

LEEDS SCHOOL FORUM

Meeting to be held in on
Thursday, 22nd February, 2024 at 4.30 pm

MEMBERSHIP

Bradley Taylor, A, Primary Governors - Kirkstall Valley Primary
Kate Burton, E. Academy Reps – Alder Tree Primary
Rebecca White, B. Primary Heads, Sharp Lane Primary
Victoria McWalker, A. Primary Governors, St Margaret's Horsforth C of E
Stratis Koutsoukos, B. Primary Governors, St Nicholas Catholic Primary
Nick Tones, J. Non Schools, Schools JCC
Christopher Thornton, J. Non Schools 16-19 Providers
Simon Prinsep, E. Academy Reps, Abbey Grange CofE
Peter McQuillen Strong, J. Leeds Catholic Diocese
Rachel Colbourn, E. Academy Reps - Bramhope Primary
Dave Kagai, A. Primary Governors - St Nicholas Primary
Sarah Talbot, E. Academy Reps - East Ardsley Primary
John Garvani (LSF), A. Primary Governors - Broadgate Primary School
Peter Harris, B. Primary Heads - Farsley Farfield Primary
Julie Harkness, B. Primary Heads - Carr Manor Community school - Primary Phase
Emma Wraight, B. Primary Heads - Fieldhead Carr Primary
David Webster, C. Secondary Governors - Pudsey Grammar
Delia Martin, D. Secondary Heads - Benton Park
David Gurney, E. Academy Reps - Cockburn School
Rob Dixon, E. Academy Rep, Pudsey Waterloo Primary
John Thorne, E. Academy Reps - St Mary's Academy Menston
Joe Barton, E. Academy Reps - Woodkirk Academy
Russell Trigg, F. Governor East SILC
Dan Cohen (Leeds School Forum), J. Jewish Faith Schools
Kate Cameron, Calverley C/E Primary
Ailsa Hoyland, Bruntcliffe Academy
Katherine Somers, Dixons
Christina Smith, Tina's Tots

A G E N D A

Item No	Title	Lead	Time	Purpose
1.	APOLOGIES	Chair	16:30	For information
2.	SCHOOL FORUM MEMBERSHIP	Chair	16:35	For information
3.	MINUTES OF PREVIOUS MEETING <i>3 - 16</i>	Chair	16:40	For decision
4.	MATTERS ARISING	Chair	16:45	For information
5.	SCHOOLS IN FINANCIAL DIFFICULTY: TERMS OF REFERENCE <i>17 - 20</i>	Lucie McAuley	16:50	For information
6.	DSG MONITORING REPORT 23/24 <i>21 - 28</i>	Lucie McAuley	16:55	For information
7.	HIGH NEEDS BUDGET 2024/25 <i>29 - 34</i>	Lucie McAuley	17:15	For decision
8.	EARLY YEARS FUNDING 2024/25 <i>35 - 46</i>	Chris Sutton	17:45	For decision
9.	ANY OTHER BUSINESS	Chair	18:15	For information
10.	FORWARD PLAN <i>47 - 48</i>	Chair	18:25	For information
11.	CLOSE		18:30	For information

Leeds Schools Forum

Microsoft Teams Meeting
Tuesday 16th January 2024 at 16:30

Membership (Apologies in Italics)	
GOVERNORS	HEADTEACHERS
Primary (6 seats)	Primary (6 seats)
<i>David Kagai</i> <i>St Nicholas</i>	Peter Harris (Chair) Farsley Farfield
<i>John Garvani</i> <i>Broadgate</i>	Julie Harkness Carr Manor Community School
<i>Victoria McWalker</i> <i>St Margaret's Horsforth</i>	<i>Emma Wraighte</i> <i>Fieldhead Carr</i>
<i>Stratis Koutsoukos</i> <i>St Nicholas</i>	Rebecca White Sharp Lane
<i>Bradley Taylor</i> <i>Kirkstall Valley</i>	Kate Cameron Calverley C/E
<i>Vacant</i>	<i>Vacant</i>
Secondary (1 seat)	Secondary (1 seat)
<i>David Webster</i> <i>Pudsey Grammar</i>	<i>Delia Martin</i> <i>Benton Park</i>
Special (1 seat)	Special (1 seat)
Russell Trigg East SILC, John Jamieson	Louise Quinn East SILC
Non School	Academies – Mainstream (11 seats)
Vacancy PVI Providers	David Gurney Cockburn School
Vacancy PVI Providers	<i>Katherine Somers</i> <i>Dixons Academy</i>
Nick Tones Schools JCC	<i>John Thorne</i> St Mary's Academy Menston
<i>Christopher Thornton</i> <i>16-19 Providers</i>	Joe Barton Woodkirk Academy
<i>Dan Cohen</i> <i>Jewish Faith Schools</i>	Rob Dixon Cockburn School
<i>Peter McQuillen-Strong</i> <i>Catholic Diocese</i>	<i>Gavin Hosford</i> <i>Green Meadow</i>
	<i>Rachel Colbourn</i> <i>Bramhope Primary</i>
	<i>Sarah Talbot</i> <i>East Ardsley</i>
	Kate Burton Alder Tree Primary
	<i>Simon Princep</i> <i>Abbey Grange CofE</i>
	Ailsa Hoyland Bruntcliffe Academy
Officers	
Tim Pouncey, Chief Officer Strategy & Resources	Academy – Special School (1 seat)
Louise Hornsey, Head of Service, Finance	Vacant
Chris Sutton, Admissions and Family Information Lead	
Lucie McAulay, Head of Service, Finance	Academy – Alternative Provision (1 seat)
<i>Val Waite, Chief Officer Learning Inclusion</i>	Vacancy
Dan Barton Deputy Director, Learning	Academy – Special Provision (1 seat)
Shirley Maidens, Finance	Mary Ruggles

Item	Title	Actions
1.0	Welcome and Apologies	
1.1		
2.0	Schools Forum Membership	
2.1	Vacancies remain for: 1 x Primary Governor 1 x PVI Nursery Provider vacancy 1 x Alternative Academy vacancy 1 x Primary Headteacher vacancy 1 x SILC Governor 1 x Non-school representatives	
2.1.2	Primary Head Teacher appointed – Kate Cameron, Calverley C of E. SILC Head Teacher appointed – Louise Quinn, East SILC. Governor representatives has been advertised In the Governors Bulletin, awaiting interest. PVI is being advertised in the next FEEE newsletter.	
3.0	Minutes of Previous Meeting	
3.1	The minutes were agreed.	
4.0	Matters Arising	
4.1	<i>8.1 Question was asked when will the AIP budget for this financial year be received? It was also raised and reiterated that they need to see the budgets. ACTION Tim will go back and find out why AIP have not been given their budgets yet.</i> RM had meeting with AIPs and now, the budgets have been circulated and resolved.	
4.1.2	<i>8.2 PH asked CS if any decisions have been made within Children and Families directorate regarding bids to the Schools in Financial Difficulty fund. ACTION CS will write to the schools next week advising on the bids.</i> This action has been completed, CS wrote to schools prior to leaving.	
4.1.3	<i>8.5 CS advised that another meeting of SIFD panel is happening next week. So far, only 1 bid from a school experiencing in financial difficulty has been received.</i> This SIFD panel was cancelled due to the receipt of only one bid. A SIFD panel is scheduled for February.	
4.1.4	With regards to the clawback of excess surplus balances TP advised that one of criticism’s received from schools concerned the lack of communication from LCC regarding the surplus balances and the time it took to inform schools. It was also noted that all schools subject to clawback are submitting an appeal, and it was anticipated that the balances clawed back would contribute towards the de delegated contingency budget.	
4.1.5	TP further advised that there is not an appeals process, however we did allow a school to appeal last year. TP informed the forum that he was not involved in this further process last year and that the school was successful.	
4.1.6	The schools subject to clawback have provided TP with further details outlining why they should not be subject to clawback. We have not yet implemented the clawbacks pending further discussions with these schools.	
4.1.7	Further discussion was raised regarding clawback of excess surplus balance and several comments were made by the forum:	

	<ul style="list-style-type: none"> • There must be a mechanism for claw back of surplus balance, so that everyone knows what the process involves. • We should continue to refuse appeals; however, we should set up a panel to try and have a better understanding to be able to relook at the process. • Schools should know what their surplus balances should be, and the balances should be used on the children that need it now. • There has been more than one school that has had difficulty in recruiting school business managers, which is why some head teachers may not have known they had surplus balances. • This is a historical process that has gone on for a long period and that schools should have been aware. <p>4.1.8 It was mentioned that some academies are not subject the clawback, so there seems to be a disparity. This was discussed and it was confirmed that academies are not allowed to go into deficit and the EFSA are classing anything over 20% as excessive. ACTION After all the discussions it was agreed that the clawback process should continue to go ahead.</p> <p>4.1.9 It was also noted that The Leeds Scheme needs to be a clear term of reference with clarity. ACTION TP to have a look at the Leeds Scheme to make sure it is up to date and to have a review of The Leeds Scheme over the next few months. To be ready for the June School Forum. ACTION TP will look at the guidance and how it should be incorporated into the terms of reference. We need to bring back a refreshed note regarding Schools in Financial Difficulty in February and then the Forum can see how the terms of reference might guide us.</p>	<p>TP</p> <p>TP</p>
<p>5.0</p>	<p>School Funding Arrangements 2024/25</p>	
<p>5.1</p> <p>5.2</p> <p>5.2.1</p> <p>5.2.2</p> <p>5.2.3</p>	<p>LM presented the report and advised that since publication of this paper/report the LA has been made aware of new advice on the Growth Fund.</p> <p>Schools block The report presented included details on the Growth Fund, Falling Rolls Fund and the schools funding formula:</p> <p><u>Schools Funding Formula</u></p> <p>The final Schools Block Funding for 2024/25 has been confirmed by the EFSA as £707m, this is an increase of £22m from 2023/24.</p> <p>The funding formula has been updated to take into account the views of the Schools Forum and the final funding allocation from the EFSA. The revised formula retains the Minimum Funding Guarantee (MFG) at 0.5% and replicates the National Funding Formula. The cap on gains has been set at 1.26%. Subject to the proposed Growth Fund of £430k, £703.03M would remain to be allocated to mainstream schools through the Funding Formula.</p> <p>The final decision on the formula will be taken by the Director of Children and Families in accordance with the council’s decision-making framework.</p>	

