions that will help to reduce the size of the overspending in 2024/25 and then to reduce the on-going overspending from April 2025. Actions from April 2025 include consideration of amendments to our formula funding models, as well as a Schools Block to High Needs Block transfer. These will ultimately be picked up within our 2025/26 DSG planned budget setting and consultation on formula funding arrangements but will need to be considered as early as possible for further discussion. Continuous review of EHCP growth rates is also important. The Local Authority intends to communicate with the DfE to signal our forecast and to ask for advice and support, as is appropriate.
- m) We have always sought to avoid setting a planned budget for the next financial year that is dependent on significant savings being made, which are still to be identified. This approach is especially important in circumstances where there isn't a sufficient value of brought forward surplus balance available to provide adequate cover, in the event that such savings are not realised. We wish to highlight for the Schools Forum that we are taking a different position in respect of the High Needs Block in 2024/25, as our planned budget currently indicates that £22m of brought forward balance may be required to be deployed and only £0.980m (the Local Authority's Inclusion Investment Plan) of this relating to specific targeted additional spending. This means that £21m

effectively covers on-going expenditure, albeit that the £3.87m additional places budget is not expected to be fully spent in 2024/25. In order to bring the 2024/25 High Needs Block into balance, without using balances, we would need to implement very significant immediate reductions, including in delegated formula funding, at a scale which is not achievable. It is also not realistic (nor justifiable) to propose these reductions at a time of financial pressure on providers and given the size of the surplus balance that we currently hold. It is also the case that we have held the surplus in anticipation that 2024/25 will be a very challenging year. However, this approach does mean that the in-year spending pressure that is projected to be present in 2024/25 has not been corrected at the time the planned budget has been set and this pressure would carry forward into 2025/26. One of Authority's areas of work during 2024/25 will be to seek to make savings and efficiencies in-year in order to reduce the size of the pressure that will be carried forward. To provide assurances, however, this work will not include any in-year adjustment to the delegated funding models that will be applied (once agreed, the Authority will not reduce EHCP and other delegated funding models during the year). We also wish to highlight here that one of the new mitigating actions that we can now take in our management of our DSG account is to assert that general reserves that are held within the DSG at the end of the 2023/24 financial year are 'pooled' to offset / to support the management of the High Needs Block deficit. The Authority's general position also leans towards the retention of balances, meaning that we would not seek to allocate balances for the purposes of increasing levels of spending in 2024/25 above what they would 'naturally' be. The 2024/25 planned budget that is presented to today's meeting follows this approach. This is shown further in the next section.

## 5. The Allocation & Retention of Balances forecasted to be Brought Forward from 2023/24 (RECOMMENDATION)

Please refer to Document QY Appendix 2.

All Forum Members by consensus agreed:

5.1 The treatment of the £29.975m of balances that are forecasted to be carried forward into 2024/25, as listed in the paragraphs below. £29.975m is 4.1% of the estimated 2024/25 DSG allocation.

5.2 In agreeing this treatment, the Forum noted that the figure of £29.975m is an estimate. The confirmed values of brought forward balances by DSG block will be presented to the Forum initially in July 2024 and then finally in September 2024 (the latter update incorporating the final adjustment to Early Years Block and Early Years Supplementary Grant income).

5.3 It is forecasted that a balance of £0.179m will be carried forward from 2023/24 within the Central Schools Services Block (CSSB). The Schools Forum agreed that:

- a) £0.059m is allocated to the 2024/25 planned budget, to continue existing commitments uplifted for an allowance for pay award and inflation, and to meet the (currently estimated) cost of copyright licences for mainstream primary and secondary schools and academies, in combination with the 2024/25 CSSB allocation received from the DfE.
- b) £0.120m is retained in support of CSSB expenditure in future years and also pending further conversations about the pooling of reserves as a mitigating action in response to our forecasted High Needs Block deficit.

5.4 It is forecasted that a balance of £3.855m will be carried forward from 2023/24 within the Early Years Block. The Schools Forum agreed that:

- a) A balance of £0.072m in de-delegated funds is ring-fenced and retained.
- b) An estimated balance of £0.545m in the Disability Access Fund (DAF) is retained, including pending further conversations about the pooling of reserves as a mitigating action in response to our forecasted High Needs Block deficit.
- c) £1.262m is allocated into the 2024/25 Early Years Block planned budget to support the estimated cost of our Early Years Single Funding Formula (EYSFF), as proposed in the consultation that is presented in Document QW. This £1.262m specifically relates to the issue of the funding of the new Under 2s Working Parents entitlement for the period September 2024 to March 2025, where we will fund 26 weeks of delivery but where the DfE so far has indicated that it will only fund for 22 weeks of delivery. We met with the DfE to discuss this issue on 6 December, and we await information on the DfE's position. It is now clear that other authorities are raising the same issue with the DfE, so we remain positive that this issue may be resolved. However, at this time for the purposes of setting the planned budget, we cannot guarantee this and so we should assume that the matter will not be resolved and that we will need to deploy reserve balances. If the matter is resolved in our favour, we will not deploy this value of reserves in 2024/25. An update on this matter will be provided to the Forum in the March meeting.
- d) The remaining value of balance, currently estimated at £1.976m, is retained to be used in support of the cost, including any unexpected or higher than expected cost, of the Early Years Funding Formula (EYSFF) in 2024/25 and going forward. £1.976m is 3% of the estimated value of our Early Years Block in 2024/25. A significant amount of change is being absorbed in 2024/25 and much of the planned budget is calculated on estimates of costs relating the new entitlements. In this context, we feel that it is prudent to hold reserve. We also highlight to the Schools Forum that the 26 weeks vs. 22 weeks funding issue will also be present in 2025/26 as the new entitlements extend to 30 hours from September 2025. We estimate that, if this is not properly funded, we will have a further £2.1m of unfunded cost in 2025/26. Subject to the DfE's resolution, this matter would need to be a first call on all Early

**Years Block reserves that will be carried forward into 2025/26. Again, in this context, we feel that it is essential to hold the estimated £1.976m in reserve at this time. This is also important pending further conversations about the pooling of reserves as a mitigating action in response to our forecasted High Needs Block deficit.**

**5.5 It is forecasted that a balance of £22.646m will be carried forward from 2023/24 within the High Needs Block. We currently estimate that we may overspend our 2024/25 High Needs Block allocation by £21.620m, meaning that the High Needs Block surplus balance that is projected to be held at the end of the 2023/24 financial year may largely be spent by the end of the 2024/25 financial year. For the purposes of the planned budget, based on estimates, only £1.026m of this reserve would be recorded as remaining to be carried forward in 2025/26. So the principal call on this balance will be meeting the cost of the 2024/25 planned High Needs Block as is currently estimated. The Authority does not plan any other use of the High Needs Block surplus balance at this time. As Forum Members are aware, the planned budget is constructed on a series of estimates and we try to take a prudent approach to these estimates, meaning that we would, alongside our work new mitigating activity, hope to see an improvement in the 2024/25 budget position and a lower call on reserves. However, the first call on the estimated £22.646m will be meeting in year the cost of any change, as well as supporting any unexpected costs that may arise across 2023 and 2024 after the planned budget for 2024/25 has been agreed. The Schools Forum noted and agreed this approach.**

**5.6 It is forecasted that a balance of £3.295m will be carried forward from 2023/24 within the Schools Block. The Schools Forum agreed that:**

- a) £0.625m is retained as the ring-fenced balance of de-delegated funds. A breakdown of this balance is provided in the separate report (Document QZ Appendix 2). Within the 2024/25 planned budget proposals, £0.100m of the £0.625m is specifically earmarked for release to support the cost of the school maternity / paternity insurance fund. On this basis, £0.525m is retained and carried forward. However, this balance may also be used to support any costs arising from new deficits held by sponsored primary academy converters, as no new value of budget is de-delegated for this purpose in 2024/25. This balance is also prior to any addition to de-delegated fund balances that comes from the carry-over of the balance of the additional £0.934m 'Schools in Financial Difficulty' DSG funds that the Local Authority has been allocated for maintained schools in 2023/24, as discussed in paragraph 1.3. The rest of the balance is ring-fenced and is to be held in support of the cost of continuing de-delegated funds, in line with the principles set out in paragraph 1.2.**
- b) £1.149m is retained as the Growth Fund ring-fenced balance and will be used to support the cost of allocations in 2024/25 and on-going. Please see paragraph 1.5. This is also retained pending further conversations about the pooling of reserves as a mitigating action in response to our forecasted High Needs Block deficit.**

- c) **£0.500m is retained as the ring-fenced balance for the primary phase Falling Rolls Fund. Please see paragraphs 1.9 and 1.10. This is also retained pending further conversations about the pooling of reserves as a mitigating action in response to our forecasted High Needs Block deficit.**
- d) **£0.154m is allocated to cover the estimated change in the cost of NNDR (Business Rates) for maintained primary and secondary schools for the 2024/25 financial year. However, this is a ‘holding position’ only, as our Schools Block will be reimbursed for this sum in 2025/26, when we will have a choice about whether the £0.154m is returned to reserves or is allocated through our Schools Block planned budget. The £0.154m is based on an estimate of NNDR costs and is subject to confirmation.**
- e) **The remaining value of £0.867m be fully retained as a resilience reserve. £0.867m is 0.16% of the Schools Block. This is also retained pending further conversations about the pooling of reserves as a mitigating action in response to our forecasted High Needs Block deficit.**

## **6. Early Years Single Funding Formula and Pro-Forma 2024/25 (RECOMMENDATION)**

Please refer to:

- Document QW (EYSFF consultation proposals)
- Document RA Appendix 5 (Early Years Pro-forma, which summarises the proposed setting base rates, the mean Deprivation & SEND rates and maintained nursery school supplement funding).
- Document RA Appendices 2a, 2b and 2c (indicative provider funding rate modelling 2024/25).

