

Schools Forum Agenda

Tuesday, 28 June 2022

4.30 pm – 6.30pm, Virtual - Microsoft Teams

For more information contact: janita.aubun@lewisham.gov.uk tel: 020 83147030

Item	Pages
1. Apologies and Acceptance of Apologies/Welcome New Members	
2. Declaration of Interests	
3. Minutes of the Meeting - 20 January 2022	1 - 6
4. Matters Arising <ul style="list-style-type: none">• Supplementary Funding – Special Schools	
5. Schools Forum Work Plan 2022/23	7 - 13
This report sets out the intended work plan for Schools Forum for the financial year 2022/23.	
6. DSG 2021/22 Outturn Position Including Schools Balance Position	14 - 21
The report sets out the Dedicated Schools Grant (DSG Outturn Position) including the position with regards to school balances.	
7. Dedicated Schools Grant 2022/23	22 - 25
This report sets out the DSG position for 2022/23 and notes the potential pressure on the High Needs Block.	
8. High Needs Working Group Verbal Update <ul style="list-style-type: none">• SEND Green paper consultation• LA SEND inspections• Resource Base Update• Safety Value –high needs funding	
9. National Funding Formula - Consultation - Verbal Update	
10. Any Other Business <ul style="list-style-type: none">• TOFTUA policy review	

- Schools forum training 29th September
- Thanks to - Sara Sanbrook-Davies and Jane Hadlow

Future meetings

20 October 2022

15 December 2022

19 January 2023 (provisional date)

All meetings will be held between 16.30 and 18.30 virtually

Sub Group meetings

High Needs Sub Group

6th October 2022
10 - 11:30

1st December 2022
10 – 11.30

DRAFT

LEWISHAM SCHOOLS FORUM

Minutes of the meeting held on Thursday 20th January 2022

Membership (Quorum = 40% i.e. 9) ✓ = present ✗ = absent a = apologies
 s = substitute

		Attendance				
		10/ 06	21/ 10	16/ 12	20/ 01	Date of Appointment
Primary School Headteachers						
Jacqueline Noakes	John Ball			x	a	Dec 2021
Manda George	Torridon Primary	✓	✓	✓	✓	Jan 2022
Sharon Lynch	St William of York	✓	✓	✓	✓	Jan 2022
Julie Lofstadt	Kilmorie				✓	Jan 2022
Matthew Ringham	Our Lady & St Philip Neri	✓	✓	✓	✓	Jan 2022
David Lucas	Trinity	✓	✓	✓	✓	Jan 2021
Maxine Osbaldeston	Launcelot	✓	✓	✓	✓	Jan 2021
Nursery School Headteacher						
Cathryn Arnold-Kinsey	Clyde Nursery			✓	✓	Jan 2022
Secondary School Headteachers						
Naill Hand	Prendergast Ladywell	✓	✓	✓	✓	July 2019
<i>Jane Hadlow (interim)</i>	<i>Conisborough College</i>				✓	<i>n/a</i>
Special School Headteacher						
Lynne Haines	Greenvale	✓	✓	✓	✓	Dec 2021
Pupil Referral Unit Headteacher						
Heather Johnston	Abbey Manor	✓	✓	✓	✓	Dec 2020
Primary School Governors						
Daniel Meyer	St Bartholomews				✓	Jan 2022

Peter Fidel	Eliot Bank and Gordonbrock Federation	✓	✓	✓	a	June 2021
Secondary & Special School Governors						
Pat Barber	Bonus Pastor	✓	✓	✓	✓	Jan 2022
Andy Rothery	Leathersellers Federation	✓	a	✓	✗	June 2021
VACANT	SPECIAL SCHOOL					
Academies						
Miz Mann	STEP Academy Trust		a	✓	✓	Oct 2021
Ann Butcher	Childeric	✓	✗	✓	a	June 2021
14-19 Consortium Rep						
Asfa Sohail	Lewisham Southwark College	✓	✓	a	a	Mar 2019
Early Years – PVI						
VACANT						
Diocesan Authorities						
Sara Sanbrook-Davies	Southwark Diocesan Board of Education	✓	✓	✓	✓	Dec 2019
Yvonne Epale	Education Commission – Catholic Diocese of Southwark	✓	✓	✓	✓	May 2021

Observers/Others in attendance		
Director CYP	Angela Scattergood	
Strategic Business Partner	Mala Dadlani	
Business Partner	Lurencio Reynolds-Moxam	
Business Partner	Floyd Roberts	
Head of Finance	Nick Penny	
Director of Lewisham Learning	Sandra Roberts	
LB Lewisham	Ruth Griffiths	
Leathersellers' Federation	Tony Marnham	
NEU	James Kerr	
Clerk	Janita Aubun	

1. Apologies and Acceptance of Apologies

Apologies accepted from Peter Fidel, Ann Butcher, Jacqueline Noakes and Asfa Sohail.