5.2.4	Final funding statements will be sent out to schools before the end of February. Academies will receive funding statements directly from the EFSA.
5.3	<u>Growth Fund</u>
5.3.1	The funding allocation is based on the previous two October censuses.
	For 2024/25 the Leeds total allocation for growth from the EFSA has been reduced and is £3,731K for 2024/25. It was £4,990K in 2023/24.
5.3.2	Schools Forum are asked to approve the criteria listed in the report, for allocating funding from the Growth Fund.
5.3.3	Note for the Forum that:
	<ol style="list-style-type: none"> 1. Implicit means new and growing schools – where there is new free school, we must put it through the APT. 2. Explicit means schools that exist with growth requirements, SF must agree the criteria and value of the explicit growth fund.
5.3.4	In recent years the growth fund allocation has been sufficient to cover the growth requirements and any surplus growth fund has then gone contributed to the funding formula to be allocated to all schools. However it was noted that this is lagged funding and so it could be that in future the growth fund allocation may not be sufficient to meet need at which point SF would consider other options to fund growth.
5.3.5	The report proposed to retain the Growth Funding criteria prior to the new guidance from the EFSA. This was:
	<ul style="list-style-type: none"> • Primary Schools would be eligible for growth funding where a permanent expansion has occurred following an increase in the Published Admission Number (PAN), to meet basic need. Growth funding will be paid until the permanent change in PAN is accommodated in every year group. • Secondary schools in Leeds will be eligible for growth funding where a permanent expansion has occurred following an increase in the Published Admission Number (PAN), to meet basic need. Growth funding will be paid in the first year only that the permanent change in PAN is established.
5.3.6	The new guidance states that both primary and secondary schools will now be eligible for growth funding where a permanent expansion has occurred to meet basic need. Growth funding will be paid until the permanent expansion is accommodated in every year group.
5.3.7	The guidance was published in October 2023 and updated on 19 th December 2023 in respect of the growth fund.
5.3.8	Discussion was held around what the growth fund going forward as schools cannot be funded for growth retrospectively. It was noted that any change to the proposals would reduce the contribution to the formula funding and the cap on gains would reduce from the 1.26% assumed in the report.
5.3.9	It was put to the SF that the growth allocations from the EFSA should benefit the growth schools now and this would be in the spirit of the guidance.

5.3.10	It was noted that any change to the proposals assumed in the report would change the figures included in the appendix, also noted was the pending ESFA deadline for the APT submission (Monday 22/1/24).
5.3.11	It was mentioned in the discussion that Bradford SF were made aware of the changes in the guidance at their meeting in October 2023.
5.3.12	<p>HW sent a plea to the Forum to take a decision to benefit all schools in financial need. Comments were made in the discussion by forum members:</p> <ul style="list-style-type: none"> • Any school that supports the increase in PAN, did this knowingly at that point in time, and should have considered this and the funding conditions at the time. • National Funding Formula guidance was issued in October 2023 and specifically relates to school getting growth fund year on year. • LM advised that the LA are looking to update the criteria for 24/25, we need to know at what point this starts. £1.5m would allow for schools who have already accommodated. Should SF agree to fund existing growth schools or new growth from 24/25 budget? • Growth Fund criteria is section 1.32 in the report, £250 per pupil for additional resources and there are no plans to change this.
5.3.13	<p>It was estimated that a change to the existing growth criteria to fund all growth schools would cost £1m, but that the growth fund allocation could meet this.</p> <p>School Forum were asked to vote on the following 2 options.</p> <ol style="list-style-type: none"> 1. Option 1 - Implement the policy to support secondary schools with new growth from April 2024. 5 have voted in favour - carried. 2. Option 2 – Implement the policy to support secondary schools with both new and existing growth requirements from April 2024. 4 have voted in favour.
5.4	<u>Falling Rolls Fund</u>
5.4.1	For the first time in 2024/25 funding can be allocated to local authorities based on both growth and falling rolls.
5.4.2	Leeds has not received any falling rolls fund as neither the local authority nor schools within meet the strict funding criteria, therefore we will not be implementing it. This will be reviewed on an annual basis.
5.5	<u>Central School Services Block</u>
5.5.1	<p>The Central School Services Block (CSSB) is to fund local authorities for the statutory duties they hold for both maintained schools and academies. The CSSB brings together:</p> <ul style="list-style-type: none"> • funding for statutory duties • funding for ongoing central functions, such as admissions • funding for historical commitments

5.5.2	For 2024/25, this allocation has been set at £5.125m for Leeds. This is an increase of £19k compared to 2023/24. Within this, there has been a reduction of 20% on the historic commitment element in line with previous DfE statements to reduce funding on this element.																													
5.5.3	Schools Forum was requested to approve £5.125m centrally for statutory duties, centrally employed teachers' pension costs, ongoing central functions, historic commitments, and to note the increase in the charge for the single national licence (which is still subject to ESFA confirmation).																													
5.6	<p>9 responses 100% agreement for Statutory responsibilities</p> <p><u>High Needs Block</u></p>																													
5.6.1	Subsequent to the indicative high needs funding allocation presented to SF in November, confirmation of the final funding allocation has now been received. This is aligned to the indicative funding reported. The high needs budget report will be presented at February's SF.																													
6.0	De-Delegation of Services 2024/25																													
6.1	LM presented the De-Delegation of Services 2024/25 report to the Schools Forum members. The report includes the outcome of the recent consultation with all maintained primary and secondary schools on the de-delegation of funding in 2024/25. Most of the schools who replied to the consultation were in favour of the de delegated funds, so the report proposes the continued de-delegation of these council services.																													
6.1.2	41 Schools responded to the consultation.																													
6.1.3	In total the 2024/25 consultation proposed de-delegated funding of £5.66m. This is an increase of £135k compared to 2023/24 proposals which totalled £5.53m																													
6.1.4	To mitigate further pressures on school budgets it was anticipated that the excess surplus balance clawed back from schools will contribute to the de delegated contingency budget thereby reducing the amount to be de delegated from schools.																													
6.1.5	It is estimated that £500k will be added to the contingency budget from the claw-back of excess surplus balances, ensuring the overall budget remains at £749,306 in 2024/25, the same level as in 2023/24.																													
6.1.6	Question was asked about the SILC excess balances, and would these be subject to claw back? It was answered that at present we don't claw back from SILC schools, however in the future we could, SILC Schools do not contribute, so any surplus would stay within the High Needs Block.																													
6.1.7	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="width: 30%;">Service area</th> <th colspan="4" style="text-align: center;">Schools in support of de-delegation continuing</th> </tr> <tr> <th style="width: 15%;">Primary</th> <th style="width: 15%;">Secondary / Through School</th> <th style="width: 15%;">Total</th> <th style="width: 15%;">Percentage</th> </tr> </thead> <tbody> <tr> <td>School contingency fund</td> <td style="text-align: center;">33</td> <td style="text-align: center;">4</td> <td style="text-align: center;">37</td> <td style="text-align: center;">90%</td> </tr> <tr> <td>Maternity and other cover</td> <td style="text-align: center;">36</td> <td style="text-align: center;">5</td> <td style="text-align: center;">41</td> <td style="text-align: center;">100%</td> </tr> <tr> <td>Suspended staff cover</td> <td style="text-align: center;">33</td> <td style="text-align: center;">3</td> <td style="text-align: center;">36</td> <td style="text-align: center;">88%</td> </tr> <tr> <td>Trades union facilities</td> <td style="text-align: center;">35</td> <td style="text-align: center;">4</td> <td style="text-align: center;">39</td> <td style="text-align: center;">95%</td> </tr> </tbody> </table>	Service area	Schools in support of de-delegation continuing				Primary	Secondary / Through School	Total	Percentage	School contingency fund	33	4	37	90%	Maternity and other cover	36	5	41	100%	Suspended staff cover	33	3	36	88%	Trades union facilities	35	4	39	95%
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Trades union facilities	35	4	39	95%																										

School library services (primary only)	34	-	34	94% (of Primary schools)
Free school meals eligibility	35	4	39	95%
Behaviour support services	33	3	36	88%
Support to underperforming ethnic minority groups and bilingual learners	34	2	36	88%
School Improvement	31	3	34	85%

6.2 School Contingency Fund

6.2.1 The School Contingency Fund is retained centrally for maintained schools but only for a limited range of circumstances. If not de-delegated the schools would have to fund these risks themselves. It is proposed that the funding would be de-delegated as an amount per pupil of £4.16.

6.2.3 Question was asked about the likely outcomes of paying schools from this budget in 2024/25. SM responded that so far, we have paid out around £60k 2024/25 and we are currently looking to be underspent.

6.2.4 **90%** of responses from schools were in favour of this.
School Forum voted **4 in favour**
1 abstention

6.3 Maternity/parental and other cover

6.3.1 The total budget proposed for 2024/25 is £2.704m which is a £104k (4.0%) increase compared to 2023/24. The increase in the total de-delegated funding is due to the additional costs of maternity leave payments.

6.3.2 Discussion was held around how this fund would be used going forward as more parents are choosing to share parental leave and how this can affect school budgets.

6.3.3 **ACTION** LM agreed to speak to LCC HR team to seek further guidance on the impact of shared parental leave.

6.3.4 Question was asked about whether the SILC schools are supported with this. SM explained that SILC schools are asked if they want to contribute to this fund.