**6.1 As part of the Authority’s consultation, the Schools Forum resolved to support in full the Authority’s proposals for the Early Years Single Funding Formula (EYSFF) to be used to fund all early years providers for their delivery of the entitlements in 2024/25. The Forum agreed also for the Early Years Block planned budget for 2024/25 to be presented on this basis at this time**

**6.2 In providing feedback now, the Forum noted that, due to the timing of the DfE’s announcements on Early Years Block funding arrangements, wider consultation with providers on our 2024/25 EYSFF has not yet begun but will begin immediately after this Forum meeting. Our consultation will run until 5 February 2024. Final proposals, incorporating any adjustments made in response to consultation feedback, will be presented to Executive on 20 February and then, subject to the Executive’s resolution, to Council on 22 February for final decision. The Forum’s next scheduled meeting is not until 6 March, so this means that final decisions will be taken before the Forum has had sight of any consultation feedback and any amendments from this. The Authority will send an email to Forum Members as soon as possible after 5 February to inform them whether the final EYSFF, to be presented to the Executive / Council, has changed from**

what was proposed in Document QW.

### 6.3 The Schools Forum also noted:

- a) Local authorities are not permitted to alter their EYSFF arrangements in year without DfE approval.
- b) Under our proposals, the Under 2s Working Parents, the 2-year-olds Working Parents and the 3&4-year-olds entitlements formulae all contain a Deprivation and SEND Supplement, which are proposed to be calculated using the same Index of Multiple Deprivation (IMD) data, with a single IMD score being calculated for each provider and with that score then being used to calculate the Supplement funding in each of the applicable formulae. For 2024/25, we have used the existing 3 year rolling averages of Index of Multiple Deprivation data (taken from provider postcodes) that were used to fund providers that delivered the 3&4-year-olds entitlements in 2023/24. We would normally update these rolling averages annually. However, in the interests of confirming rates of funding for the delivery of the new entitlements for providers as soon as possible, we will not update these averages for the data that will be collected from the January 2024 census but that will not be available until late February. We have concluded that giving providers more certain information in January for their planning is a priority this year. This is a temporary position for 2024/25. We expect to update the IMD data as normal for 2025/26.
- c) A series of estimates have been used in the 2024/25 Early Years Block calculations relating to both income and to the cost of the entitlements (the number of hours to be delivered across the coming year). By necessity, this approach requires end of year reconciliation and may require carry-over of either an under or an overspend into 2025/26.
- d) As shown in the Pro-Forma (Document RA Appendix 5), our Early Years Block planned budget complies with the DSG Conditions of Grant concerning a) the minimum 95% pass-through and b) the maximum 12% spend on supplements. Our planned budget also complies with the DfE's expectation that the specific Maintained Nursery School Supplement is allocated to protect maintained nursery school funding at pre-national reform (2016/17) rates.

## 7. Primary and Secondary Formula Funding and Pro-Forma 2024/25 (RECOMMENDED)

Please refer to Document RA Appendix 4 (Primary & Secondary Pro-forma) and Document RA Appendices 1a, 1b and 1c (indicative modelling).

Schools and Academies Members (by consensus on a phase specific basis) agreed:

7.1 That the formula approach that the Authority proposed in our consultation, and that was reported back to the Schools Forum on 6 December 2023 (Document QO), is used to calculate core formula funding

allocations for mainstream primary and secondary maintained schools and academies for the 2024/25 financial year. This approach includes the following significant elements:

- a) No transfer of budget from the Schools Block to the High Needs Block.
- b) Continue to exactly mirror the DfE's National Funding Formula (NFF) at factor level.
- c) Set the Minimum Funding Guarantee (MFG) at positive 0.5%. Within the calculation of the MFG, we continue to exclude NNDR and PFI funding in the baselines for both 2023/24 and 2024/25, so that we can continue to closely mirror the way the MFG is calculated within the National Funding Formula. However, for 2024/25 we have not excluded the split sites factor so that the MFG can protect any losses from the introduction of the new mandatory National Funding Formula factor in 2024/25.
- d) Continue to use our existing local formula approach for the funding of PFI, as this is not yet covered by the National Funding Formula, meaning that we continue to pass through the specific PFI (BSF) DSG affordability gap values using our current method, continuing the adjustment to ensure that the amounts passed on to academies by the ESFA on an academic year basis are equivalent to the amounts that the Authority requires academies to pay back on a financial year basis. Please see 7.2 below.
- e) Continue to fund NNDR at actual cost, with the cost currently estimated within the planned budget.
- f) Slightly amend our definition of Notional SEND budgets for mainstream schools and academies.
- g) Retain the Growth Fund unchanged, with its existing criteria and methodology.
- h) Retain the Falling Rolls Fund with small amendments to the eligibility triggers.

7.2 That the value of the DSG's total contribution to the Building Schools for the Future (BSF) Affordability Gap for 2024/25, be set at £9.584m and split £8.571m Schools Block and £1.013m High Needs Block. These figures incorporate an 10.4% increase on 2023/24 for the RPIX. This represents a net increase (allowing for adjustments relating to the apportionment for academies) of £0.664m in cash budget terms on the 2023/24 cost. This contribution will be split between relevant schools and academies on the same % basis as in 2023/24 (based on the school's unitary charge value). For Secondary schools and academies, this contribution is expressed as a formula factor. For Special schools and academies, this contribution is managed as a central item within the High Needs Block.

7.3 As shown in Document QX, the total Schools Block planned budget

under spends the 2024/25 DSG Schools Block settlement by £7,783. The Schools Forum agreed to transfer this very small value of under spend to Schools Block reserves, meaning that £7,783 will be unspent in 2024/25 and will be carried forward for spending from April 2025. Within this position, excluding the £0.154m additional cost of NNDR, the total cost of our formula funding arrangements is £0.162m lower than our 2024/25 Schools Block funding. There are a number of pressures and savings within this position.

7.4 The Schools and Academies members (by consensus on a phase specific basis) gave their final approval to the Pro-Forma for the 2024/25 financial year, presented at Document RA Appendix 4.

7.5 The Schools Forum noted:

- a) The cost of NNDR (business rates) shown in the Pro-forma is based on estimated figures. The Authority's initial cost estimate for 2024/25 will be subject to changes during the year (with a final reconciliation of actual costs taking place early in 2025).
- b) In moving to using the National Funding Formula at local individual primary and secondary school level, the Schools Forum wished to monitor the actual spending of the Schools Block more closely by phase against the funding received within the Schools Block by phase i.e. phase ring-fencing within the Schools Block. An updated calculation of the position for 2024/25 is shown in section X of Document QX. Forum Members are reminded that premises-related costs and Growth Fund and Falling Rolls Fund costs are funded on a cross-phase basis so are not included in this calculation.
- c) There is no unallocated contingency fund held within the 2024/25 Schools Block planned budget.
- d) On the basis of the modelling presented to this meeting, the formula funding landscape in Bradford in 2024/25 is as follows:
  - Primary phase: 31 out of 156 schools (20%), including academies, are funded on the Minimum Funding Guarantee. 25 schools (16%), including academies, are funded at the £4,610 minimum per pupil level. All other schools and academies are funded above £4,610 per pupil.
  - Secondary phase: 5 out of 31 schools (16%), including academies, are funded on the Minimum Funding Guarantee. 1 academy (3%) is funded at the £5,995 minimum per pupil level. All other schools and academies are funded above £5,995 per pupil.
  - All through academies: None of the 4 academies are funded on the Minimum Funding Guarantee. All of these academies are also funded above their composite minimum per pupil funding levels.
  - In total, 36 out of 191 schools and academies (19%) are funded on



**the Minimum Funding Guarantee. This is reduced from 48 (25%) in 2023/24. In total, 26 out of 191 schools and academies (14%) are funded on the minimum per pupil funding levels. This is reduced from 31 (16%) in 2023/24.**

**LEAD:        *Business Advisor, Schools***

**754.    SCHOOLS FORUM STANDING ITEMS**

No matters were raised, and no resolutions were passed on this item.

**755.    AOB / FUTURE AGENDA ITEMS**

No matters were raised, and no resolutions were passed on this item.

**756.    DATE OF NEXT MEETING**

The next scheduled is Wednesday 6 March. This meeting will be held remotely.

Note: These minutes are subject to approval as a correct record at the next meeting of the Forum.

THESE MINUTES HAVE BEEN PRODUCED, WHEREVER POSSIBLE, ON RECYCLED PAPER

This page is intentionally left blank

## SCHOOLS FORUM AGENDA ITEM

For Action

For Information

**Brief Description of Item**

This report provides an update for the Schools Forum on the application in the 2023/24 financial year of the Schools Block Falling Rolls Fund for mainstream primary phase-maintained schools and mainstream primary phase academies.

**Date (s) of any Previous Discussion at the Forum**

Allocations from 2022/23 Falling Rolls Fund were considered by the Schools Forum on 8 March 2023. Allocations from the 2023/24 Fund have not yet been considered.

**Background / Context**

The establishment of a Falling Rolls Fund within the Schools Block, for the primary phase, came out of the Forum’s consideration of the impact of ‘under-subscription’ in primary schools and primary academies. A key report was presented to the Forum on 19 September 2018 (Document JE). This report provides useful background.