The Chair along with other forum members welcomed new members of the forum: - Daniel Meyer (Primary Governor representative) from St Bartholomews, Jacqueline Noakes (Primary Head representative) from John Ball and Julie Loffstadt (Primary Head representative) Kilmorie. Also Jane Hadlow representing Secondary Heads, interim for this meeting.

Forum were informed that Michael Sullivan, has resigned from his position as Secondary Head representative. Jane Hadlow was attending as the secondary schools representative.

2. Declaration of Interest

One declaration:- Jane Hadlow is a head of a red RAG secondary school and is supported by Lewisham Learning.

3. Minutes of the Meeting of 16 December 2021

Agreed

4. Matters arising

None

5. Dedicated Schools Grant (DSG) 2022/23 – Summary Overview – Part 1 of 3

The purpose of this report is to provide Schools Forum with a technical update on the 2022/23 DSG funding settlement for Lewisham.

Schools Block is the basis of the APT tool submission.

CSSB – confirmed the reduction in funding which was marginally higher than expected, reflecting the reduction in pupil numbers in the primary phase.

High Needs – noted increase in funding but equally recognised increase in pressure (now circa £11m). Key driver remains the number of young people placed out of borough.

Early Years Block funding – remains provisional until January 2022 and January 2023 pupil data census has been finalised; this includes the supplementary factor for nursery schools. It was reiterated to Schools Forum that in December 2021, the DfE confirmed increases in funding for Early Years of 17p per hour for 3 and 4 year olds and increase of 21p per hour for 2 year olds.

The report also provided an update on the “supplementary grant” supporting the increase in National Insurance for 2022/23. Forum were advised that base information has been received as stated in the report which schools could use to estimate, and that school by school information would be received in the Spring for EY, Primary and Secondary phase pupils.

With regards to the High Needs Block (special school provision only), it appears that the grant distribution will need to be a local decision. What is not clear is the funding for resource base. It

is likely that the resource base NI support will be via the Grant allocations as stated above as these people are on the census count. This will need to be checked.

Recommendation:-

Following discussion, Schools Forum agreed to delegate the responsibility to Officers for the HN funding to support NI increase - with sign off from the Chair of Schools Forum/Vice Chair.

Decision:-

- agreed.

6. Dedicated Schools Grant (DSG) – De-delegation Request for School Improvement and Brokerage Grant – Part 2 of 3

Report presented by Sandra Roberts, Director of Lewisham Learning. This report notes the cessation of the School Improvement and Brokerage Grant n 2023/24, with partial (50% reduction in 2022/23) which affects the deliverability of School Improvement functions via Lewisham learning. The report seeks funding support from Schools forum as part of the de-delegation process.

Schools Forum were informed that on the basis Schools Forum supports the de-delegation request, services from Lewisham Learning would continue as present.

If the request is not supported, an exit strategy would be actioned with immediate effect, to ensure spend for 2022/23 is within budget allocations and will have implications for the LA's ability to support schools.

The de-delegation position per school is £5.25 per pupil.

Recommendation:-

Schools Forum is asked to consider increased de-delegation to support the fallout which will require £5.25 per pupil from maintained primary and secondary phase schools. Forum were asked to support either a 1 year agreement or 2 year agreement via de-delegation.

Decision:-

- Schools Forum agreed additional support for 1 year (subject to officers returning with a strategy put together, ready for 2023/24).

7. Dedicated Schools Grant Mandate (DSG) 2022/23 – Authority Proforma Tool (APT) (Schools Funding Formula) 2022/23 – Part 3 of 3

The main focus of this report is for Schools Forum to consider with regards submission of the Schools Funding Formula to the DfE on the 21st January 2022.

Recommendation:-

Option 1 – Provides schools with a maximised Minimum Funding Guarantee (MFG) of 2% and leaving a residual £709,742 (0.3%) to support pressures in the High Needs Block.

or

Option 2 – Provides schools with 1.75% MFG and enables the maximum £1.057m transfer to High Needs Block to support the pressures.