6.3.5 **100%** of responses from schools were in favour of this.
School Forum voted **4 in favour**
1 abstention

6.4 Suspended staff cover

6.4.1 This budget provides support for schools where employees are suspended. The total budget proposed for 2024/25 is £100k, which is a £25k decrease from 2023/24 and is based on recent trends. This equates to a rate of £1.67 per pupil.

LM

6.4.2	It was clarified to the forum that HR have advised that this fund is not used towards redundancy payments as there is no evidence that schools do this. Previously 7 schools received it over 2 financial years, only 1 school has received in 2 separate years.
6.4.3	<p>88% of responses from schools were in favour of this.</p> <p>School Forum voted 4 in favour 1 abstention</p>
6.5	Trade Union facilities
6.5.1	The Trade Union Facilities budget covers the cost of providing convenor salaries, physical facilities, and other associated costs. Where convenors work within a school, this budget provides the school with funds to cover the cost of release to undertake city-wide Trade Union duties. The total budget proposed for 2023/24 is £370k. This budget is the same as the 2023/24 proposals. The amount per pupil has increased to £6.17 from £6.14 in 2023/24.
6.5.2	1.10.3 within the report details what will happen if de-delegation does not continue. The future access to local trade union representatives to support staff at all levels of seniority within schools is at stake. By retaining this budget centrally, schools benefit from collective bargaining; professional representation in policymaking; representation of employees in grievance, performance, absence, and disciplinary processes; support in employment tribunals; reduced litigation risk by working with employers; advice on TUPE; support with school governance structures and support with Ofsted outcomes.
6.5.3	<p>95% of responses from schools were in favour of this.</p> <p>School Forum voted 4 in favour 1 abstention</p>
6.6	School library service (primary schools only)
6.6.1	The School Library Service (SLS) provides a range of resources to underpin the curriculum, inspire creativity and raise attainment for primary-aged pupils. The proposal is that the funding would be de-delegated for primary schools as an amount per pupil of £7.17. Based on forecast pupil data this would provide central de-delegated funding of £333k. If this is not de-delegated schools would have to fund this from their school budget.
6.6.2	<p>94% of responses from Primary schools were in favour of this.</p> <p>School Forum voted 3 in favour 1 abstention</p>
6.7	Free school meals eligibility
6.7.1	This budget supports the administration cost of carrying out free school meal eligibility assessments and is provided by the council's Welfare & Benefits Service. Based on forecast pupil data this would provide central de-delegated funding of £171,600. The individual rates per pupil have increased; for 2023/24 the rates were £1.67 per pupil and £3.89 per pupil in receipt of FSM in the past six years. If de-delegation does not continue, then each school would need to make their own arrangements to administer its own free school meals service.

6.7.2	<p>95% of responses from schools were in favour of this.</p> <p>School Forum voted 4 in favour 1 abstention</p>
6.7.3	<p>LM advised the Forum that she has asked for some clarity around this service in response to a comment received during the consultation with schools, regarding the work schools must do for FSM as being high. This comment has been detailed in the report.</p>
6.8	<p>Behaviour support services</p>
6.8.1	<p>This budget is for the Inclusion Support Team which provides support to schools for pupils with social, emotional, and mental health needs. The team provide advice to settings and, where appropriate, may provide assessments, recommendations, and training to build capacity and support needs. It is proposed that this funding would be de-delegated at £1.05 per pupil plus £3.24 per pupil in receipt of FSM in the past six years. This reflects the additional need at schools with higher measures of deprivation. Based on forecast pupil data this would provide central de-delegated funding of £112,300 for 2024/25, which is an increase of £4,300 from 2023/24. If de-delegation does not continue, then there would be no centrally retained budget for behaviour support and the alternative would be for the service to operate under a traded basis.</p>
6.8.2	<p>88% of responses from schools were in favour of this.</p> <p>School Forum voted 3 in favour 1 Against 1 abstention</p>
6.9	<p>Support to underperforming ethnic minority groups and bilingual learners.</p>
6.9.1	<p>This budget makes provision for staff who build capacity within schools to improve the educational outcomes for new arrivals (NA), black and minority ethnic (BAME) pupils as well as those for whom English is an additional language (EAL), The total budget proposed for 2023/24 is £290,000, which is the same as 2023/24. It is proposed that funding will be de-delegated at a rate of £1.39 per FSM pupil and £32.92 per English as an Additional Language (EAL) pupil for primary schools and £1.48 per FSM pupil and £186.57 per EAL pupil for secondary schools.</p>
6.9.2	<p>It was noted that the LA recognise these as key priority areas for the city and is committed to reviewing these services and associated budgets in the new year. The directorate will be looking for input into this review from those schools who pay the higher proportions into this budget and plan to set up a working group to facilitate this.</p>
6.9.3	<p>It was mentioned by a forum member that some schools did not vote this year as they felt they were not listened to last year. Dave Clark advised that there is an EAL consultant to look again at how this fund is used. There are 4/5 team members who will be working on this.</p>
6.9.4	<p>There was agreement from other members that this is a high amount and that they are getting some value from their contribution. DC said that it would be looked at to ensure that they are getting value for money.</p>
6.9.5	<p>88% of responses from schools were in favour of this.</p> <p>School Forum voted 2 in favour</p>

	1 Against 2 abstentions	
6.10	School Improvement	
6.10.1	<p>The Local Authority previously received a School Improvement and Brokerage Grant (SIBG) to enable it to undertake its statutory and core support, monitoring and intervention duties to maintained schools. The grant was removed in 2023/24 and Schools Forum approved the de-delegation of £799k which represented the equivalent full grant that the Local Authority would no longer receive towards the provision of school improvement services. The budget proposed for 2024/25 is £831k. It is proposed that the funding would be de-delegated as an amount per pupil of £13.86 per pupil; this is an increase of £0.61 per pupil from 2023/24. Without de-delegation there will be a very significant reduction, and potential removal, of the Learning Improvement services to all maintained schools.</p> <p>1.15.1 of the report details the resources that the fund is used for.</p>	
6.10.2	Question was asked about whether SILC schools would receive Head Teacher support. Dave Clark clarified that the LA would support SILC schools outside of this fund, however it remains an option for SILC schools to pay into the fund and all SILC schools do.	
6.10.3	Question was asked about the £19K for support staff training and wanted to know what this is used for. Dave Clark advised that this is used for a contract with Trinity University to provide support staff training and that approximately 14 staff have been through this training. ACTION DC will provide more information on this to PH including a breakdown.	DC
6.10.4	<p>85% of responses from schools were in favour of this.</p> <p>School Forum voted 3 in favour 1 Against 1 abstention</p>	
6.11	The final section of the report includes general comments that arose from the consultation to schools.	
6.11.1	<p>Question was asked about what the implications would be if Schools Forum do not approve to de delegate, and to do this in January does not leave enough time to manage the process of redundancy.</p> <p>LM outlined the reasons behind the time of the de-delegation consultation and decision. If a service is not agreed to be de-delegated, then the local authority would consider other trading models to fund the services.</p>	
9.0	Any Other Business	
	None	
10.0	Meeting Dates for 2023-24 and Forward Plan	
	The next meeting will take place via MS Teams on Thursday 22nd February 2024 at 1630-1830.	
	Close	

2.1	<p>Vacancies remain for:</p> <ul style="list-style-type: none"> 1 x Primary Governor 1 x PVI Nursery Provider vacancy 1 x Alternative Academy vacancy 1 x Primary Headteacher vacancy 1 x SILC Governor 1 x Non-school representatives 	
3.0	Growth Fund 2024/25	
3.1	<p>This additional Schools Forum meeting was called to consider and agree on the Growth Fund criteria and values as presented in a revised Growth Fund 2024/25 report. This report now makes provision for the updated growth fund requirements as defined in the Schools Operational guide 2024/25 and the Growth and Falling Rolls Fund guidance 2024/25. The criteria and values proposed within the report now supersede those discussed and approved at Schools Forum on the 16th of January 2024.</p>	
3.1.2	<p>SM explained what the three options are, as listed on the report that was circulated as Part of the agenda.</p> <ul style="list-style-type: none"> i. To pay all eligible schools on the current criteria (Age Weighted Pupil Unit or AWPU) ii. To pay all eligible schools on the minimum required funding with the exclusion of those primary schools currently in receipt of growth funding which will be retained at the current primary AWPU value. iii. To pay all eligible schools on the basis of growth funding received with the exclusion of those primary schools currently in receipt of growth funding which will be retained at the current primary AWPU value. <p>The minimum amount to pay in growth fund to all schools is now £1550.26.</p>	
3.1.3	<p>A question was raised about why Trinity is on the appendix and not Cockburn Lawrence Calvert. It was explained that Cockburn Lawrence Calvert is not a presumptive free school, so their funding is provided directly by EFSA.</p>	
3.1.4	<p>SF representatives from Cockburn School queried why the schools was not on appendix 1 to receive growth funding but has experienced recent growth. Cockburn increased places by 30 in Year 10 in 2020, and by an extra 30 pupils in Year 8 in 2022, these were temporary bulges and were compensated at the time but did not get any further funding.</p>	
3.1.5	<p>It was agreed that this would be discussed outside of this meeting with SM, to enable officers to go back and clarify the details.</p>	
3.1.6	<p>A SF member advised the forum that in the last 2/3 days he has been lobbied to vote in three different directions by Head Teachers and just wanted to make the forum aware of this.</p>	
3.1.7	<p>A question was raised regarding the three options. Option one is from the DfE guidance that all schools should be funded, so, are there different criteria for options two and three? LM advised that EFSA have said that whilst the criteria is the same, the values do not have to be, LM confirmed that all options still meet the DFE required criteria.</p>	