Within its discussions, the Forum stressed the importance of resolving these situations as far as possible through Published Admission Number (PAN) adjustments, rather than via on-going financial support. The Authority is actively engaged in PAN management. The Forum did also consider how direct financial support could be provided from the DSG. The Falling Rolls Fund is the mechanism through which support can be provided to both maintained schools and academies and both are required to contribute to the cost of the Fund. This is the only route through which financial support can be provided locally from Bradford’s DSG to under-subscribed academies.

A Falling Rolls Fund, with a value of £250,000, was established for the primary phase for the first time for the 2019/20 financial year. A report was presented to the Schools Forum on 11 March 2020. No maintained schools or academies qualified for funding. The £250,000 was rolled forward and added to by a further £250,000 allocated from the 2020/21 Schools Block. No maintained schools or academies have qualified for funding in 2020/21, 2021/22 or in 2022/23. To date, therefore, there has been no spend. The Schools Forum agreed not to allocate any further funding for the Falling Rolls Fund from in-year Schools Block allocations after 2020/21. Therefore, the current value of available funding that is continued within the Schools Block brought forward balance is £500,000.

Our Falling Rolls Fund mechanism and criteria that are applied for the 2023/24 financial year are presented at Appendix 1, for reference.

In initially establishing a Falling Rolls Fund for the primary phase in 2019/20, we identified that its value will be quite limited. This is because the DfE has set strict eligibility criteria. The Fund’s purpose in 2023/24 is to protect good and outstanding schools and academies against short term ‘blips’ in pupil numbers. One of the restrictions is the mandatory requirement that only good or outstanding schools are eligible for funding. This restriction will be removed for the 2024/25 Fund. However, the most significant restriction is the requirement that funding can only be allocated where under-subscription is demonstrably a short-term ‘blip’ and is not the result of a longer-term change in demographics. This ‘blips’ restriction will still be in place for the 2024/25 Fund. It is this restriction that has so far resulted in schools and academies in Bradford being ineligible for Falling Rolls Funding.

It is helpful to remind the Forum, for reference, of the most recent position, presented on 8 March 202., and how the DfE’s restrictions reduced the eligibility of schools and academies for support from the Fund in 2022/23:

- There were 34 primary schools and primary academies (out of 160) that had a number on roll at October 2021 that was not at least 90% of their Published Admission Number (PAN) capacity. This is trigger 2. The occupancy of 14 of these were between 85% and 89%; 14 were between 70% and 84%; 6 were lower than 70%.
- For all 34 however, the latest forecasted pupil intake data clearly indicated that their surplus capacity will not be needed within the next 3 years. This is trigger 4. Many of these 34 were also ineligible as a result of other triggers. A number of the 34 have already consulted, or were consulting at the time, on PAN reductions.

### **Details of the Item for Consideration**

We are now applying the criteria, as set out in Appendix 1, to determine eligible schools and academies and the values of funding to be allocated for the 2023/24 financial year.

The position for 2023/24, as set out below, is calculated on the Authority's latest available pupil numbers forecast. This forecast confirms the expected continued reduction in pupil numbers across the primary phase. The forecast serves to reinforce that our Falling Rolls Fund at this time has limited value.

- As was the case in each of the last 4 years, no maintained schools or academies qualify for funding from the 2023/24 Falling Rolls Fund.
- There are 36 primary schools and primary academies (out of 160) that had a number on roll at October 2022 that was not at least 90% of their Published Admission Number (PAN) capacity. This is trigger 2. The occupancy of 17 of these were between 85% and 89%; 15 were between 70% and 84%; 4 were lower than 70%.
- For all 36, the latest forecasted pupil intake data clearly indicates that their surplus capacity will not be needed within the next 3 years. This is trigger 4. Many of these 36 are also ineligible as a result of other triggers. 17 are ineligible as a result of trigger 1 (year on year reduction of >3%). A number of the 36 have already consulted, or are currently consulting, on PAN reductions.

On this basis, the Forum is asked to note that the ring-fenced sum of £500,000 is unspent within the Schools Block and that this amount is carried forward to 2024/25, as agreed at the January 2024 Forum meeting.

The Forum may wish to consider this outcome and the calculations in more detail. If it does, we would suggest that the Forum's sub-group is re-convened.

### **Implications for the Dedicated Schools Grant (DSG) (if any)**

There is £0.500m of ring-fenced Falling Roll Fund monies held within the Schools Block brought forward balance. With no allocation from the Falling Roll Fund in 2023/24, this £0.500m will be fully carried forward into 2023/24 for use initially against the 2024/25 Falling Rolls Fund, which will be presented to the Schools Forum in March 2025.

### **Recommendations**

**Recommended –**

- (1) The Schools Forum is asked to note that there are no allocations to be made from the Schools Block Falling Rolls Fund in 2023/24.**
- (2) The Forum is asked to note that the sum of £0.500m is unspent within the Schools Block and is carried forward into 2024/25 as a ring-fenced sum.**

### **List of Supporting Appendices / Papers**

Appendix 1 – Falling Rolls Fund 2023/24

### **Contact Officer (name, telephone number and email address)**

Andrew Redding (Business Advisor – Schools)  
01274 432678  
[andrew.redding@bradford.gov.uk](mailto:andrew.redding@bradford.gov.uk)

## Document RD Appendix 1 - Primary-Phase Schools Block Falling Rolls Fund

### 1. Background

- 1.1 Local authorities are able to top-slice the Schools Block in order to create a small fund to support good schools with falling rolls and surplus capacity. This is primarily intended for where population growth is expected in the near future but where a good and necessary school, or academy, currently has surplus places and faces an unmanageable financial position in the short term, where significant action (redundancies) would be needed, and additional costs incurred, to contain spending within budget.
- 1.2 The Falling Rolls Funds is ring-fenced. It operates in a similar way to the Growth Fund, in the sense that both maintained schools and academies are top-sliced for the cost of the Fund and both are eligible to receive support through it. The Falling Rolls Fund can work on a phase specific basis and we have established this for the primary phase only in 2023/24.
- 1.3 It is mandatory that the Falling Rolls Fund is restricted to:
  - 1.3.1 Good or outstanding schools or academies.
  - 1.3.2 Schools or academies where planning data shows that the surplus places will be needed within the next three financial years.
- 1.4 Local authorities are required to provide, on a transparent and consistent basis, the criteria on which any monies are to be allocated. The criteria should set out both the circumstances in which a payment could be made and the basis for calculating sums.
- 1.5 The Schools Forum is required to agree the criteria and the total sum to be held within the Schools Block. The criteria are vetted by the ESFA annually.

### 2. Guiding Principles

- 2.1 The approach to support funding must work within the rules set by the DfE. The Falling Rolls Fund cannot be a mechanism for supporting schools or academies that do not have a Good or Outstanding Ofsted judgement. This includes maintained schools that do not have Good or Outstanding judgements that have recently converted to academy under sponsored arrangements that are yet to be re-assessed. It also cannot be a mechanism for funding under-subscribed schools where planning data does not show that surplus capacity will shortly be needed.
- 2.2 Additional funding will be allocated in recognition only of exceptional circumstances and we would expect only a small number of schools or academies to qualify. The funding system (reliance on the October Census) is quite crude and many schools and academies manage effectively a level of fluctuation in pupil numbers during the year and between years. The system also runs on a lagged basis, meaning that there is already some protection for schools that are falling in numbers.
- 2.3 The cessation of a defined / planned bulge class (or half class) should not trigger Falling Rolls funding nor should a school or academy that is permanently reducing its PAN.
- 2.4 The Fund will support Reception to Year 11 only (not early years nor post 16).
- 2.5 Support will only be temporary / transitional. Funding will not support a situation that does not have a resolution (within three years).
- 2.6 The cost to the DSG (and therefore, the top-slice cost on other schools or academies) must be limited and controlled.

- 2.7 The option for providing additional funding must not relieve the school or academy of its responsibility to take action to manage its budget, which includes the use of surplus balances.
- 2.8 Funding must not reward poor performance or poor decision making on the part of the school or academy (the root of the circumstances should be factors not under the control of the school or academy).
- 2.9 The process of assessing a school's or academy's eligibility for funding will include the Local Authority's finance, school improvement and places planning officers.
- 2.10 Principles 2.1 to 2.9 mean we would wish to define:
- 2.10.1 Two key triggers for additional support to be a) a significant reduction in numbers on roll, together with b) a significant number of surplus places in total. It is important for a system to have both these triggers. The first trigger is important as it indicates that change has taken place and that action is now needed (reference paragraph 1.1).
- 2.10.2 Quite high qualification thresholds for these two trigger points, or setting these triggers to combine in such a ways as, to ensure the fund only supports 'exceptional circumstances'.
- 2.10.3 A mechanism, which looks at the total position of the school or academy, rather than just the position in a single year group or key stage.
- 2.10.4 Additional criteria, which focus on requiring the school or academy to evidence the action that it has taken already as well as the action that will need to be taken to contain spending within budget. This would include how the school's or academy's reserve is being deployed. This would be part of a detailed budget discussion with the school or academy within the eligibility assessment process.
- 2.10.5 A formula basis for funding, but with some additional measures to control the cost of the Fund to other schools and academies, which includes:
- 2.10.5.1 The option to scale back allocations into an agreed budget.
- 2.10.5.2 Establishing a maximum value of funding allocated in any given year to a school or academy.
- 2.10.5.3 These control measures mean that allocations will not be confirmed with the school or academy until the end of the financial year and may be allocated retrospectively only with sight of the school's or academy's budget and surplus balances position as well as the number of schools or academies that are potentially eligible. This is an approach that appears to be followed by a number of the local authorities that operate a Falling Rolls Fund.