As part of the consideration, Schools Forum is asked to note the difference between the two options is £347k representing a de-minimis of 0.16% of the overall budget. – all primary and secondary age schools voting.

The Strategic Business Partner lead advised Schools forum that since the reports were dispatched a pressure has come to light which will have implications for the PFI schools arising from the increase in Energy Prices. It was noted that all schools (excluding the PFI contract schools) are part of the councils main contract which is expected to fair more favourably. Expectation is that prices for schools on the councils contract could potentially see price increase of circa 30% to 50%, however the PFI contracts could see increase of potentially 100% plus. The Executive Director for CYP sought views from Schools forum if there was any appetite to support the PFI schools from the funds transferred to the LA. Schools forum did not support this position and clearly advised that any transfer of funds must support only the high needs block.

Decision:-

- Schools forum agreed option 1. i.e. 2% uplift for all schools on MFG. Noting that as no cap on ceiling has been applied, some schools will see increases in excess of the 2%.
- Additional request to allow some of the funding to support PFI schools with respect to energy price increase for 2022/23 – not supported.

8. Any Other Business

Update on Term Time Only (TTO)

Forum were informed there is a spreadsheet available on Services for Schools listing those eligible for TTO monies on a school by school basis, and who have had their position approved online by ACAS. Approx. 25% have signed COT£ agreements and should be paid by end of January 2022. Also informed that there are potentially circa 400 leaver applications to date; claim deadline is end February 2022. Forum advised to exercise caution in not misunderstanding the definition of a 'leaver'. Reminder that term time only funding is likely to be 30% contribution from the school and remainder from Local Authority Corporate Resources balance brought forward and the balance of the DSG. Finance service will undertake the costings and communicate any rebate accordingly.

Future Meetings

Schools Forum calendar dates 2022/23, advised and agreed as:-

30th June 2022

20th October 2022

15th December 2022

19th January 2023 (subject to DfE timelines)

All Schools Forum meetings continue to be held between 16:30-18:30

Sub Group meetings

High Needs Sub Group

Dates tba (normally held
7 – 10 days before
schools forum meetings)

Schools Forum Action Summary

Item	Action to be taken	Officer(s) responsible	Outcome/Current position
5 – Schools Forum 20 th January 2022	Paper 1 – Mala to come back to Chair and Vice-Chair after completing some more detailed work on the HNSB in respect of the supplementary factor.	Mala Dadlani	Pending



Schools Forum

Report title: Schools Forum Work Plan for 2022/23

Date: 28th June 2022

Key decision: No.

Item number: 5

Outline and recommendations

This report sets out the intended workplan for Schools Forum for the financial year 2022/23.

The workplan may evolve as it becomes necessary to update Schools Forum on relevant matters.

*Review the proposed schedule of future meeting dates and the work programme.
(Appendix 1)*

Timeline of engagement and decision-making

This report is for information and guidance in terms of the anticipated business that Schools Forum needs to consider for 2022/23.

Most items on the agenda are standing items based on the knowledge of timely decision making requirements.

Summary

- 1.1. The Strategic Business Partner for CYP (SBP) is proposing the attached programme of work for the coming financial year. This will provide a logical and structured framework to support a cycle of well-informed decision making, given the volume and complexity of the work of Schools Forum.
- 1.2 The programme presents the schedule for key elements of forum's work programme. It is expected that as the year progresses, subsequent items will be added to the work programme as a result of discussion and consideration by forum.
- 1.3 Schools forum is asked to review and approve the proposed schedule of future meeting dates and the work programme. (Appendix 1)

Background

- 1.4 Each Local Authority is required to operate a Schools Forum. The Department for Education (DfE) has published a good practice guidance which can be accessed on the link below.
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/888371/Schools_forum_operational_and_good_practice_guide.pdf
- 1.5 In May 2020 the DfE updated the guidance to facilitate schools forum meetings during this period of Covid 19. This practice is expected to continue until the point the DfE amends the regulations. We will over the course of the year, consider opportunities for in person meeting as well as hybrid meetings.

Extract from Schools Forum Operational and good practice guide

6. The Schools Forums (England) (Coronavirus) (Amendment) Regulations 2020, which will come into force on 18 June, make provisions to enable schools forums to meet

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remotely while they are unable to meet physically in a room during the outbreak of coronavirus (COVID-19).