3.1.8	<p>There were discussions about the funding that is received for growth. Various comments were made:</p> <ul style="list-style-type: none"> • Do all three options included in the growth funding allocation support schools that are growing? • Do not feel that we should divert money away from growing schools, so options two and three should not be considered and why are they preferable? • It was noted that paragraph 2.5 in the report shows there is a balance left which has been used towards other schools' growth, LCC officer advised that this is calculated on last year's growth, so there may not be enough in the growth fund in future years, which is why we need to look at it year on year. • Why options two and three when we have enough funding for option one, to fully use the funds for schools that are growing and not putting it into options two and three that are not growing?
3.1.9	<p>LM advised that the minimum value of Growth Fund has been introduced by the DFE, so we have modelled an option on this, and that the other options are put forward, to give everyone the full picture and a variety of options to consider.</p>
3.1.10	<p>Comment was made about affordability, and there is a notion that bulge cohorts will be funded. SM there is no separate funding for bulge cohort, it is paid from this growth funding budget. Minimal amount is set aside within the growth fund for unknown growth, but it is not expected to be as high. This is demonstrated within a line with Appendix 1.</p>
3.1.11	<p>Question was asked about how the LA would prefer the vote to go, DB said that the LA has not expressed a preference and it is a Schools Forum decision.</p>
3.1.12	<p>Question was asked about the reference to the Growth and Falling Rolls fund in section four of the report. The impact of this decision on future years is that growth funding may not be enough for future years and would this will this impact on a Falling Rolls Fund.</p>
3.1.13	<p>LM advised that Falling Rolls is a separate funding allocation and so would not be required to supplement the growth fund.</p>
3.1.14	<p>LM further advised that this is the funding for 24/25 but we will have to look at 25/26. If SF agree on option one and the funding reduces in future years, the criteria and values will be reassessed. Schools need to be aware of this, so they are not reliant on this money year on year.</p>
3.1.15	<p>A comment was raised that as we are talking about a significant amount of money, are the schools aware of what they are going to receive? In Appendix 2 formula funding, it looks like primary schools are losing money that potentially they were they expecting to have.</p>
3.1.16	<p>LM advised that we provided schools with similar amounts within the consultation with a caveat that these are indicative allocations and that this is the best information we had available.</p> <p>A vote was taken, and the chair advised the forum that he would abstain unless he was required to have a deciding vote.</p> <p>Option one was carried with 14 members in favour.</p> <ul style="list-style-type: none"> • To pay all eligible schools on the current criteria (Age Weighted Pupil Unit or AWPU)

4.0	Meeting Dates for 2023-24 and Forward Plan	
	The next meeting will take place via MS Teams on Thursday 22nd February 2024 at 1630-1830.	
	Close	

DRAFT

1 Role of the Schools in Financial Difficulty Panel

- 1.1 Every Local Authority is required to have a Schools Forum for its area. The composition, constitution and procedures of the Forum are determined by the Schools Forums (England) Regulations 2012.
- 1.2 The Leeds Schools Forum Terms of Reference (section 7) allows for working groups from its members to discuss specific issues and produce draft advice for consideration by Schools Forum. The Schools Forum should not delegate actual decisions or the finalisation of advice to a working group, as this may have the effect of excluding legitimate points of view.
- 1.3 The role of the Schools in Financial Difficulty panel (SIFD) is:
 - To consider and make recommendations to the Local Authority on applications made by maintained schools to access funding from the Schools in Financial difficulty contingency budget.
 - Review and make recommendations to the Local Authority on applications made by maintained schools to retain excess surplus balances which are liable to clawback per section 4.2 of the Leeds Scheme for Financing Schools.

2 Meetings

- 2.1 The SIFD working group will meet at least termly to consider all SIFD bid applications received. Meetings will be held remotely.
- 2.2 The SIFD working group will also meet at least once in the summer term to review and consider school proposals to retain excess surplus school balances subject to clawback.
- 2.3 The SIFD meetings will be chaired by a Local Authority Officer representing either the Childrens and Families directorate or Financial Services.
- 2.4 The SIFD meetings are not public meetings and minutes will not be published. The minutes will be issued to members of the SIFD working group within 10 working days of the SIFD meeting. Minutes will be available on request by schools whom have had a SIFD bid or excess surplus balance claim reviewed by the SIFD working group.

3 Membership

- 3.1 The SIFD working group will consist of a minimum of 6 Schools Forum representatives from the maintained sector only with at least 2 governor representatives.

4 Terms of Office

- 4.1 Members shall remain in the working group until (whichever comes first):

- a) The member's Schools Forum term of office expires.
- b) The member ceases to hold the office by virtue of which the member became eligible for election, selection or appointment.
- c) The member resigns by giving notice in writing to the Clerk.
- d) If a member has not attended two consecutive SIFD meetings then a reminder will be sent to the member. If the member does not attend the next meeting then the Local Authority will consider whether the member should remain in the SIFD working group.

5 Declaration of Interests

- 5.1 Members of the SIFD working group shall declare a personal interest in any individual bids / applications which directly affects them or any person closely associated with them (e.g. if the proposal concerns the school at which they are a governor or at which their children attend). It is not a declarable interest when the Forum considers the allocation of resources between all schools.
- 5.2 In considering whether to declare an interest a member should apply the following test: would a member of the public, knowing the facts of the situation, reasonably think that the member might be influenced by the interest. If necessary, the member should withdraw from the discussion and take no part in the decision.

6 Consideration of applications

- 6.1 Members of the SIFD panel will use their knowledge and experience of school budgets and management of those budgets to assess whether a SIFD bid is recommended for approval. Issues to consider include:
 - Has the bid been completed in line with the guidance provided?
 - The overall financial position of the school making the bid.
 - Whether the funding claimed for is in respect of an exceptional circumstance.
 - Whether all other options (such as alternative funding or compensatory savings) have been considered before the bid was submitted.
 - Is the bid related to a statutory requirement (e.g. health and safety, Ofsted requirements)?
 - The extent to which any additional costs could have been avoided.
 - Has sufficient supporting evidence for the need for the funding been submitted with the bid?
 - Have the costs in the bid been satisfactorily evidenced and is the value proportionate (e.g. have quotes been obtained)?
 - If the bid is rejected, what would be the impact on the school concerned?
 - Any comments from Leeds City Council officers relating to the bid.

6.2 In considering applications to retain excess surplus balances, members of the SIFD panel could consider:

- Whether the application has been completed in line with the guidance provided.
- Whether the proposed use of the surplus balance is appropriate.
- Whether sufficient evidence has been provided to support the application.
- The impact on the school if the application is rejected.
- Any comments from Leeds City Council officers relating to the application.

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Report of the Director of Children and Families Services

Report to the Leeds Schools Forum

Subject: Dedicated Schools Grant 2023/24 – Budget Monitoring Month 10

**Report authors: Lucie McAulay
(Head of Finance –Children and
Families)**

Contact number: 0113 3788766

**Shirley Maidens
Senior Financial Business Partner**

Contact number: 0113 3788532

1 Summary of main issues

- 1.1 This report is to inform members of Schools Forum of the latest 2023/24 budget monitoring position on the Dedicated Schools Grant (DSG) as at the end of January 2024.
- 1.2 This report projects an in year overspend of £3,080k, which represents 0.59% of the estimated funding. This is largely made up of overspends in the high needs block with minor variations in the other blocks.
- 1.3 Schools Forum agreed to a transfer of £3.338m from the schools block to the high needs block in 2023/24.
- 1.4 Overall, the variation on general DSG is analysed as follows:

	Estimated Funding £000	Projected Expenditure £000	Variance £000
Schools Block	(338,402)	337,985	(417)
Early Years Block	(60,387)	59,449	(938)
High Needs Block	(117,171)	121,641	4,470
Central Schools Services Block	(5,106)	5,071	(35)
Total In Year Overspend	(521,066)	524,146	3,080
Surplus b/fwd from 2022/23			(7,060)
Projected surplus at 31/3/24			(3,980)

2 Schools Block

- 2.1 The majority of the Schools Block is allocated to primary and secondary schools (ISB), with smaller amounts for de-delegated services and the growth fund. These budgets are subject to fluctuations in expenditure throughout the year. The projected costs and variances are summarised below:

	Budget £000	Projection £000	Variance £000
DSG Income Due	(340,471)	(337,152)	3,319
Funding From Reserves	(1,250)	(1,250)	0
Individual Schools Budget	335,047	331,720	(3,327)
Growth Fund	980	571	(409)
	<u>(5,694)</u>	<u>(6,111)</u>	<u>(417)</u>
De-delegated budgets	5,694	5,186	(508)

(note: a bracketed figure is an underspend and a positive figure an overspend)

- 2.2 When a school becomes an academy, funding payments are made directly by the Education and Skills Funding Agency (ESFA). For Leeds City Council this means that there is a reduction in grant income which is largely matched by reduced expenditure.
- 2.3 Overall, de-delegated services budgets are currently projected to be underspent by £508k. There is a projected underspend of £300k on contingency, £50k on maternity costs, £25k on employees suspended from school and additional de-delegated income due to the technical adjustments made when a school converts to an academy.
- 2.4 Current projections on growth fund show an underspend of £409k compared to the budget set in January 2023.