### **3. Criteria for allocations in 2023/24 (Primary Phase Only)**

- 3.1 The primary school or academy must meet all of the following 6 triggers (\* with the exception of schools and academies that are expanding or have recently expanded at the request of the Authority where trigger 1 will not apply):
- 3.1.1 Trigger 1: The total number on roll in October 2022 must have reduced by at least 3% on October 2021 (\* not applicable to schools and academies that are expanding or have recently expanded). This is an initial trigger identifying change; that either new budget action needs to be taken (to contain spending) or financial support could be allocated to protect capacity. Once a school or academy has met all eligibility criteria and receives Falling Rolls Funding (may have been in a previous year), this trigger is not again applied until the school's roll increases above the trigger 2 threshold (recognising that a school may have a blip of 2 years, which it will carry and will need support for after its roll year on year has stabilised and then has begun to increase). For reference, 3% for a 1FE school = 6; 2FE = 13; 3FE = 19.

- 3.1.2 Trigger 2: The total number on roll at October 2022 must be lower than 90% of total PAN capacity number agreed with the Local Authority, with the capacity calculation adjusted where the school or academy is in the process of establishment or permanent expansion. For comparison, a 1FE primary school that achieves 27 in every year group (not 30) = 90% (189); 2FE with 54 (not 60) = 90% (378); 3FE with 81 (not 90) = 90% (567).
- 3.1.3 Trigger 3: Must be judged Good or Outstanding by Ofsted at the time funding is confirmed. For academies recently converted, and yet to be re-assessed, the Authority will apply the most recent Ofsted judgement the school received prior to conversion.
- 3.1.4 Trigger 4: The Local Authority's planning data must show that the surplus capacity is needed within 3 financial years i.e. either the school's or academy's intake number will recover back to PAN and / or the surplus places in later year groups are needed, within 3 years. This means that a 'blip' in intake number is limited to 2 censuses before recovery. More than 2 censuses = the school or academy is expected to take action to reduce spending, rather than be allocated additional funding, because the implications of the 'blip' are longer term. It is important to identify that even a 2 year blip in intake, depending on its size, could have a financial impact on a school or academy that takes up to 6 years to work its way through unless pupils are admitted post reception. Therefore, Falling Rolls Fund support may be committed for a longer period of time on a sliding-scale basis.

On indicative modelling of a 1FE primary school whose intake reduces from 30 to 15:

- A 2 year blip = 6 years of funding would required until the school's total NOR exceeds 90%
- A 1 year blip = no funding (the school's NOR does not drop below 90%)

On indicative modelling of a 2FE primary school whose intake reduces from 60 to 30:

- A 2 year blip = 6 years of funding would required until the school's total NOR exceeds 90%
- A 1 year blip = no funding (the school's NOR does not drop below 90%)

On indicative modelling of a 3FE primary school whose intake reduces from 90 to 60:

- A 2 year blip = no funding (the school's NOR does not drop below 90%)
- A 1 year blip = no funding (the school's NOR does not drop below 90%)

- 3.1.5 Trigger 5: That the reduction in number on roll does not come from the exit of an identified agreed bulge class or from the permanent reduction in PAN.
- 3.1.6 Trigger 6: That the school or academy evidences, with reference to detailed information, the budget action that has already been taken, how surplus balances are being used to support the budget position, and how the school's or academy's spending can still not be brought within budget without the need to deliver staffing re-structure, including redundancies, that will result in additional cost. Essentially, the school or academy is required to demonstrate that the Falling Rolls Fund is the 'value for money' option; the cost of Falling Rolls Funding is less that the cost of action that would need to be taken.

#### **4. Formula 2023/24 (Primary Phase only)**

4.1 A basic initial formula of:  $\text{£base APP (AWPU) value} \times 80\% \times ((\text{PAN} \times 90\%) - \text{NOR})$

- 4.1.1 This has similarity with the approach taken in the funding of growth and bulge classes, which uses 80% of the £Base App value.
- 4.1.2 Funding will top up to 90% of NOR only (as trigger 2 is based on an assumption that all schools and academies will manage 10% under-occupancy within their own budgets).
- 4.1.3 Funding will be re-calculated annually based on latest Census numbers. Funding will reduce as numbers on roll increase on a sliding-scale basis.

#### 4.2 However:

4.2.1 A maximum annual allocation value of £100,000 is set for any one school or academy.

4.2.2 Allocations can be scaled back to fit into budget. Essentially we will do this by reducing from using 80% of the AWPU value to e.g. 50%. We will discuss this with the Schools Forum when we present proposed allocations. It would be up to the Forum to decide whether to scale back or whether to allocate additional funding from the DSG to cover the full cost. To this end, and also to enable the most effective challenge under trigger 6, allocations will be presented to the Schools Forum in March 2024 (at the end of the 2023/24 financial year).



## SCHOOLS FORUM AGENDA ITEM

For Action

For Information



**Brief Description of Item** (including the purpose / reason for presenting this for consideration by the Forum)

**This report provides an update on a number of matters relating to the Dedicated Schools Grant.**

**Date (s) of any Previous Discussion at the Forum**

The Schools Forum made its recommendations on the 2024/25 DSG on 10 January 2024.

**Background / Context**

See the details for consideration below.

**Details of the Item for Consideration**

Shorter updates on a number of DSG matters

Due to the change in the date of the Council's annual budget setting meeting, the Schools Forum's recommendations on the allocation of the 2024/25 Schools Budget are now being presented to the Executive on 5 March and are then to be presented to full Council on 7 March. We expect the detailed funding allocation and budget information for 2024/25 to be published for schools, academies and for early years providers, on 8 March. Initial place-element funding for high needs providers is also expected to be published on this day. We gave notification of the change in timetable for the publication of funding and budget information on 6 February through Bradford Schools Online. To support mainstream schools and academies in their budget planning, we published on 6 February a summary spreadsheet, which shows the 2024/25 National Funding Formula Schools Block allocations that have been submitted to the ESFA through our Pro-forma return. To support early years providers, we had already published on 10 January a ready reckoner, which gave sight of 2024/25 early years entitlement funding rates.

At the time of writing this report, the Education and Skills Funding Agency (ESFA) has still to formally confirm its approval of our Schools Block Pro-forma for 2024/25 (our primary and secondary mainstream funding formula and Growth Fund / Falling Rolls Fund criteria). Approval is not normally expected to be given until our political ratification has been achieved.

We currently await final confirmation of our 2024/25 High Needs Block allocation, taking account of changes in deductions for academy places and the confirmed value of the import / export adjustment. A detailed forecast of the spending position of the High Needs Block, as part of our DSG Management Plan (which was re-presented on 10 January), will be provided for the Schools Forum during the year in support of the critical discussions to take place about DSG deficit management and resolution. As usual, the initial reconciliation of DSG balances held at 31 March 2024 will be presented to the Forum in July, following the 2023/24 year-end closedown, and then confirmed in September, following the DfE's final determination of Early Years Block funding for 2023/24, including the Early Years Supplementary Grant.

Within the recommendations the Forum made for the 2024/25 financial year, the Falling Rolls Fund within the Schools Block is continued for the primary phase. A report on the application of this Fund for 2023/24 is presented to this meeting, under agenda item 6. Recognising the information that is required in order to finalise allocations, it is anticipated that any proposals for Falling Rolls funding for 2024/25 will be presented to the Forum in March 2025. As usual, it is expected that new allocations from the established Schools Block Growth Fund will be presented to the Schools Forum in October (primary-phase) and in December (secondary-phase), subject to the timing of the release of the October 2024 census data.

As we reported to the Forum on 6 December, the Authority has been allocated in 2023/24 an additional £0.934m 'Schools in Financial Difficulty' funding in respect of maintained schools. This sum will be fully carried over into 2024/25 within the balance of de-delegated funds. The £0.934m will be classed as DSG income and we have clarified with the ESFA directly that we are permitted to carry over any unspent funds into 2024/25 in order to continue to support maintained schools in financial difficulty next year. We indicated in December that we would wish to carry this over. We also stated that Members will identify and understand that there are pros and cons related to the allocation of such additional funding to a small number of maintained schools and that the Authority will wish to tread carefully. To inform the use of this funding, the Authority will collect 2024/25 and 3-year budget forecast information from maintained schools, which will be available in May / June. We then expect to report to the Forum on the use of this funding, in July or in early autumn 2024.

## Details of the Item for Consideration

### DSG 2024-25 Summary

The table below is included in the report, which presents the DSG recommendations to Council. It is a useful simpler summary of the 2024/25 Schools Budget as agreed with the Schools Forum on 10 January.