7. This includes, but is not limited to, telephone conferencing, video conferencing, live webcast, and live interactive streaming.

- 1.6 Schools forum's are required to meet a minimum of four times a year. The timing of the meetings are set to strategically enable decisions to be made /supported to assist for example:-

June	Updates on closure of accounts position and consideration of intelligence on budget planning.
October	Updates and consideration of any policy decisions. It is common for the Department for Education to publish data and announce any changes during the summer break.
December	Review any key discussions that impact upon and inform the setting of the 2023/24 schools' budget
January	Notification of the 2023/24 Dedicated Schools Grant (DSG) settlement and agreement of the schools delegated budget share, including any de-delegation.

- 1.7 Schools Forum has noted the ongoing pressure on the High Needs Block, and in response to this agreed a High Needs Working Group and mitigation plan. For this reason "update from the High Needs Working Group" is to remain a standing item on this workplan. It is anticipated that this process continues for 2022/23 especially as the High Needs Block is now very much under pressure. Report elsewhere on this agenda provides further details with regards the 2021/22 outturn and projections for 2022/23. The DfE is progressing its next cohort of LA to develop recovery plans with (known as Safety valve). Early indication suggests that the DfE will commence work with potentially 55 other Local Authorities over the course of 2022/23; Lewisham is currently scheduled for engagement as part of the safety valve scheme in Spring 2023.

- 1.8 With regards to DfE updates on DSG, again this will remain a standing item for 2022/23. The DfE had previously anticipated providing updates on topics such as:-

- Hard formula (live consultation concludes 9th September 2022)
- Special Educational Needs and Disabilities (SEND) Green Paper (live consultation concludes 22nd July 2022)
- Ofsted – LA SEND Inspection (imminent consultation –expected to run over summer)
- White Paper on Schools “opportunity for all”
- Nursery schools supplementary funding
- Review of Hospital provision

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- Streamlining of the Teachers pay grant (0-5 and post 16)

Meeting Dates for Schools Forum 2022/23

- 1.9 The dates for Schools Forum for 2022/23 are as follows, and as stated above, the meetings are currently scheduled as virtual, however we will review the position over the course of the year.

Month	Date	Time	Venue
June	28 th	4.30 to 6.30pm	Virtual – Microsoft Teams
October	20 th	4.30 to 6.30pm	Virtual – Microsoft Teams
December	15 th	4.30 to 6.30pm	Virtual – Microsoft Teams
January	19 th (subject to change dependant on DfE timelines)	4.30 to 6.30pm	Virtual – Microsoft Teams

- 1.10 The dates for the High Needs Working Group meetings are set as follows:

Month	Date	Time	Venue
June	23 rd	10:00 to 11:30am	Virtual – Microsoft Teams
October	6 th	10:00 to 11:30am	Virtual – Microsoft Teams
December	1 st	10:00 to 11:30am	Virtual – Microsoft Teams

Financial implications

- 1.11 There are no additional financial implications arising from this report.

Legal implications

- 1.12 The Schools Forums (England) Regulations 2012 requires that School Forums must meet at least 4 times a year. The Schools Forums (England) (Coronavirus) (Amendment) Regulations 2020, which came into force on 18 June 2020 makes provision to enable Schools Forums to meet remotely while they are unable to meet physically in a room during the outbreak of coronavirus (COVID-19).

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Equalities implications

1.13 There are no direct equalities impacts arising.

Climate change and environmental implications

1.14 Not applicable

Crime and disorder implications

1.15 Not applicable

Health and wellbeing implications

1.16 Not applicable

Report author and contact

Mala Dadlani Strategic Business Partner (CYP) mala.dadlani@lewisham.gov.uk **020 8314 3581**

Appendix 1 – Proposed dates of Schools Forum meetings and work plan 2022/23 financial year