3 Early Years Block

- 3.1 As the January 2024 early years census is not yet available, there is a high degree of uncertainty on the Early Years block for 2023/24, with projected costs and variances within the block summarised below:

	Budget £000	Projection £000	Variance £000
DSG Income Due	(57,538)	(58,611)	(1,073)
Early Years Supplementary Grant		(1,776)	(1,776)
FEEE 3 & 4 Year Olds	47,038	48,466	1,428
FEEE 2 Year Olds	7,303	7,586	283
SEN Inclusion Fund	467	825	358
Early Years Pupil Premium	606	611	5

Disability Access Fund	292	129	(163)
Early Years Centrally Retained	1,832	1,832	0
	0	(938)	(938)

(note: a bracketed figure is an underspend and a positive figure an overspend)

- 3.2 The final funding adjustment in relation to 2022/23 has now been confirmed and has resulted in an additional £189k in 2023/24.
- 3.3 The hourly rate initially allocated in 2023/24 increased by 30p per hour for 2 year olds and 16p per hour for 3 and 4 year olds. The full increase for 2 year olds was passed onto providers. However for 3 and 4 year olds, the base rate has been increased to £4.92 per hour from £4.78 per hour in 2022/23. This means that £5.36 per hour is being utilised even though the funding received is only £5.28 per hour.
- 3.4 In July 2023, the government announced an increase in early years funding rates from September 2023. The increases for Leeds are as follows:

	Original Rate	Revised Rate	Increase
2 Year Olds	£5.87	£7.78	£1.91 per hour
3 and 4 Year Olds	£5.28	£5.40	£0.12 per hour
Early Years Pupil Premium	£0.62	£0.66	£0.04 per hour
Disability Access Fund	£828.00	£881.00	£53.00 per year

- 3.5 Local authorities will receive a supplementary grant to fund the increased rates. Indicative allocations have recently been received, though the final amount due to each local authority will be calculated on the same basis as the standard early years funding methodology, which is that it will be based on January 2024 early years census numbers. The total shown in paragraph 3.1 reflects the estimated pupil numbers in the January 2024 early years census.
- 3.6 There had been concerns that this approach could cause a financial pressure in 2023/24 as additional funding will be for 7/12ths of the year (58.33%) whilst payments made to providers are based on the number of school weeks in each term. For 2023/24, the autumn and spring term count for 25 out of 38 weeks (65.79%). However, current indications are that this has not materialised. This is largely due to the number of pupils in the autumn term being slightly lower than in previous years.
- 3.7 The January 2024 early years census is used to calculate funding due for 7 months of the year (September to March), so although the costs of the autumn term are known, the funding for that period is not. These census totals are not confirmed by the ESFA until July 2024. Estimates have been made of the expected number, but the above projections could be significantly affected if they are different to those assumed in paragraph 3.1 above.

4 High Needs Block

4.1 The projected costs and variances within the High Needs Block are summarised in the table below:

	Budget £000	Month 10 Projection £000	Variance £000
DSG Income Due	(117,035)	(117,171)	(136)
Funding Passported to Institutions			
- SILC and Resource Provision Places	14,610	14,859	249
- Out of Area and residential placements	14,821	15,298	477
- Alternative Provision (including AIP's)	5,228	5,228	0
- SEN Top-ups to Institutions	67,631	71,517	3,886
- Mainstream additional places (£6k blocks)	5,225	6,205	980
- Education provision for mental health beds	100	75	(25)
Commissioned Services			
- Hospital & Home Tuition	2,604	2,604	0
- PD & Medical Service	97	97	0
Children's Services			
- SEN Support Services	4,216	4,160	(56)
- Children missing out on education	482	463	(19)
- Management of high needs services	234	234	0
- SEN adaptations	229	229	0
- Invest to Save budget	1,000	114	(886)
Other items			
- Prudential borrowing for SEMH provision	558	558	0
	0	4,470	4,470

(note: a bracketed figure is an underspend and a positive figure an overspend)

4.2 As detailed in the table above, there is a projected overspend of £4,470k on the High Needs Block. These projections are also following the transfer of £3,338k from the schools block to the high needs block. If this had not been agreed, the high needs block would have been £7,808k overspent. As detailed in paragraph 4.8, increased funding due to mainstream settings compared to 2022/23 is projected to be £6,200k more than the block transfer.

4.3 DSG income due is £136k more than budgeted following a minor change in the import / export element of the funding calculation and changes to deductions for payments to academies. £121k of this increased income offsets part of the increase in resource provision places.

4.4 Previous reporting identified a significant rise in the requests for new assessments. The Leeds SEN2 return to the DFE reported a 60%+ increase in the number of requests for EHC Assessments. This is due to both the longer-term trend of growing need in the community, as well as a significant number of referrals which were thought to have been delayed until schools returned after the pandemic and identified unmet need. The number of EHC Plans in total

continues to increase, by over 15% in the last two years. This is a consistent long-term trend since 2013, mirrored by national comparators.

- 4.5 National statistics indicate that around 50% of learners with an EHCP then move into specialist provision. At the present time we are working to develop specialist resourced bases in mainstream schools for specific areas of identified need alongside the creation of a new generic special school. In addition, we have also increased the capacity in our existing SILCs across the city to meet this demand. It must also be noted that even though we have a planned programme of developing additional provision across the city there will still remain the need to commission out of authority places for those learners with highly complex and individual needs that require a bespoke package.
- 4.6 Out of area and residential placements is currently projected to be £477k overspent. This is partly as a result of an increase in the number of high needs pupils in external residential placements. The education element of these placements is charged to the high needs block.
- 4.7 SEN top-ups to institutions is projected to be overspent by £3,886k. Within this, the largest increase is in top-ups paid to mainstream schools (£3,255k). This is largely due to more high needs pupils in mainstream schools.
- 4.8 Another impact of the increase in SEN top-ups to mainstream schools is increased expenditure on the budget for the additional £6k blocks paid to schools who have a higher number of SEN pupils than their notional SEN budget covers. To reflect the increase in high needs pupils in mainstream schools, the budget previously earmarked for additional high needs places has been moved to this budget. As a result, this budget is now expected to be £980k overspent due to an increased number of SEN pupils within schools meeting the criteria for additional £6k blocks. Overall, this means that mainstream schools are projected to receive £9,538k more than in 2022/23 which is £6,200k more than the block transfer.
- 4.9 There is expected to be a combined underspend in the services provided by Children and Families of £961k. The majority of this is due to the Invest to Save budget which has largely not been spent during 2023/24.
- 4.10 The movement on the high needs block projections since reported to Schools Forum in October is an adverse change of £3,166k. The main reasons for this movement are:
- An increase in out of area costs and high needs pupils and costs in external residential placements (£2,856k).
 - Increased costs on SEN top ups (£539k).
 - Reduced cost of services provided by Children and Families (£-200k).

5 Central School Services Block

- 5.1 This block provides funding for LAs to carry out central functions on behalf of pupils in state-funded maintained schools and academies in England. CSSB is

split into funding for historic commitments and funding for ongoing responsibilities.

5.2 The projected costs on this block are:

	Budget £000	Projection £000	Variance £000
DSG Income Due	(5,106)	(5,106)	0
Historic Commitments	515	515	0
Ongoing Responsibilities	4,591	4,556	(35)
	<u>0</u>	<u>(35)</u>	<u>(35)</u>

(note: a bracketed figure is an underspend and a positive figure an overspend)

5.3 The minor underspend is due to savings in the Admissions Service.

6 2023/24 Reserves

6.1 The table below shows the expected position as at 31st March 2024 as a result of all the variances detailed above.

	General £000	De-delegated £000	Total £000
Balance b/fwd from 2022/23	(7,060)	(1,950)	(9,010)
Use of reserves to fund contingency fund		500	500
Refund of de-delegated reserves		1,250	1,250
2023/24 Variances			
- Schools Block	(417)	(508)	(925)
- Early Years Block	(938)		(938)
- High Needs Block	4,470		4,470
- Central Schools Services Block	(35)		(35)
Balance c/fwd to 2024/25	(3,980)	(708)	(4,688)

6.2 As previously reported to Schools Forum, a refund totalling £1,250k has been made to all schools that contributed to the de-delegated surplus at the end of 2022/23. As with previous years, should there be a significant de-delegated reserve, a proposal will be made to repay £500k to those mainstream schools that contributed to the surplus.

6.3 The conditions of grant for the Dedicated Schools Grant requires that any local authority with an overall deficit on its DSG account at the end of 2023/24 financial year must be able to present a plan to the DfE for managing their future DSG

spend. However as the DSG is currently projected to be in surplus, this is not currently required.

7 Recommendations

- 7.1 Schools Forum is requested to note the projected overspend on General DSG of £3,080k which will be taken off the surplus on General DSG brought forward from 2022/23. This will make the current projected cumulative surplus of £3,980k with projected de-delegated surplus balances standing at £708k.

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Report of the Director of Children and Families

Report to the Leeds Schools Forum

Date: 22nd February 2024

Subject: High Needs Budget 2024-25

Report Authors: Lucie McAulay
Head of Finance –Children and
Families

Contact number: 0113 3788766

Contact number: 0113 3788532

Shirley Maidens
Senior Financial Business Partner

Summary of main issues

- 1 The budget for the High Needs Block of the Dedicated Schools Grant is approved in February each year at the Full Council meeting. This report provides details of the 2024/25 High Needs budget submitted for approval to the Full Council meeting held on 21st February 2024.
- 2 The High Needs budget for 2024/25 proposes £127.648m of funding and £127.648m of spend, resulting in a balanced budget for the year.

Recommendations

- 3 Schools Forum is asked to note the High Needs budget for 2024/25 and the proposals for continued monitoring and identification of options to improve this position moving forward.

1 Background information

- 1.1 The High Needs Block of the Dedicated Schools grant provides funding for Special Educational Needs and Disabilities (SEND). This includes places and top-up funding in special schools, resourced provision in mainstream schools and alternative provision; top-up funding for early years, primary, secondary, post-16 and out of authority provision; central SEND support and hospital & home education.

- 1.2 In line with the national picture, Leeds has experienced an increase in SEN demand and complexity in recent years, with this trend expected to continue.
- 1.3 Leeds has historically been underfunded in comparison to some other local authorities, and although the National Funding Formula is moving towards funding local authorities based on need, the funding increases are currently capped during the transitional period. Between 2018/19 and 2024/25 this has resulted in Leeds receiving £27.53m less for High Needs than would have been due under the full National Funding Formula, £2.92m of this relates to 2024/25.