Description	Early Years Block £m	Schools Block £m	High Needs Block £m	Central Schools Services Block £m	Total DSG £m
Estimated DSG available 2024/25	£66.014	£537.891	£122.343	£3.628	£729.877
Estimated DSG B'fwd from 2023/24	£3.855	£3.295	£22.646	£0.179	£29.975
<b>Total Estimated DSG (Schools Budget) 2024/25</b>	<b>£69.869</b>	<b>£541.186</b>	<b>£144.990</b>	<b>£3.807</b>	<b>£759.852</b>
Delegated to Schools / Providers	£64.341	£536.150	£112.536	£0.000	£713.027
Non-Delegated Items	£1.673	£1.740	£9.808	£3.628	£16.849
Allocation of One Off	£1.262	- £0.008	£21.620	£0.059	£22.933
<b>Total Funding Allocated</b>	<b>£67.276</b>	<b>£537.883</b>	<b>£143.964</b>	<b>£3.687</b>	<b>£752.810</b>
<b>Difference (C'Fwd)</b>	<b>£2.593</b>	<b>£3.303</b>	<b>£1.026</b>	<b>£0.120</b>	<b>£7.042</b>

### Outcomes of the Early Years Block Consultation 2024/25

On 10 January 2024, the Schools Forum gave its support to the Authority's proposals for the approach to the funding of the early years entitlements (the Early Years Single Funding Formula) for the 2024/25 financial year. The Authority completed, on 5 February, a wider consultation. 15 responses to this consultation were received. Some responses made comments about the proposals, or other aspects, that it would not be possible for the Authority to respond to, due to the constraints / requirements of the Regulations. This included having a single hour rate of funding for childminders for all the entitlements (where the Regulations require the entitlements to be funded separately). Some responses highlighted that the funding rate for the 3&4-year-old entitlements continues to be low and that funding for Early Years Inclusion (EYIF) is also low. In this, the Schools Forum will already understand that the Authority is constrained by the value of our Early Years Block settlement from the DfE. The 15 responses received, however, collectively supported the Authority's proposals, with the majority responses to all the consultation questions being 'strongly agree' or 'agree on balance'. Following the completion of the consultation, the Authority has recommended to Council that the Early Years Single Funding Formula (EYSFF) that was set out in the Authority's consultation be used to calculate budget shares for all providers delivering entitlement provision in 2024/25. This is to be decided by Council on 7 March. The Authority expects to reconvene the EYWG soon to begin to discuss wider early years entitlement funding matters, leading into 2025/26 arrangements.

The Schools Forum has previously asked why our rates of funding for early years entitlement provision from Government are lower than national medians, when, given our deprivation measures, we would expect to be funded on higher than median rates. We presented a holding response on this question to the School Forum in December, having identified that the impact of the Area Cost Adjustment (ACA) factor was important to this comparison, and stated that we would carry out further investigation when we had sight of the full 2024/25 Early Years Block settlement and breakdown of funding rates. We are now looking at this and expect to present some analysis and conclusions to the Forum at the next meeting in May.

### Early Years Block – Additional / Changed Counting Arrangements for the New Entitlements in the PVI Sector

We are aware, having had sight of draft guidance, that the DfE intends to require local authorities to collect and submit additional information regarding the delivery of the new 2-year-olds and under 2s working parents entitlements in the summer and autumn terms in the PVI sector. This will be necessary for the accurate calculation of DSG funding to local authorities in 2024/25. What exactly this means for our counting arrangements we will need to fully consider once the final version of the DfE's guidance is published. However, the DfE indicates that delivery information will be based on a count taken about a month after our normal termly censuses are collected in summer and autumn, meaning that we would either need to move our count dates or take steps to collect an additional count in some form. We are currently discussing the options for this and will review and decide the best approach having had sight of the DfE's guidance when this is published. We are conscious of a number of aspects here, ensuring that providers are accurately funded for the delivery of the new entitlements in their initial terms, but also complication, workload and capacity for the Authority as well as for providers in possibly having to manage an additional data collection. We are also conscious of ensuring that there is consistency of approach between the PVI and the schools sector, notwithstanding that it is expected that the new entitlements will primarily be delivered by the PVI sector.

## **Details of the Item for Consideration**

### **Early Years Block – Resolution of the Under 2s Entitlement Unfunded 4 Weeks Issue**

We have previously highlighted to the Forum the very significant concern that we had regarding the funding of the Under 2s Working Parents entitlement from September 2024 i.e. that we will fund providers for 26 weeks of delivery but that the DfE appears to be planning to only fund us for 22 weeks, leaving £1.2m of unfunded cost within our Early Years Block in 2024/25. We advised that we had met with the DfE to discuss this issue. However, at the time we presented the recommendations for 2024/25 to the Schools Forum on 10 January, we still awaited response from the DfE. We explained on 10 January that the 2024/25 planned budget for the Early Years Block (summarised in the table on the previous page of this report) was put forward on the assumption that this issue would not be resolved and that our Early Years Block would overspend by £1.2m, with this overspend being met from DSG reserves. We explained that, was the DfE to fully resolve this issue, this £1.2m overspend would be removed.

The DfE has now confirmed that local authorities will be funded for 26 weeks of delivery for the Under 2s entitlement for the period September 2024 to March 2025. This means that, everything else being the same, our Early Years Block in 2024/25 will not overspend and there will not be the £1.2m call on DSG reserves.

We also now assume, for our 2025/26 financial planning, that there will not be the same underfunding issue for the period September 2025 to March 2026, when the Under 2s and 2-year-olds Working Parents, entitlements increase from 15 to 30 hours.

### **Uncertainty, Review and Response to Future System Change and Tighter Financial Settlements**

We continue to need to plan and to review our DSG allocation and formula funding arrangements, understanding that there is uncertainty for the future. Document RF discusses some of the main uncertainties, changes and challenges that may affect school and academy budget planning across 2024-2027.

Most immediately for the Schools Forum and for the Authority, in our DSG management, is the lack insight we currently have into the shape and value of our DSG and of the National Funding Formula at April 2025. The Government's current spending review period only takes us up to 2024/25. We normally begin to receive detailed information from Government on the following's years DSG arrangements in June / July, which enables us to formulate plans for consultation, which we can then discuss with schools, academies and providers early in the autumn term. We currently are not clear about the Government's timetable for announcements associated with the 2025/26 DSG, including any announcements relating to the development of the Schools Block National Funding Formula, development of early years funding, or formula funding or other financial changes that may come from the national SEND and Alternative Provision reviews.

For 2025/26, so far:

- We anticipate that the SEND and Alternative Provision reviews ultimately will bring far-reaching changes to SEND / EHCP / Alternative Provision funding systems, which we may need to begin to respond to within our 2025/26 DSG and formula funding decision making cycle, especially as we are a pilot authority for reforms. We have already identified that, at the very least, in the absence of nationally directed changes, we will need to continue to incrementally assess our definition of 'notional SEND budgets', as well as our SEND Funding Floor. This assessment is also important for the deficit DSG position that we now forecast.
- Our DSG Management Plan, which we last presented to the Schools Forum on 10 January 2024, explains how our High Needs Block is forecasted to fall into cumulative deficit in the 2025/26 financial year, requiring a management and mitigation plan, which must include discussing a Schools Block to High Needs Block contribution and our high needs formula funding arrangements. This plan is very likely to have impact on our 2025/26 formula funding arrangements, within both the Schools and the High Needs Blocks.
- The DfE has stated that it will conduct a national review of SEND Early Years Inclusion (EYIF) approaches, with a view potentially to providing new guidance and / or prescription to local authorities in the future. This may influence 2025/26 arrangements. We have stated that, locally, in 2024/25 we will pilot ourselves a different way of allocating EYIF funding. The outcomes of this pilot will also influence our EYIF arrangements for 2025/26.
- The DfE has stated its aim of fully introducing the hard National Funding Formula in the Schools Block by 2027/28 at the latest. We expect further direction and restriction to affect 2025/26 mainstream formula funding arrangements. As the DfE has stated that 2027/28 is 'at the latest', it is possible that 2025/26 could be the final year of local arrangements. Changes, in the allocation of funds for centrally managed services, and in the role of the Schools Forum, are also expected, though these are likely to be more for the longer-term. The timescale for bringing PFI funding into the National Funding Formula is uncertain, but developments on this may take place for 2025/26. This is an important matter to monitor.

### Details of the Item for Consideration

- We know that the DfE continues to incrementally review and adjust the Schools Block National Funding Formula. Changes in formula factors may be adopted in 2025/26. The DfE has previously consulted on incrementally amending Growth Fund and Falling Rolls Fund funding arrangements and we still do expect additional flexibilities for the management of growth, falling rolls and 'surplus places' to be introduced, possibly for 2025/26. Highlighting a specific point of potential change in 2025/26, the Government's IDACI data is due to be updated in 2024. This IDACI data is currently used in the National Funding Formula as a deprivation measure alongside Free School Meals eligibility. IDACI is updated only every 5 years, and updating this does tend to produce some turbulence in the deprivation levels that are measured at individual schools and academies, which the ESFA seeks to smooth using the weightings of the National Funding Formula. It is not certain at this time whether IDACI 2024 will be used for 2025/26, as timescales may not permit this. However, this is specific point of change to monitor.
- We have already signalled that we must check and review our Early Years Single Funding Formula, with this review being focused especially on benchmarking ourselves against what other local authorities have done in 2024/25 especially around the funding of the new entitlements, where the Regulations have provided a significant amount of local flexibility.
- The 2024/25 national financial settlement is much more modest that has been seen in recent previous years. Whilst this is still to be announced, also linking into the next report (Document RG) about school and academy budgets, we do anticipate the continuation of 'modest' percentage increases in DSG and formula funding in 2025/26. This is potentially across the board – mainstream primary and secondary formula funding, early years entitlement funding, high needs funding and post-16 funding. For the DSG's overall financial position, and the resolution of a forecasted deficit position, the High Needs Block settlements from April 2025 onwards will be very significant.

### High Needs Block

The downturn that is forecasted in the position of our High Needs Block is the dominant feature of the 2024/25 planned budget and will be the dominant feature of our DSG management going forward.