Date of Forum meeting	Agenda Item	Lead Officer	For information/Decision/Approval
28th June 2022	2022/23 Workplan	CYP Strategic Business Partner	Approval
	2021/22 Closedown position <ul style="list-style-type: none"> • including Schools Balances • TTO 	CYP Group Finance Manager	Information
	2022/23 DSG funding update	CYP Group Finance Manager	Information
	Update on DfE items including White paper & Green Paper	Director of Education	Information
	High Needs Funding – update	Head of SEN	Information/Decision/Approval
	Items requested by Schools – <ul style="list-style-type: none"> • Trade Union fees • Funding support for schools with high SEN pupils 	CYP Group Finance Manager	For discussion
20th October 2022	2022/23 DSG update	CYP Group Finance Manager	Information
	High Needs Funding – update	Head of SEN	Information/Decision/Approval
	Update from DFE	CYP Group Finance Manager	Information/Decision/Approval

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	Scheme for Financing Schools and Schools Finance Manual update	CYP Group Finance Manager	Information/Decision/Approval
	Schools Health check following June Budget submissions	CYP Group Finance Manager	Information
15th December 2022	2023/24 Schools Funding Formula	CYP Group Finance	Information/Decision/Approval
	High Needs Working Group Update	Head of SEN	Information/Decision/Approval
	White Paper & Green Paper	CYP Group Finance Manager	Information/Decision/Approval
19th January 2023	2023/24 DSG funding settlement Including Schools Funding Formula	CYP Group Finance Manager	Information/Decision/Approval
	Schools Forum constitution and membership	CYP Group Finance Manager	Information/Decision/Approval
	Schools Health Check following November submissions	CYP Group Finance Manager	Information

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Agenda Item 6



Schools Forum

Report title: Dedicated Schools Grant (DSG) 2021/22 Outturn Position including Schools Balance Position

Date: 28th June 2022

Key decision: No.

Item number: 6

Outline and recommendations

The report sets out the Dedicated Schools Grant (DSG) Outturn Position including the position with regards to Schools Balances.

Schools Forum is asked to note the contents of this report with particular focus on

- *the pressure on the DSG –High Needs Block & Central School Services Block (CSSB)*
 - *Surplus balance position for schools*

To further note the provisional position for the EY block.

Timeline of engagement and decision-making

This report is for information and discussion.

Summary

1.1 The report confirms the Dedicated Schools Grant Position for 2021/22 with an provisional net overspend of £5m. This is broadly in line with the projected spend position. It should however be noted that the outturn position confirms the continuing pressure on the Dedicated Schools Grant – High Needs Block and Central Services Block. The Early Years funding is provisional, and will not be finalised until the later part of Summer 2022.

Background

1.2 Each Local Authority receives a ringfenced grant known as the Dedicated Schools Grant (DSG), which requires adherence to detailed grant conditions.

1.3 The DSG is split into four parts being:-

- Schools Block – this largely covers the schools' main budget share allocated to schools via the Schools Funding Formula and the Growth Fund. This mainly covers the 5 to 16 age range.
- The Central School Services Block (CSSB) – This varies for each Local Authority based on the agreed spend positions as at baseline year 2012/13. This now also incorporates a small amount for the ex Education Services Grant.
- High Needs Block- This funding supports costs associated with special needs and alternative provision. The High Needs Block includes the costs of our special schools (and special units) as well as payments made to other provisions, including outborough placements, residential placements, Further Education etc. This covers 0 to 25 specialist provision costs.
- Early Years Block covers the 2, 3 and 4 years entitlement costs, including supplementary funding for the Maintained Nursery Schools, Disability Fund, EY Pupil Premium etc. There is a requirement on the main 3 and 4 year old budget that 95% of the budget must be identified as budgets that support providers. This could include hourly rate, deprivation funding, inclusion funding etc.

1.4 The DSG position remains provisional until the January Pupil Census data is finalised

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which is always post closure of accounts typically end of June/early July.

DSG 2021/22 Position

- 1.5 Table 1 below shows the DSG position for 2021/22. There is a provisional overspend of £5.17M, subject to the finalisation of the Early Years Block. There remains a duty to spend within budget. Any overspend will need to be the first call on next year's budget (2022/23). An estimate has been made of circa £470k clawback on Early Years.

Table 1

	Schools Block	CSSB	High Needs	Early Years	Total
	£m	£m	£m	£m	£m
2021/22 allocation	222.77	4.26	62.07	23.40	312.50
Transfers agreed	-1.06	0.00	1.06	0.00	0.00
Total funding	221.70	4.26	63.14	23.40	312.50
Estimate of clawback	0.00	0.00	0.00	-0.47	-0.47
Revised Funding	221.70	4.26	63.14	22.93	312.03
2021/22 spend	221.70	4.32	68.54	22.64	317.20
Net position	0.00	-0.06	-5.40	0.29	-5.17
	0%	-1%	-9%	1%	

	£m net position
CSSB	offset against prior year balance
High Needs Block	Cumulative Deficit
Early Years Block	Early Years Block
	LA
	Schools
	estimate
	<u>Total EY</u>
Schools Block	Reserved for TTO case by case
	0.40

- 1.6 **Schools Block** – the Schools Block for 2021/22 is balanced.