2 Main issues

- 2.1 In line with the national picture, Leeds has experienced an increase in SEND demand and complexity in recent years, with this trend expected to continue. In recognition of this trend, the national High Needs allocation has increased by approximately £440m or 4.3% for 2024/25.
- 2.2 The High Needs grant allocation for 2024/25 (before deductions) was issued by the Education, Skills and Funding Agency (ESFA) in December 2023, though adjustments to this figure are expected up until July 2024, and the estimated impact of these changes have been included in this report. For Leeds the estimated allocation is an increase of £13.1m for 2024/25 compared to the 2023/24 budget.
- 2.3 Supplementary funding announced for 2023/24 has been rolled into the base funding for 2024/25. There is no further supplementary funding for 2024/25.
- 2.4 The high needs operational guide states that the minimum funding guarantee (MFG) must be at least 0% and that local authorities should consider setting the MFG within a range of 0% and 0.5%. The authority is proposing that in line with the MFG for mainstream schools, this is set at 0.5%. In order to meet this level of increase, it is proposed that the Funding for Inclusion unit rate for these settings be increased by £12 (from £732 to £744 per unit). Settings currently paid a set top up rate will have their rate increased to reflect a 0.5% MFG.
- 2.5 Although funding has increased for Leeds, there is currently a gains limit factor which means that the Leeds allocation for 2024/25 will be £2.92m less than the full National Funding Formula. Between 2018/19 and 2024/25 this has resulted in Leeds receiving £27.53m less for High Needs than would have been due under the full National Funding Formula.
- 2.6 The anticipated increase in special school places and pupils eligible for additional top-up funding means that there is expected to be on going funding pressures for the High Needs Block and there is a risk that costs exceed the budgeted assumptions as a result of the increasing demand.
- 2.7 There is currently a backlog of EHC Assessments which is impacting on projections data. Early indications indicate the need for an additional 300 specialist places across the city, putting extra pressures on the high needs block.

- 2.8 A key issue is that local authorities have a statutory duty to secure the special educational provision stated in Education, Health and Care (EHC) Plans. The number of EHC Plans in the city has traditionally been statistically lower than comparators, but the city has seen increases in the numbers and complexity of needs of pupils in line with the national picture.
- 2.9 Budgets which are passported to institutions have increased by £11.72m. This is in line with increased demand in the settings concerned. However within this area is a challenging target to achieve in year savings of £3.4m. This savings target is required in order to match expenditure to the funding available.
- 2.10 The budget for commissioned services has decreased by £-0.27m. This is made up of the cessation of the PD and medical service and an assumed clawback of balances from the hospital and home tuition service.
- 2.11 Services directly managed by Children and Families have decreased budgets of £-0.84m. The majority of this is due to the removal of the uncommitted Invest to Save budget. Within SEN support services, there are savings from the SEN Inclusion Team as a greater proportion of their costs has been more correctly identified as relating to early years provision and so is now funded from the early years centrally retained budget. This is partly offset by unavoidable inflationary increases and a new service to provide independent travel trainers to support high needs pupils travelling to school.
- 2.12 In November 2023, Schools Forum has agreed to transfer 0.5% (which equates to £3.54m) from the Schools Block to the High Needs Block, following consultation with schools.
- 2.13 A budget has been set within the funding available, though as detailed in paragraph 2.9, this does assume that savings totalling £3.4m will be identified during the year. However there is a risk that demand and costs will rise further. The position on the High Needs Block will therefore be closely monitored during the year.
- 2.14 The proposed budget for 2024/25 taking into account the known and estimated changes compared to the 2023/24 original budget is as follows:

	2023/24 £000	2024/25 £000	Variance £000
High Needs Block DSG Income			
High Needs Block baseline	122,294	135,400	13,106
Places funded directly by the ESFA	(13,763)	(14,792)	(1,029)
Supplementary Funding	5,166	0	(5,166)
	113,697	120,608	6,911
Other Funding			
Transferred from Schools Block	3,338	3,540	202
Use of DSG Reserves		3,500	3,500
	3,338	7,040	3,702
Total Funding Available	117,035	127,648	10,613
High Needs Block Expenditure			
Funding Passported To Institutions			
- SILC and Resource Provision Places	14,610	14,872	262
- Out of area and residential placements	14,821	14,021	(800)
- Alternative provision (including AIP's)	5,228	5,254	26
- SEN top ups to Institutions	67,631	79,887	12,256
- Mainstream additional places	3,962	8,597	4,635
- Increase in special school places	1,263	0	(1,263)
- Education provision for mental health beds	100	100	0
- In-year savings to be identified		(3,397)	(3,397)
Commissioned Services			
- Hospital & Home Tuition	2,604	2,432	(172)
- PD & Medical Service	97	0	(97)
Directly Managed By Children & Families			
- SEN Support Services	4,216	4,242	26
- Children missing out on education	482	522	40
- Management of high needs services	234	234	0
- SEN adaptations	229	229	0
- Invest to Save budget	1,000	97	(903)
Other Items			
- Prudential borrowing for SEMH provision	558	558	0
Total High Needs Expenditure	117,035	127,648	10,613

3 Recommendations

- 3.1 Schools Forum is asked to note the High Needs budget for 2024/25 and the proposals for continued monitoring and identification of options to improve this position moving forward.

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Report of: Lead Officer for Admissions and Family Information Service (FIS)

Report to Schools Forum February 2024

Subject: 2024/25 DSG (Dedicated Schools Grant) Early Years Block

Summary of main issues

1. The local authority receives annual funding via the DSG Early Years Block for the Funded Early Education Entitlement (FEEE). For 2024/25, FEEE consists of the existing early years entitlements, for 3 and 4-year-olds and disadvantaged 2-year-olds, and the new working parent entitlements for children aged 2 years old, from April 2024, and 9 months and above, from September 2024.
2. The local authority is consulting with providers and Schools Forum on the proposed rates for 2024/25. The formula for allocating the DSG Early Years Block will be determined by the local authority following the conclusion of the consultation with providers and School Forum.
3. Schools Forum is required to agree the proposed allocation of the centrally retained element of the DSG Early Years Block funding stream (see 5.6 of the Main Issues section of this report).

Background information

1. The Dedicated Schools Grant (DSG) includes an Early Years Block made up of the funded early education entitlement for 9 months to 4-year-olds. This funding is paid out to childcare providers (PVI nurseries, childminders, and schools) where they deliver FEEE places.
2. A consultation on the proposed local funding formula commenced for providers on 8th January 2024. The consultation was sent to all registered childcare providers in Leeds, setting out proposals for the FEEE rates that would come into force from April 2024. The consultation closed on 4th February 2024. The responses are reviewed and considered prior to determination of the funding arrangements, which is a decision taken by the Director of Children and Families Services.
3. The Early Years (EY) DSG allocation for Leeds is calculated by the DfE under the EY National Funding Formula. For 2024/25, Leeds will receive the following total hourly allocation per eligible child from the DfE for the three age ranges:

3 and 4-year-olds for the universal and additional hours entitlements (from 1 April 2024)	£5.62
Disadvantaged 2-year-olds and eligible working parents of 2-year-olds (from 1 April 2024)	£8.21
9-months-olds up to 2-years for the new working parent entitlement (from 1 September 2024)	£11.18

4. Further details of how these rates compare with previous years can be found later in the report.
5. Several providers expressed that they felt the DfE's rates for all age ranges should be more consistent to prevent providers opting to offer certain age ranges only, and to prevent parents from having a significant increase in fees as their child gets older.
6. The consultation responses also raised concerns about closures of settings due to financial difficulties impacted by NI contribution increases, minimum wage and national living wage increases, increases in utility and food bills, reintroduction of business rates and increases in agency costs.

Main Issues

1. Method of allocation

- 1.1 The annual DSG Early Years Block allocation is usually based on the early years' census taken in January each year. The number of hours claimed that week in January is multiplied 38 weeks, and then by the rate set by the DfE, which for Leeds in 2024/25 will be £5.62 per hour for 3&4-year-olds, £8.21 for 2-year-olds and £11.18 per hour for 9-months-23 months (commencing September 2024).
- 1.2 The expected DSG income for 2024/25 is projected based on previous allocations and census returns, patterns of take-up and population projections and is subject to change.
- 1.3 Providers will continue to receive monthly payments from the LA (Local Authority). During 2020/21, schools transitioned over to use the provider portal (Synergy) for claiming FEEE funding. Where they only provide data at the headcount point, they receive the single termly payment at the end of the term.
- 1.4 All Private, Voluntary, and Independent (PVI) settings are invited to provide an estimate of the number of funded hours they expect to provide over the following term. This generates a monthly payment throughout the term of the 'base rate' hourly funding.
- 1.5 Providers are required to confirm child level data which includes all relevant eligibility information at three fixed points in the year (once per term). This 'headcount' data generates the balancing payment in the final month of the term to ensure the settings have been funded for the number of children attending and the number of hours eligible for funding for that term.
- 1.6 The supplement payments (SENDIF and Deprivation Uplift) are paid in one payment to providers at the end of the term based on the child level data returned on 'headcount'.
- 1.7 Disability Access Fund (DAF) payments are made to providers based on headcount claims where providers identify that a child is in receipt of Disability Living Allowance (DLA). The DAF allocation for 2024/25 will be £910 per eligible child per year (Up from £828 in 2023/24). The payment is made in the first term that the child is recorded as being in receipt of DLA and covers 3 terms, regardless of the number of hours the child claims.

1.8 All providers will receive the same funding rates, as identified by the formulae set out in this paper.

2. **3 & 4-Year-Old Funding – Universal (15hrs) and Extended (30hrs) Entitlement**

2.1 At the beginning of the financial year, April 2023, the base rate to providers for 3 & 4-year-olds was £4.92. In September 2023, the rate for 3 & 4-year-olds increased by 12p. This increase was entirely passed through to providers, with no portion of the increase centrally retained by the local authority, as directed by the DfE.