As the Forum is aware, Council on 7 March will be asked to approve a planned budget for 2024/25, which projects that a surplus DSG account balance will still be retained at the end of the 2024/25 financial year. However, due to the anticipated continued growth in the number of Education, Health and Care Plans (EHCPs), and other pressures, combined with a reduction in the annual increase in High Needs Block income that we have received from Government, we forecast that the £22.646m High Needs Block surplus that is projected to be held at the end of 2023/24 may largely be spent by the end of the 2024/25 financial year and that our High Needs Block and then DSG account may post a deficit at the close of the 2025/26 financial year, with the size of this deficit continuing to grow from this point, in the absence of: new significant mitigating response; significant additional income from the DfE through the High Needs Block settlements; a significant slowing of EHCP and other spending growth rates. Although our forecast is currently based on a series of estimates, which may change, the scale of overspend that is currently forecasted clearly indicates that we have a structural High Needs Block budget issue going forward.

As has been explained, this is a national problem. Overspends in the High Needs Block are a common reason why authorities currently are recording cumulative and increasing deficits in their DSG accounts. The DfE has in place two types of intervention and support strategies for local authorities – the Safety Valve Programme and the Delivering Better Value (DBV) Programme. Because we have up to now balanced our DSG account, and have continued to retain surplus balances, Bradford has not yet come into these programmes. However, one of the mitigating actions that we must now take is to request advice and support from the DfE in the management of our position. The ESFA will be contacted following the Council's budget setting meeting. We expect then that ESFA will quickly respond and that a number of assessments and workstreams will follow this. The School Forum's sub-group will shortly be convened again as part of this work.

We have in recent years delivered structural changes and we have already applied a number of mitigations, which roll forward within our 2024/25 planned budget and which have contributed so far to our success in delivering a balanced High Needs Block budget and in securing carry forward DSG surplus resilience reserves. We identify that a number of the actions that we have already taken feature in the DfE's recommendations to local authorities that are within the Safety Valve and Delivering Better Value intervention and support programmes. Our strategic work now needs to continue to put forward options for new actions that may contribute to the resolution of the forecasted High Needs Block deficit. We are seeking to develop actions that will help to reduce the size of the overspend in 2024/25 and then to reduce the on-going overspend from April 2025. Actions from April 2025 include consideration of amendments to our formula funding models, as well as a Schools Block to High Needs Block funding transfer.

**Implications for the Dedicated Schools Grant (DSG) (if any)**

As set out in the report.

**Recommendations**

The Schools Forum is asked to consider and to note the information provided in the report.

**List of Supporting Appendices / Papers (where applicable)**

none

**Contact Officer (name, telephone number and email address)**

Andrew Redding, Business Advisor (Schools)  
01274 432678  
[andrew.redding@bradford.gov.uk](mailto:andrew.redding@bradford.gov.uk)

This page is intentionally left blank

## SCHOOLS FORUM AGENDA ITEM

For Action

For Information



**Brief Description of Item** (including the purpose / reason for presenting this for consideration by the Forum)

**This report provides Members with an update on matters concerning school and academy budgets. This includes an update on the position of the conversion of maintained schools to academy status and on the general forecasted position of school and academy budgets over the 2024-2027 3-year period.**

**Date (s) of any Previous Discussion at the Forum**

The Schools Forum received a similar report this time last year on 8 March 2023.

**Background / Context**

The Authority's financial year runs from 1 April to 31 March. At the end of each financial year, maintained schools are required to 'closedown' their accounts and to finalise the values of balances held at this point. This information is forwarded to the DfE and is publicly published.

The Authority's Deficit Budget Protocol is in place to manage maintained schools that hold (or forecast to hold) deficit revenue balances. Maintained schools are permitted to carry forward surplus revenue balances. Currently, schools with revenue balances in excess of 4% (Secondary), or the greater of £60,000 or 6% (other schools), of funding must comply with the Authority's Surplus Balances Protocol, which requires schools to assign values of excess balances to spending on permitted schemes. Academies and Free Schools are responsible to the Education and Skills Funding Agency (the ESFA) for their financial reporting, on an academic year basis. The Local Authority does not have a direct view of academy financial positions. The ESFA sets monitoring and reporting requirements and has oversight of academy balances. A key 'intervention tool' used by the ESFA is the issuance of a 'Financial Notice to Improve'. These Notices are posted on the ESFA's website for public record and scrutiny.

Deficit budgets, on the closure of a maintained school, revert back to the Local Authority and may be charged to the DSG if de-delegated arrangements operate to enable this. Surplus balances are credited to the DSG, but with regulations in place governing the treatment of balances where schools close and amalgamate. Any claw back of surplus balances from maintained schools, through the Intended Use of Balances process, increases the amount of funding available for the Schools Budget in the DSG.

On the conversion of a maintained school to academy status:

- A surplus is typically transferred to the academy trust (so there is no benefit to the Local Authority nor to the DSG), although there is provision for the Authority to retain surpluses held by sponsored academies.
- A deficit of a maintained school that is a 'converter' academy is also transferred to the academy trust (so there is no liability on the Local Authority nor on the DSG).
- A deficit of a maintained school that is a 'sponsored' academy reverts back to the Local Authority and may be charged to the DSG, if de-delegated arrangements operate to enable this. We have de-delegated arrangements in place for the primary phase.

Forum Members are reminded:

- Within the recommendations that were made by the Schools Forum on 10 January 2024, and that are to be decided by Council on 7 March, is the continuation of the de-delegated fund for deficit provision for sponsored conversions in the primary phase. No new budget value has been retained in 2024/25 (but a balance is carried forward). A de-delegated fund for this purpose is not held in the secondary phase. As was reported to the Schools Forum on 22 May 2019 (Document KJ), 3 sponsored primary schools were determined to hold deficit balances totalling £252,432, with this value charged to the de-delegated fund in 2019/20. This is the only time a charge has been made against the DSG's primary-phase de-delegated funds relating to deficits from academy conversion. A charge of £0.650m was made in 2022/23 against an agreed historically held de-delegated fund relating to the conversion of a secondary school.
- Of the information that has previously been presented on how the Local Authority supports and challenges schools on their budget positions. The Authority also publishes a detailed guidance document for schools, which sets out expectations in preparation for financial close on academy conversion.
- That the deadline for the submission of governor approved budgets for 2024-2027 from maintained schools is 31 May 2024. It is these submissions that give the Authority a clearer view of the positions of school budgets going forward. A report on budget positions and balances held by maintained schools at the end of the 2023/24 financial year will be presented to the Schools Forum at the next meeting 22 May.

## **Background / Context**

- That the timing of a conversion is an important factor in the potential for liability related to deficit budgets of sponsored academies. For example, a school that has an in-year deficit budget in 2024/25, and converts on 1 September 2024, may respond to this in year, but savings from curriculum restructure may only be implemented at the start of the new academic year. So, although the school's budget will balance in the full year, it is the academy's budget post 1 September that will benefit from these savings. The maintained school's budget may fall into cumulative deficit if the value of the school's balance held at the end of 2023/24 is not sufficient to meet the value of overspending in the first half of the year.
- That an update on the position of academy conversions is a standing item on Schools Forum agendas.
- That the Forum, in 2016, did established "a formal 'Panel' of Forum Members with the remit to discuss in detail the financial implications of academy conversions and any requests for financial support from the DSG that may be made. Following an initial 'scoping' meeting, the Panel recommended criteria that should be used in the consideration of any requests that may be made to the Schools Forum for financial support related to academy conversion. The Forum agreed these criteria on 20 July 2016.
- Of the general warnings previously given, that the opportunity for liabilities to arise relating to deficit balances are greater when there are larger numbers of academy conversions.
- That the Authority has been allocated an additional £0.934m 'Schools in Financial Difficulty' DSG funding in respect of maintained schools. This sum will be fully carried over into 2024/25 within the balance of delegated funds. To inform the use of this funding, the Authority will collect 2024/25 and 3-year budget forecast information from maintained schools, which will be available in May / June. We then expect to report to the Forum on the use of this funding, in July or in early autumn 2024.

## **Details of the Item for Consideration**

### Summary Position - Academy Conversions

- At 1 March 2024, we have 62 maintained schools and 146 academies. Of the 62 maintained schools there are: 7 nursery schools, 51 primary schools, 2 secondary schools, 1 special school and 1 PRU.
- There have been 13 conversions to academy status between April 2023 and March 2024: 10 primary schools, 2 secondary schools and 1 special school. All of the 13 conversions were 'converter' rather than 'sponsored'. The Local Authority has completed the necessary financial closes for 12 of the 13 conversions (1 conversion took place on 1 January 2024, so this financial close is in progress). Of the 12 conversions that have been completed, surplus balances were transferred to the academy trusts in 11 instances, with a £0 balance being determined for one conversion.
- We have immediate sight of 2 maintained schools that are planning to convert to academy status during the early part of the 2024/25 financial year. The position of conversions, however, is moving regularly, and there likely will be other conversions in the new financial year that are not yet identified. The 2 schools are 'converter' academies, meaning that the Authority would be reimbursed for any deficits that might be held by them on financial close (with these deficits transferring to the academy trusts to be repaid to the ESFA).
- In terms of the financial positions of currently maintained schools, more generally, 5 schools held deficit revenue balances at the end of 2022/23. Based on quarter 3 budget monitoring information, we currently forecast that in the region of 7 schools (out of 62) may hold revenue deficit balances at 31 March 2024. The Schools Forum will receive a full report on 2023/24 final year-end balances, deficits and surpluses, held by maintained schools at the next meeting 22 May.