- 1.7 **Central Schools Services Block** – Forum will recall that funding to CSSB has been abated at a rate of 20% each year. There is a net overspend of £0.06m which will be offset against prior year underspend. This leaves a contingency underspend of circa £222k to support 2022/23. It should be noted that as part of

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the Councils' medium term financial strategy an additional funding of £500k has been identified to support CSSB regulatory duty. Officers are currently working through the White Paper information to establish the services that will be offered in the future.

- 1.8 **Early Years** - With regards Early Years the position shows a provisional £0.3m underspend. This assumes a projected circa £470k clawback. At the time of writing the DfE has yet to confirm the final 2021/22 position for early years. This is pending the finalisation of data relating to the 2021 January census. Depending on the final position, Schools Forum will be updated accordingly at the next meeting.
- 1.9 Schools forum will recall for 2020/21, a final surplus position was reported of £1.4m, split between providers and LA. In line with forum agreement in December, funding of circa £1m has now been distributed to providers as direct allocation /inclusion funding. £430k of LA funds remain uncommitted as LA contingency. It should be noted that on face value, there appears to be a reduction of circa 3% in the 3&4 year old cohort relative to DfE estimates, against an 8% increase in 2 year olds. This needs to be confirmed as part of the validation process with the DfE. It should be noted that any reduction on 3&4 year old numbers would have a bearing on the funding that supports central provision as well as on the inclusion fund and deprivation funding. Movement in numbers would also influence the supplementary factor that is received by the two nursery schools.
- 1.10 **High Needs** - With regards to the High Needs Block, the final outturn position shows an overspend of circa £5.4m resulting in a cumulative deficit of £10.4m. Schools Forum will recall that Officers have previously raised concerns with regards to the High Needs Block ability to contain the demand.
- 1.11 Table 2 below shows the increased demand in EHCP since 2017/18. 2017/18 is assumed as the base year, at which Lewisham High Needs expenditure was within the budget position.
- 1.12 Schools forum will note, that overall there is an increase of 1120 Education Health & Care Plans (EHCP) relative to 2017/18. During this period under 5's has effectively doubled. Post-secondary continues to have the largest increase.

Table 2

Phase - EHCPs	Under 5s	Primary	Secondary	Post-secondary	Grand Total	year on year movement
FY17/18 Used As Base Line	42	831	769	537	2179	
FY18/19	24	889	821	626	2360	181
FY19/20	37	929	887	774	2627	267
FY20/21	74	1027	974	931	3006	379
FY 21/22	83	1115	1083	1018	3299	293
Increase on Baseline Numbers	41	284	314	481	1120	
Increase on Baseline %	97.6%	34.2%	40.8%	89.6%	51.4%	

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- 1.13 In addition to the overall increase and the clear pressure arising from 0-5 and post 16 phase, a further pressure is linked to the increase in number of placements that are placed out of borough. Table 3 shows the split between in borough and out-borough placements. The table shows a clear shift in the proportion of placements being made out of borough, which is a key element of pressure on the HNB.

Table 3

Borough - EHCPs	LBL	OOB	Grand Total
FY17/18 Used As Base Line	1559	620	2179
FY18/19	1653	707	2360
FY19/20	1789	838	2627
FY 20/21	1953	1053	3006
FY 21/22	2143	1156	3299
Increase on Baseline Numbers	584	536	1120
Increase on Baseline %	25.3%	69.8%	38.0%