2.2 The overall rate from the DfE to the local authority has increased by 34p from £5.28 in April 2023 to £5.62 for April 2024. The table below shows the changes and the proposed rates for the coming year:

3&4-year-olds	Total DfE Hourly Allocation to LA	Centrally Retained	Deprivation Supplement	SEN Inclusion Fund (SENDIF)	£0.08 Uplift	Base Funding
April 23 – Aug 23	£5.28	£0.20	£0.19	£0.05	£0.08	£4.92
Sept 23 – March 24	£5.40	£0.20	£0.19	£0.05	£0.08	£5.04
April 24 – March 25	£5.62	£0.22	£0.19	£0.09	£0.08	£5.20

2.3 As per updated DfE guidance, the local authority can retain up to 5% of the overall Early Years Block for centrally retained services, which are approved by Schools Forum. The local authority is proposing to retain 3.9% of the funding for 3 & 4-year-olds, similar to last year.

2.4 The proposal is for the deprivation supplement to remain at 19p for the 3 & 4-year-old cohort.

2.5 The local authority has regularly met with providers over the past year and has continually been informed that special education needs is one of the most significant challenges being faced across the city. The local authority's proposed rates for 2024/25 includes an increase in the supplement retained for the Special Educational Needs Inclusion Fund (SENDIF) for 3 & 4-year-olds to 9p per hour per child. The increase will address the funding being overspent in previous years and allows for an increase in the SENDIF rates, as detailed in section 7.

2.6 Further details on centrally retained services and supplements can be found later in this report.

2.7 **Additional 8p Uplift** - Following the review of expenditure on the Early Years Block in previous years, in 2022/23 and 2023/24 the local authority included an additional £0.08 in the base rate to all providers, to maximise the Early Years Block funding paid out and to minimise the potential for any overall grant surplus at year end. Reflecting on feedback

from providers in the consultation and the unpredictability of the take up of places this year, it is proposed that this £0.08 uplift is maintained for 2024/25.

2.8 Former Teachers' Pay and Pensions Grant (TPPG) - To note, as per the DfE: "Local authorities' hourly funding rate for 3 and 4-year-olds in 2024 to 2025 includes funding for teachers' pay and pensions. In 2023 to 2024 we mainstreamed the funding previously distributed through the teachers' pay grant (TPG) and the teachers' pension employer contribution grant (TPECG). In 2024 to 2025, we have also mainstreamed the funding being provided in respect of the September 2023 teachers' pay award, as well as the additional funding to support providers with the costs of employer contributions to the teachers' pension scheme which are due to increase from April 2024."

2.9 Although providers are not able to charge a top up (the difference between their daily rate and the amount of funding they receive from the DfE) many settings do charge for extras that they offer over and above the EYFS (Early Years Foundation Stage) requirements to ensure the sustainability of provision.

2.10 Many providers continue to report that the base rate is the most important element of the funding and that this influences their business models, budgeting, planning, and charging policies. This is the amount they can rely on each term as it is not affected by individual children's eligibility in the way that EYPP, Deprivation Uplift, SENDIF and DAF are.

2.11 Whilst all respondents were positive that the base rate for 3 & 4-year-olds was increasing, most providers felt that the rate for 3 & 4-year-olds is still too low, and that this was making it difficult to provide the number of places and care that they would like to for this age range. There were several providers who either said that their models would be untenable or that they would consider not offering 3 & 4-year-old placements due to the low funding rate. This feedback will be passed on to the DfE.

2.12 Providers have said increasingly that the funding rate for 3 & 4-year-olds limits the amount they can pay staff, leading to issues with both retention and recruitment of trained staff.

3. 2-Year-Old Funding – Disadvantaged and Eligible Working Parents

3.1 At the beginning of the financial year, April 2023, the base rate to providers for 2-year-olds was £5.87. In September 2023, the rate for 2-year-olds increased by £1.91 to £7.78. This increase was entirely passed through to providers, with no portion of the increase centrally retained by the local authority, as directed by the DfE.

3.2 From April 2024, the DfE allocation to the local authority will be £8.21 per hour per child for disadvantaged 2-year-olds and eligible working parents of 2-year-olds.

3.3 The overall rate from the DfE to the local authority has increased by £2.34 from £5.87 in April 2023 to £8.21 for April 2024.

3.4 The table below provides details of the funding for centrally retained services along with the deprivation supplement and SENDIF which are now within the DfE guidance:

Disadvantaged and eligible working parents (2-year-olds)	Total DfE Hourly Allocation to LA	Centrally Retained	Deprivation Supplement	SEN Inclusion Fund (SENDIF)	Base Funding
April 23 – Aug 23	£5.87	n/a	n/a	n/a	£5.87
Sep 23 – March 24	£7.78	n/a	n/a	n/a	£7.78
Apr 24 – March 25	£8.21	£0.24	£0.10	£0.09	£7.78

3.5 As per updated DfE guidance, the local authority can retain up to 5% of the overall Early Years Block for centrally retained services, which are approved by Schools Forum. In previous years, for the disadvantaged 2-year-olds, the local authority has not retained a percentage of funding for centrally retained services. With the expansion of the entitlement and the additional responsibilities, the local authority is proposing to retain 2.9% of the funding for 2-year-olds.

3.6 Also, in consideration of the DfE guidance, the local authority proposes to align the funding formula for 2-year-olds with that of 3 & 4-year-olds through the introduction of a deprivation supplement (10p) and Special Educational Needs Inclusion Fund (SENDIF) (9p). The proposal to introduce a deprivation supplement of 10p rather than the 19p supplement for 3 & 4-year-olds is to balance the wish to maximise base funding rates for providers and the need to help children with greater needs, whilst offering support services to the early years providers.

3.7 Further details on centrally retained services and supplements can be found later in this report.

3.8 Prior to offering a funded 2-year-old place, all providers must ensure that the parent has a valid Eligibility Code (11 digits) or a LCC Early Years Voucher code.

3.9 Of the consultation responses received, all bar one was positive about the base rates for 2-year-olds. One respondent commented that “The base rate needs to be increased possibly seeing the deprivation reduced as this is not guaranteed to all children, we have ever-growing costs to provide the funding including admin ourselves and with the staffing crisis across the industry we need as much given to us as possible to enable the funding to be a success in the area”.

4. **Eligible 9–23-month-olds Funding**

4.1 This funding will commence from September 2024 and will be available to children of eligible working families. The overall rate from the DfE to the local authority will be £11.18 per hour per eligible child.

4.2 The table below provides details of the funding for centrally retained services along with the deprivation supplement and SENDIF:

Eligible 9–23-month-olds	Total DfE Hourly Allocation to LA	Centrally Retained	Deprivation Supplement	SEN Inclusion Fund (SENDIF)	Base Funding
Sep 24 – March 25	£11.18	£0.32	£0.10	£0.09	£10.67

4.3 As per updated DfE guidance, the local authority can retain up to 5% of the overall Early Years Block for centrally retained services, which are approved by Schools Forum. As with the 2-year-old funding, the local authority is proposing to retain 2.9% of the funding for 9-month to 23-month-olds. In addition, the local authority is following DfE guidance with the introduction of a deprivation supplement and Special Educational Needs Inclusion Fund (SENDIF) for 9-month to 23-month-olds and in line with those for 2 year old funding.

4.4 Further details on centrally retained services and supplements can be found later in this consultation document.

5. **Centrally Retained**

5.1 As per the DfE guidance: “Local authorities can keep up to 5% of their total funding for their own services”.

5.2 In addition, the DfE guidance states:

“For 2024 to 2025, the 95% pass-through requirement will apply separately to the entitlements for:

- 9-months-old children up to 2-year-olds of working parents
- 2-year-old children of working parents
- 2-year-old children from disadvantaged families
- 3 and 4-year-olds (universal and additional hours)”

5.3 As with previous years, the local authority is not proposing to retain the maximum of 5%. This is despite inflationary increases, the significant change to the extended entitlement and the higher level of administration and support to be undertaken by the local authority. The new system also comes with uncertainty in terms of the number of eligible families and the potential take up of the FEEE. For 2024/25 the local authority is proposing to retain the following:

3 and 4-year-olds (universal and additional hours)	3.9%
2-year-old children from disadvantaged families and eligible working parents	2.9%
9-months-old children up to 2-year-olds of working parents	2.9%

5.4 These centrally retained percentages will enable the local authority to maintain the current base rate for 2-year-olds, which increased significantly in September 2023 and to increase the base rate for 3 & 4-year-olds as detailed earlier in the consultation.

5.5 The final Early Years Block funding remains unconfirmed until after the end of the relevant financial year. Despite this, LA's do not adjust the centrally retained budget. This means that where there are fluctuations in the number of children on the census, there is some risk of the centrally retained element being either under or overstated.

5.6 Proposed commitments for the centrally retained element of the Early Years Block

		23/24	24/25
1	Special Educational Needs Inclusion Team (SENIT)	£478,000	£495,000
2	Commissioned Service - Portage	£140,000	£173,000
3	Sensory Services	£166,000	£172,000
4	Education Psychology	£73,000	£76,000
5	Early Support and Inclusion (SENDIF)	£31,000	£72,000
6	Family Information Service	£114,000	£298,000
7	Family Services	£520,000	£538,000
8	Sufficiency	£42,000	£43,000
9	Commissioned Services - Northpoint Wellbeing (Leeds Counselling)	£60,000	£0
10	Learning Improvement (Original)	£208,000	£215,000
11	Learning Improvement (New)	£0	£435,000
12	Safeguarding Team	£0	£50,000
13	Contingency	£0	£276,000
	Total	£1,832,000	£2,843,000

5.7 **SENIT £495k and Portage £173k** - EY SENIT comprises Early Years Special Educational Needs Co-ordinators (EY SENCos), EY Inclusion Workers and Project Workers. The Project Workers deliver a city-wide Portage Service. Portage is our offer to children with severe to profound learning needs, identified at birth or in the very early years before entering education. The service provides guidance and resources for families and supports the transition to education outside of the home. The increased funding for Portage is in light of the increased need across the city.