### School and Academy Budgets 2024-2025 – Changes and 'On the Horizon'

It is helpful to highlight some key matters, changes and developments that are new or that are 'on the horizon' and that are likely to have budget implications for both schools and academies over the 2024-2027 period. Whilst some of points listed below are currently uncertain, it will be helpful for schools and academies to consider these matters, as this will 'set the tone' for budgeting and forecasting at this time and will help schools / academies in their financial risk management. Schools / academies continue to need to take prudent budget decisions, understanding that there is significant uncertainty for the near future.

- Pupil numbers in Bradford are reducing (numbers are currently increasing in secondary but are then expected to flatten out and then reduce). This is a result of demographic trends, which are more widely affecting primary schools / academies and nurseries. It is important that all schools / academies understand their medium term forecast of pupil numbers (reception and year 7 intakes, as well as nursery and post-16 numbers) and that schools / academies bring this information into their budget planning. Critically, schools / academies must not simply assume that their current value of formula funding will continue, unaffected by reductions in pupil numbers. It also continues to be important for primary schools / academies with early years entitlement provision to monitor the school's / academy's early years provision as a 'mini budget', so that schools / academies understand the extent to which the school's / academy's nursery provision is either subsidising, or is being subsidised by, the school's / academy's larger budget. The same principle is also true for secondary schools / academies with post-16 provision.



### **Details of the Item for Consideration**

- Mainstream primary and secondary schools and academies are reminded that the [Mainstream Schools Additional Grant](#) (MSAG), which was allocated in the 2023/24 financial year, has now been transferred into the main core funding formula. Schools / academies must remove from their 2024-2027 budgets any separate grant allocations that may be brought forward within previous budget scenarios, otherwise this funding will be double counted. Schools / academies will not receive additional MSAG allocations after 2023/24.
- The time-limited [COVID-19 Recovery Premium](#) and [National Tutoring Programme Grant](#) both cease at the end of the 2023/24 academic year. Schools / academies should now adjust their 3-year budget forecasts to remove these funding streams and should also consider how the school's / academy's delegated budget will finance any agreed continuing support activity from September 2024. Schools / academies that are choosing not to use, or not to fully use, their National Tutoring Programme funding allocated for the 2023/24 academic year must ensure that they budget for the recoupment of this by the DfE. 2023/24 academic year allocations will be recouped in early 2025.
- The DfE introduced a new [Teacher Pay Grant](#) in support of the September 2023 teachers' pay award. Schools / academies have already received this Grant for the period September 2023 to March 2024 and will continue to receive this Grant going forward. This Grant funding in 2024/25 will be allocated in addition to main core formula funding (and should be added separately into funding forecasts). This funding will continue after 2024/25 on an on-going basis, but with the Grant expected to be merged into core formula funding at April 2025. Please note that there will not be an early years element of the Teacher Pay Grant in 2024/25; funding in respect of early years is already allocated through the Early Years Single Funding Formula. We expect there to continue to be a Post 16 element of this Grant, but the details are still to be published.
- The employer's contribution to teacher pensions is increasing 5% at 1 April 2024. The rate of on-going contribution will be 28.68%. This means that the cost to school / academy budgets of teacher salaries will increase from 1 April 2024 and schools / academies must adjust their salaries cost calculations for this. The DfE, however, has confirmed that a new Teacher Pensions Grant will be established to support the cost. This Grant will be allocated in 2024/25 in addition to main core formula funding (and should be added separately into funding forecasts). The rates of funding are still to be published. This funding will continue after 2024/25 on an on-going basis, but with the Grant expected to be merged into core formula funding at April 2025. Please note that there will not be an early years element of the Teacher Pensions Grant in 2024/25; funding in respect of early years is already allocated through the Early Years Single Funding Formula. We expect there to be a post 16 element, but the details are still to be published.
- The [Early Years Supplementary Grant](#) (EYSG), through which rates of funding for the delivery of the early years entitlements were enhanced for the period September 2023 to March 2024, has been merged into the Early Years Single Funding Formula in 2024/25. Schools / academies should now budget only on the basis of the rates of funding for their entitlement delivery that are shown in their [1st Draft Indicative Budgets](#). There will not be any increase in these funding rates during the year.
- The Government is extending the entitlements to early education and childcare. We highlight especially that the new 2-year-olds entitlement for eligible working parents begins at 1 April 2024 and the new Under 2s entitlement for eligible working parents begins at 1 September 2024. The Local Authority has calculated rates of funding (per child per hour) for all providers that currently deliver the 3&4-year-olds entitlements for all the entitlements, irrespective of whether they currently deliver or intend to deliver them all. We have taken the view that giving sight of rates of funding for all the entitlements will help providers in their decision making and planning.
- As we signalled in the consultation on early years funding arrangements, published in January, to ensure consistency of approach, it is the Authority's intention to require schools and academies to sign the 'Funding Agreement' with the Local Authority for their delivery of all the entitlements from 1 April 2024. PVI providers already do this. This Funding Agreement sets out the terms and conditions and the local procedures for the administration of entitlement funding, including provisions for the 'fining' of providers or for the charging of an administration fee where the Authority has to intervene either to collect or to clarify the delivery data that a provider is required to submit and in circumstances where required information is submitted after deadlines.
- A matter of significant uncertainty in recent years has been the settlement for maintained nursery schools. Bradford receives a discrete sum (a 'supplement'), which is used to protect our seven nursery schools at 'historic' funding levels. Without this supplement, these schools would each lose in the region of a third of their 3&4-year-olds entitlements funding. The DfE has confirmed the continuation of this supplement for the 2024/25 financial year. The DfE has also stated that it remains committed to supporting nursery schools going forward. What this commitment materially means for funding after 2024/25, however, is not yet clear.

### **Details of the Item for Consideration**

- The DfE has published guidance on the development of the national wraparound childcare programme. All schools and academies should now consider their responses to this within their 3-year budget planning. The Government's aim is for all parents of primary school children who need it to be able to access childcare in their local area from 8am to 6pm. Parents should expect to see an expansion in the availability of wraparound care from September 2024, with every parent who needs it able to access term-time wrap-around childcare by September 2026. Parents will still be expected to pay to access this provision (the DfE's programme aims to increase the availability of childcare, rather than subsidise the cost of it). This programme (and the additional revenue and capital funding allocated by DfE to support it) will be delivered through the Local Authority. The Local Authority is expected to work with primary schools, academies and PVI early years providers, including childminders, to introduce or to expand wraparound childcare provision in their area, to "test flexible ways of providing childcare and to gather evidence of what works". The Authority will be communicating further on this.
- The Government's intention is to implement a 'hard' National Funding Formula for mainstream primary and secondary maintained schools and academies. Further transition has been directed for the 2024/25 financial year, and more direction is expected for 2025/26 and 2026/27. Alongside wider changes to the National Funding Formula itself, Growth and Falling Rolls Fund arrangements are expected to continue to incrementally develop, as is the approach to the determination of notional SEND budgets. We will address any DfE directed changes for 2025/26 within our consultation on formula funding arrangements, which will be published in autumn term 2024. The DfE's stated aim is for the 'hard' National Funding Formula (NFF) to be fully implemented by 2027/28, at the latest. 'Hard' NFF will mean that Bradford Council will no longer decide locally how the mainstream primary and secondary funding formula operates. Further transition, over the next couple of years, may have implications for how much funding individual primary and secondary schools and academies receive. More than ever, it is important that schools / academies understand how they are funded by the current formula at 'factor level', so that schools / academies can understand the changes and the risks to their budgets. Schools / academies are advised to discuss in their Governing Boards a comparison at factor level (FSM, IDACI, EAL, Low Prior Attainment etc) of 2024/25 formula funding vs. 2023/24. Within this comparison, it is important for primary and secondary schools and academies to identify specifically whether they are funded via either of the two protection mechanisms - the Minimum Funding Guarantee (MFG) and the Minimum Level of Funding (MFL).
- A matter of significant uncertainty at this time is that we do not have any information regarding the national schools formula funding and grant settlements after 2024/25. The settlement for 2024/25, which is the final year that is covered by the current 3-year spending period, has been much tighter, with % increases in funding per pupil being much more modest than they were over the period 2020-2024. It is not clear when further information for 2025/26 onwards will be available, and the national settlements may also be affected by the outcomes of the general election (we may be able to glean some early information on this from party manifestos). At this time, we feel that it is reasonable / prudent for schools and academies to assume in their 3-year budget planning that the financial settlements for 2025/26 and 2026/27 will be tight, with increases in funding per pupil continuing close to a 1% average, and with pay awards for teachers and support staff / officers continuing to increase salaries expenditure potentially at a rate that is higher than this. All other aspects being the same, this would result in the erosion of school / academy spending power year-on-year. We advise that this is a prudent way of approaching budget forecasting at this time, pending further information. With the level of uncertainty regarding funding (as well as pay awards), it remains important for schools and academies to continue to regularly model different budget scenarios going forward, modelling different assumptions for year-on-year funding as well as salaries costs increases.
- During the spring / summer term 2024, the DfE will make what will be financially significant decisions about the teachers' pay award at September 2024. The [DfE's December 2023 remit letter](#) to the STRB lists a number of matters for the STRB to consider, though this letter does not give much insight into the likely level of award, other than indicating that the STRB should consider the 2023 award to be 'historic' and should consider the affordability of the 2024 award, reflecting on the cost pressures that schools / academies already face. The DfE will present its evidence and recommendations to the STRB shortly, which should give more concrete information on which to plan. The STRB will make its recommendations back to DfE, expected in May, with the DfE's decisions coming in July. The DfE has recently published information regarding a rapid review of teacher performance-related-pay and of measures to reduce [teacher workload](#), both of which may have implications for staffing resource deployment and school budgets alongside the STRB's pay award recommendations.
- At the time of writing this report, we do not have any information regarding the support staff / officer (the NJC) pay award for April 2024. Decisions on this will be significant for the position of school and academies budgets. This pay award is not directly funded through formula funding (in the way that higher than estimated teacher pay awards typically are supported by additional grant funding). This is an aspect that requires close monitoring and assessment.