- 1.14 To support the pressure on the High Needs, the SEN Service has been working closely with Schools and Schools forum. A mitigation plan has been developed which is progressing but will clearly take time to embed and for the benefits to be seen in full. The additional issue is that of continuing increases in need, in which case the current mitigation plan may reduce the pressure, but not eliminate it.
- 1.15 “Need” can be deemed considered in various aspects including:-
- Increase in number of pupils with Special Needs
 - Severity of Needs
 - Price increases
- 1.16 The high needs block also supports funding to other areas including Alternative Provision.
- 1.17 In addition to the high needs block there is associated overspend on the “transport budget” which is funded from the General Fund. The transport budget overspend was by approximately £1.4m. Further pressure is expected in 2022/23, as both demand and cost continues to place pressure on this budget.
- 1.18 It is important to place some context with regards to Lewisham’s position on the High Needs Block. Lewisham has historically, been one of very few LAs that has underspent on the DSG – High Needs. Most Local Authorities are overspending as a consequence of SEND reforms. The DfE has attempted to address the pressure with additional funding allocations in 2019/20 and 2020/21. However it seems that demand is outstripping cash available.
- 1.19 It does however remain important that Lewisham continues to consider alternative ways of providing support to our most vulnerable within the resources available.

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- 1.20 Schools forum should note that delivering on the SEND agenda within the financial constraints remains challenging and will continue to do so.
- 1.21 Several Local Authorities are now under the scrutiny of the DFE with regards to a Deficit Recovery Plan. Lewisham has been in initial discussions with the DfE with regards to a “safety valve” support. 55 Local Authorities will be part of this process. We are currently expected to be part of the discussions from Spring 2022.
- 1.22 The DfE position remains clear, that Local Authorities must spend within the funds allocated. To further reinforce this point, there has been a recent change in the reporting of consolidated accounts which now prevents any subsidy from the General Fund.
- 1.23 **Schools Forum is asked to note this report with particular concerns regarding the pressure on the High Needs Block and to agree to receive regular updates. Schools forum is further asked to agree the continuation of the High Needs Working group.**

Schools Balances

- 1.24 The table below notes the schools' balances position for 2021/22. There is an increase in the overall surplus position of £2.1m (net) before commitments, however an overall reduction of £1.39m net. It should however be noted that of the £1.39m net reduction, approximately £3.7m is reduction within Nursery and Primary schools, offset by increases in Secondary, all-through and special schools.

Table 4

	2021/22	2022/23 before commitments	2022/23 After Commitments	Variance to 2021/22	Variance to 2021/22
Nursery	£0.27	£0.42	£0.44	£0.15	£0.16
Primary	-£17.73	-£16.18	-£14.16	£1.55	£3.57
Secondary	-£1.32	-£3.84	-£2.54	-£2.53	-£1.23
All through	-£0.40	-£0.56	-£0.47	-£0.16	-£0.07
Special including PRU	-£4.96	-£6.07	-£5.99	-£1.11	-£1.04
Total	-£24.12	-£26.22	-£22.73	-£2.10	£1.39

- 1.25 Table 5 – shows a more detailed breakdown of deficit and surplus position banded across school phases. Overall there are 13 schools in deficits, 17 schools with a surplus less than 5% and 11 schools with a surplus less than 10%. This means that 35 of the 76 schools i.e. approximately 45% have surplus in excess of 10%. It should be further noted that 17 schools have surplus exceeding 20%. The figures reflect post commitment (not tested).

	Number of Schools in total	Deficit	Surplus <5%	Surplus <10%	Surplus <15%	Surplus less than 20%	Surplus more than 20%
Nursery	2	2	0	0	0	0	0
Primary	58	8	15	5	10	6	14
Secondary	7	1	0	6	0	0	0
All through	3	1	2	0	0	0	0
Special including PRU	6	1	0	0	1	1	3
Total	76	13	17	11	11	7	17

- 1.26 It should be noted that the total value of deficits in schools equates to circa £3m against an overall surplus of £25.8m. This represents deficits of 12% against the total surplus position.

- 1.27 **Schools Forum is asked to note the overall school balances position.**

Financial implications

- 1.28 At this stage there are no direct financial implications arising from this report, however the pressure on the High Needs Block remains of concern. As stated we are now

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within the formal discussion points with DfE intervention.

- 1.29 The Early Years Outturn cannot be finalised at this stage. Once the final allocation is confirmed, a further report will be presented to schools forum in October.

Legal implications

- 1.30 There are no specific legal implications arising at this stage. It is to be noted that local authorities are obliged to publish annually a statement setting out details of its planned schools budget and other expenditure on children's services, showing the amounts to be centrally retained and funding delegated to schools and after each financial year to publish a statement showing outturn expenditure.

Equalities implications

- 1.31 At this stage there are no direct implications arising from this report. Equalities impact will need to be considered as Lewisham progresses options towards mitigating an overspend position on the high needs block.

Climate change and environmental implications

- 1.32 Not applicable

Crime and disorder implications

- 1.33 Not applicable

Health and wellbeing implications

- 1.34 Not applicable

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Agenda Item 7



Schools Forum

Report title: Dedicated Schools Grant 2022/23

Date: 28th June 2022

Key decision: No.

Item number: 7

Outline and recommendations

This report sets out the Dedicated Schools Grant (DSG) position for 2022/23.

Timeline of engagement and decision-making

This report is for information and guidance only.

Schools Forum to agree to receive regular updates at each meeting.

To note the potential pressure on the High Needs Block.

Summary

- 1.1. The purpose of this report is to update Schools Forum on the Dedicated Schools Grant (DSG) 2022/23. The DSG 2022/23 position shown in this report is the original allocation **adjusted** for Academy recoupment and High Needs import/export adjustments (i.e net placements made to and from other boroughs for High Needs).

Background

- 1.2 Local Authorities (LA) in partnership with their Schools Forum and partners, including schools, are required to operate all expenditure within the DSG allocation. Where this has not been the case there needs to be consideration of the impact on the allocation for the following year.
- 1.3 Overspends, where they cannot be contained by first call on next year's budgets, will require submission by the Local Authority/Schools Forum of a formal mitigation plan to the DFE.
- 1.4 It should be noted that it is not permissible for the Dedicated Schools Grant to be subsidised by the Council's General Fund.

DSG 2022/23

- 1.5 The DSG for 2022/23 was provisionally announced in December 2021. DSG update is a standing item for each Schools Forum meeting.
- 1.6 The report confirms the 2022/23 DSG position revised as at May 2022. At this stage the DSG has only been revised (topsliced) for Academy Recoupment and High Needs Import Export adjustments. Both of these adjustments have a net neutral impact on the cash position, i.e. the topsliced funding is transferred to the Education and Skills Funding Agency (ESFA) to allocate funding instead of via Lewisham LA.
- 1.7 We are still awaiting revision to the Early Years Block for the Spring 2022 census—this will confirm 2021/22 final position but also set the base for 2022/23.

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1.8 Table one below details the summary position for the DSG

Table 1

	Schools block (£m)	Central school services block (£m)	High needs block (£s)	Early years block (£s)	Total DSG allocation (£s)
Gross	221.07	3.69	70.24	24.12	319.12
Net	177.27	3.69	69.73	24.12	274.81
Virements	-0.71		0.71		0.00
Working budget	176.56	3.69	70.44	24.12	274.81
Add General Fund Contribution		0.50			0.5
Revised Working budget	176.56	4.19	70.44	24.12	275.31
Projected Spend	176.56	4.39	70.44	24.12	275.51

- Schools Block is expected to be on target as the main funding has been allocated to schools as part of the authority proforma tool APT process.
- Central School Services Block (CSSB) – this has been supported by £500k from the General fund, plus £200k from prior year funds to support the cost. Officers are currently working on services for 2023/24 at which point the grant is expected to cease with potential residue transferring to the Revenue Support Grant. A report will be presented to schools forum in the Autumn to further discuss.
- High needs block. Overall funding has increased from £63m to £69m. Alongside this change sits the mitigation plan. The main priority is to stabilise the high needs block and commence the change towards a virtuous circle. We have now been formally approached by the DfE to commence engagement towards a Deficit recovery plan.
- Early Years Block. This remains provisional in two aspects, firstly the 2022/23 provisional figure once the 2021/22 is finalised. Following that, the 2022/23 still remains provisional until January 2022 pupil data count.

1.9 High Needs will remain a standing item on the Schools Forum meetings.

Financial implications

- 1.10 The report confirms the DSG allocation as advised for 2021/22. The Early Years Block remains provisional
- 1.11 The report reconfirms the anticipated overspend position for High Needs which is currently being reviewed.

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1.12 The report acknowledges the risk of potential requirement for a Deficit Recovery Plan.

Legal implications

1.13 There are no specific legal implications arising from this report. The anticipated overspend to the High Needs Block and the potentiality of DfE intervention for a recovery plan, is to be noted.

Equalities implications

1.14 There are no direct equalities impacts arising.

Climate change and environmental implications

1.15 Not applicable

Crime and disorder implications

1.16 Not applicable

Health and wellbeing implications

1.17 Not applicable

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