### **Details of the Item for Consideration**

- Given the potential for there to be significant differences between estimates of, and actual, teaching and non-teaching salaries costs in schools / academies, which will only likely become clear after budgets for 2024/25 have been initially agreed by Governing Boards in May 2024, it is essential that all schools and academies regularly and robustly review both their 2024/25 budgets and their 3-year forecasts during the year. We suggest that the most appropriate time for a full budget and forecast review in maintained schools is at the end of quarter 2 in October 2024.
- All schools and academies are now expected to bring [Integrated Curriculum Financial Planning \(ICFP\)](#) into their budget setting and forecasting processes. In the context of changes in salaries costs, as well as changes in pupil numbers from demographic trends, ICFP is very relevant to schools / academies in Bradford. For schools / academies that have not previously used ICFP, this will alter how they construct and assess their budgets, especially their salaries costs, and their deployment of staff.
- Following the publication of the [SEND Green Paper](#) in March 2022, the DfE published in March 2023 an '[improvement plan](#)'. This plan set out a direction of travel for the development of Alternative Provision, for the strengthening of SEND inclusion and for the introduction of a set of national consistent standards regarding EHCP access and funding. However, the plan does not provide substantial information, which enables local authorities at this time to closely assess the financial impact of the changes or the impact on school / academy budgets. We anticipate that changes will have financial consequences, both for the Authority's Dedicated Schools Grant and for individual schools / academies. Whilst we are a pilot local authority for the national reforms, the changes, and the timescales for their impact, are currently unclear. The reforms have the potential to significantly alter systems and the financial responsibilities that are placed on schools / academies. They may have implications for elements such as: the £10,000 place-element value for specialist settings, the £6,000 SEND threshold, notional SEND budget definition, EHCP top-up funding and the use of banded models, the continuation of the SEND Funding Floor, and responsibilities for alternative provision. In constructing 2024/25 budgets, schools and academies should ensure that they continue to have a good understanding of the following:
  - The school's / academy's notional SEND budget figure and how this is calculated (mainstream).
  - How much of the notional SEND budget the school / academy is currently spending and where this is being spent (mainstream).
  - Whether the school / academy receives additional 'SEND Funding Floor' monies (mainstream).
  - How much funding per occupied high needs place the school / academy currently receives (special schools, PRUs and mainstream schools and nursery schools with resourced provisions).
  - How much funding the school / academy receives for each Education Health and Care Plan, allocated via the Authority's EHCP Banded Model (all schools / academies).
  - How much the school / academy spends on behaviour support and alternative provision (mainstream).
  - How many children the school / academy has excluded, either on a permanent or on a fixed term basis over the last 12-18 months (mainstream).
- IFRS 16 leases is due to be implemented for maintained schools on 1 April 2024 (delayed from April 2022). Once IFRS 16 is adopted, the distinction between operating and finance leases will end and, in effect, all leases will be classed as finance leases. Schools currently require permission from the Secretary of State to enter into finance leases, as this is a form of borrowing. We await final updated guidance from the DfE, which is likely to include directed revision to the Scheme for Financing Schools for 1 April 2024. This guidance / Scheme revision is expected to set out a new (simplified) process for the approval of leases.

### **2024-27 Estimated Financial & Budget Climate and Context**

Looking across the 2024-2027 period, it is important that schools / academies continue to manage their budgets prudently with an understanding of the uncertainties, risks and opportunities.

Current levels of per pupil funding in schools / academies, across all sectors (mainstream, high needs and early years), has been consolidated, and increased in places, in 2024/25. To summarise the main features of this for Bradford:

- The additional funding from the Mainstream Schools Additional Grant (MSAG), which was allocated in 2023/24, has been added as a permanent on-going funding stream within the Schools Block National Funding Formula and within high needs funding.

### **Details of the Item for Consideration**

- The Teacher Pay Grant, which supports the additional 3.0% cost of the 6.5% teachers' pay award at September 2024, continues. A new Teacher Pensions Grant is established to support the 5% increase in the employer's contribution to teacher pensions at 1 April 2024 in schools / academies. The early years element of both these grants is continued in the Early Years Single Funding Formula.
- The increases in funding to support the existing early years entitlements that were delivered by the Early Years Supplementary Grant are consolidated. The Early Years Block settlement for 2024/25 is a better settlement. The historic higher funding levels of maintained nursery schools are secured for 2024/25 via the DfE's continuation of the Supplement within the Early Years Block.
- Mainstream primary and secondary maintained schools and academies, that are now funded on the DfE's mandatory minimums (MFL), have seen significant growth in their funding levels since 2019/20. These schools / academies will see a further 1.4% increase in their per pupil funding in 2024/25, which is improved on the 0.5% increase that they received in 2023/24.
- 80% of mainstream primary and secondary schools and academies in Bradford are now funded in 2024/25 above the level of the 0.5% Minimum Funding Guarantee. Following the collection of updated pupil circumstances data from the October 2023 Census, funding for individual schools and academies has increased by a further £1.7m in 2024/25 in support of increased pupil-led need. Pupil Premium Grant allocations will also increase in response to this, and the DfE has increased Pupil Premium Grant factor values by 1.5% in 2024/25.
- Through our Banded Model, we continue to increase the values of top-up funding that are allocated to schools / academies in support of Education Health and Care Plans (EHCPs). We continue to apply our strengthened SEND Funding Floor arrangement, which supports mainstream primary and secondary schools and academies to meet their responsibilities for the first £6,000 of the cost of the additional needs of all pupils. The funding received by special schools in Bradford will exceed the requirements of the DfE's Minimum Funding Guarantee in 2024/25. Special schools and PRUs will also continue to receive the '3.4% place-element' funding, in addition to top-up funding increases.

However, the scale of the growth in costs that schools / academies in Bradford are absorbing – from demand-led growth (SEND and pupil-led need), pupil numbers reductions, inflation and pay awards – has created a very challenging financial environment, which is expected to continue in 2024/25. It is expected that the increases in funding received in 2024/25 will be predominantly used by schools / academies to meet the increased cost of current activities, rather than permitting schools / academies to allocate new sums to brand new activities. Schools / academies may be required to make savings, depending on their circumstances. Individual schools and academies must continue to assess the sufficiency of their increases in formula funding against their increases in costs, especially in salaries costs. The health of the budgets of individual schools and academies will be additionally affected by variable factors. In terms of general, as well as specific variable, pressure points for Bradford in 2024/25, we highlight that:

- The Government's early years funding settlement for Bradford does not explicitly recognise the growth of SEND in early years, the costs of which must be met within this settlement. Whilst the overall early years funding settlement is improved in 2024/25, this must especially be seen in the context of further significant increases in salaries costs.
- Mainstream primary and secondary schools and academies, that are funded on the Minimum Funding Guarantee (MFG), will see only a 0.5% increase in their core formula funding per pupil. This level of growth is very unlikely to keep pace with the salaries, and other inflationary cost, increases that these schools will need to meet in 2024/25.
- Locally, school / academy budgets are still required to absorb the impact of pay awards, incorporating the teacher pay award, the officer (NJC) pay award, the increase in the National Living Wage and employer contributions to staff pension costs. Salaries increases in 2024/25 will need to be met, in addition to school / academy budgets having already absorbed a substantial teacher pay award at September 2023, and substantial officer (NJC) pay awards at both April 2022 and April 2023. National decisions on pay awards to come will have direct impact on the health of school / academy budgets in 2024/25 and going forward.
- General inflation, though reduced on this time last year, is still relatively high and there hasn't been 'deflation', meaning that recent very large cost increases are consolidated.
- Demographic trends are reducing the numbers of early years children and primary-phase pupils across the District. The cash funding that some primary and nursery schools receive will reduce, which will require structural spending adjustments at the same time as increased costs are absorbed.

**Details of the Item for Consideration**

- The COVID-19 pandemic grants – the Recovery Premium and the National Tutoring Programme – cease at the end of the 2023/24 academic year. Schools / academies will need to absorb within their own delegated budgets the cost of support programmes that are continued.
- Growth in the number of children and young people requiring higher needs support, and being put forward for assessment for EHCPs, is expected to continue, with both the Local Authority's and school / academy budgets needing to continue to respond to this. Bradford's 2024/25 High Needs settlement from Government is substantially lower in cash and % terms than has been received in each of the last 4 years. Our £5.5m increase in High Needs Block funding in 2024/25 does not match the expected growth in demand and growth in the numbers of EHCPs.
- Schools / academies, in their management of their delegated funds, continue to need to take prudent decisions understanding that there is significant uncertainty for the near future. This includes uncertainty regarding funding increases from April 2025, pay awards in 2024/25, and the financial implications of the major national SEND and Alternative Provision reviews.

**Implications for the Dedicated Schools Grant (DSG) (if any)**

This is a report for information.

**Recommendations**

**The Schools Forum is asked to consider and to note the information provided in the report.**

**List of Supporting Appendices / Papers (where applicable)**

None

**Contact Officer (name, telephone number and email address)**

Andrew Redding, Business Advisor (Schools)  
01274 432678  
[andrew.redding@bradford.gov.uk](mailto:andrew.redding@bradford.gov.uk)

This page is intentionally left blank