The EY SENCos and Inclusion workers provide a city level offer to all educational settings (school nurseries, children' centres, PVIs (Private, Voluntary, and Independent), childminders) for 3 and 4-year-olds to support children with special educational needs. SENCos offer high support and challenge to EY settings to develop their capacity in promoting equality and inclusion, the early identification of need, assessment, securing appropriate provision and improving outcomes. Inclusion Officers play a crucial role in supporting the planning of children transitioning from their EY setting to school. This is a contribution towards the overall cost of this service.

Consequence if not approved by Schools Forum – Schools Forum not approving this funding may lead to a loss of preventive and proactive work in the early identification and meeting of SEND needs from the earliest years. In addition, it could lead to the loss of the ability to support positive transition to educational settings. The likely consequence is for children and young people with SEND to not have their needs understood and met such that they are able to make progress and be ready for schooling at statutory school age, with consequences in poor educational, social and health outcomes and escalation to costly statutory services.

- 5.8 **Sensory Services £172k** - The Sensory Services support settings and families to meet the additional educational and developmental needs of children with visual and/or hearing impairment. This is a contribution towards the overall cost of the service. The support offered depends on the needs of the child and family. This could include support by a Teacher of the Deaf/Visually Impaired, to advise the family around audiological and educational support for the child, or staff in a setting, or a Deaf Instructor to work with families and in settings, to foster BSL communication skills. A city-wide training offer and online BSL sessions are also in place.

Consequence if not approved by Schools Forum – As with SENIT, not having this funding approved could lead to the loss of being able to support positive transition into educational settings, which ultimately could lead to poorer educational, social and health outcomes.

- 5.9 **Education Psychology £76k** - Supporting Educational Psychology consultations and input to EHC (Education, Health, and Care) assessments for Early Years children. The team offer a city-wide consultation service to support early intervention for children with complex needs in schools with a nursery provision. This is a contribution towards the cost of the Education Psychology support offered.

Consequence if not approved by Schools Forum – Without the contribution towards the service, there would be a significant risk of a reduction in the offer at a time where need is increasing.

- 5.10 **Early Support & Inclusion £72k** - This is a contribution towards the Early Years Funding for Inclusion Team which manages the SENDIF process. The increase is to adequately resource the delivery of funding for increasing numbers of children with emerging Special Educational Needs and Disabilities.

Consequence if not approved by Schools Forum – The team will not be adequately resourced to administer the SENDIF process which would likely lead to delays in funding reaching providers to support eligible children and families.

- 5.11 **Family Information Service £298k** - This contributes towards the costs of the significantly increased levels of advice and support to all childcare providers and their families, eligibility checks, and the promotion of the expanded offer from April 2024 for families of children aged 9 months to 4-year-olds. It also contributes towards the costs of the annual funding censuses and of ongoing discussions with the DfE on legislative and system changes for Early Years funding.

Consequence if not approved by Schools Forum - If not approved by Schools Forum, there will be a risk that checks and finances will not be able to be processed in a timely manner and providers may not receive their funding on time. This could also lead to a reduction in the levels of advice and support being available to providers and families through the service being under-resourced.

5.12 **Family Services £538k** – This is a contribution towards the costs of Children’s Centre Family Outreach Worker teams who promote the take up of 2, 3 & 4-year FEEE for all settings, improving readiness for learning and supporting parents / carers with the school applications process. As part of the core offer, all Children’s Centres deliver a range of group activities which promote Early Learning and Parenting support, including the following:

- Play and Stay groups where families bring children to play, learn and communicate together and develop skills for school readiness.
- HENRY – parenting programme.
- PEEP Learning together programme, which helps parents/carers make the most of language learning opportunities in everyday life.
- Family Outreach Workers also work intensively with targeted families to provide individual packages of targeted support.

Consequence if not approved by Schools Forum – There would potentially be a reduction in the workforce as well as a reduction in the range of family services which make up the children’s centre core offer. In addition, there would be a risk to universal service delivery in order to respond and prioritise requests for services at a targeted level. This could result in unmet needs at a universal level. A reduction in the early intervention & preventative services contradicts our ambition to give children the best start in life & will potentially result in poorer outcomes.

5.13 **Sufficiency £43k** - A contribution towards the cost of the Sufficiency and Participation team, which is responsible for ensuring the sufficiency of Early Years places on a citywide level. The work involves supporting providers, monitoring places, and forecasting future demand, tracking take up of FEEE and assessing the sufficiency of places across a range of provision, which is accessible for families. Advice and support are available to school nurseries and other providers on improving their FEEE offer to ensure it meets the needs of their local families. Some limited business advice is also available to improve take up and in turn income, ensuring a more sustainable business model can be achieved.

Consequence if not approved by Schools Forum – Without the funding, there would be a lack of business support and advice for childcare providers starting up or expanding their business which could impact on the sufficiency of early years places. This business support has proved particularly useful for providers who have had to adapt their business model due to financial difficulties and has proved to be highly valuable to all types of providers.

5.14 **Northpoint Wellbeing Counselling** - The commission for this service is ending on 31st March 2024.

5.15 **Learning Improvement (Original) £215k** - This team provides and facilitates Early Years networks, training, bespoke training, and support for settings. The traded CPD

offer is available across all EY sectors and includes first aid, all key curriculum areas, and events such as the Early Years conferences. This team also brokers additional support through the wider Learning Improvement Team from specialist consultants to support the Early Years offer.

Consequence if not approved by Schools Forum – See below 5.16.

- 5.16 **Learning Improvement (Newly proposed to be funded through Early Years Block) £435k** – The Learning Improvement Team offers help to settings in relation to improving outcomes for children. This work includes Ofsted registration support, Pre-Ofsted support across all EY settings (childminders, private day nurseries and early years in schools). The offer also provides targeted and bespoke support to EY settings judged Requires Improvement and Inadequate following an Ofsted Inspection and the team facilitates links with Regional HMI inspectors.

The Early Years team provides support for settings during the expansion of childcare entitlement and regulatory changes as well as information sharing via networks across all EY sectors, including the development of the Early Years leadership and management gateway, newsletters, and partnership with the Family Information Service.

The team provides support on local priorities, for example, a targeted communication and language programme offered to settings in areas of the city with high indices of multiple deprivation and/or low FSP data for communication and language, reaching at least 10% of settings. This team provides the 0-5 educational steer on local initiatives, for example, the 'Best Start Strategy Group', 'NESTA Board', 'Communication and Language Steering Group' and 'Leeds as a Marmot city'.

Consequence if not approved by Schools Forum – The local authority is no longer funded, other than through grant funding, to deliver Learning Improvement and so Schools Forum not approving this allocation of funding would put the services delivered at risk.

- 5.17 **Safeguarding Team £50k** - A dedicated Early Years Safeguarding Officer within the Safeguarding Team provides support, guidance, advice, and training across the Early Years sector. This includes access to no-cost safeguarding training to Early Years settings. The officer manages Early Years safeguarding referrals received from Ofsted and undertakes appropriate follow-up investigation and support for settings. This role works with the Local Authority Designated Officer (LADO) and provides support, advice, and guidance during allegations towards staff in Early Years settings. On-site and telephone support for safeguarding is provided to Early Years settings through this service. The service also works with other teams supporting Early Years settings to ensure the safeguarding advice, guidance and support they provide is effective.

Consequence if not approved by Schools Forum – Access to training would no longer be available without an additional charge to childcare providers. As well as the potential for safeguarding to be compromised, this may ultimately be more costly to providers than the service being funded through the Early Years Block.

5.18 **Contingency £276k** – A contingency is proposed due to the uncertain nature of the number of eligible families who will take up the extended entitlements.

Consequence if not approved by Schools Forum – As there is a considerable expansion of FEEE in 2024/25, there is a high level of uncertainty on the impact of these changes. Not having a contingency fund would reduce our capacity to react to any issues identified during the year.

5.19 All consultation responses regarding the centrally retained 2.9% rate for 9-months-2-year-old funding were happy with this and expressed that they appreciated that the local authority had not proposed to retain the full 5% permitted in the guidance.

5.20 Almost all providers that responded regarding the centrally retained 3.9% rate for 3&4-year-old funding were happy with this and expressed that they appreciated that the local authority had proposed to retain less than the full 5% permitted in the DfE guidance. A small number of providers expressed that they felt they had not been given sufficient information about the purpose of the centrally retained element of the funding and on how the percentages had been calculated. The local authority has responded to these questions and will take this into account as part of the review of the information provided in the consultation for next year.

6. **Deprivation supplement**

6.1 The supplement retained for deprivation is paid out to providers where they have children attending who are claiming FEEE and who live in an identified area of deprivation.

6.2 We have heard from providers that, although the deprivation uplift is welcomed, many settings focus on the base rate, rather than the base rate + deprivation uplift, knowing that the base rate applies to all children. We are also aware that providers who serve areas of high deprivation find the uplift an important element of the funding formula within the DfE funding guidelines.

6.3 For 2024/25, the local authority is proposing to maintain the rate of 19p per child per hour deprivation supplement for 3 & 4-year-olds. The deprivation supplement is mandatory for this age group.

6.4 For the under 2-year-olds and the 2-year-olds cohort, the local authority is proposing to introduce a deprivation supplement of 10p per child per hour, which will be reviewed for 2025/26. The deprivation supplement is not mandatory for these age groups and is being proposed at a lower rate to the 3 and 4-year-olds to ensure that the 2 year old base rate, which increased to £7.78 in September 2023, is maintained.

6.5 Deprivation uplift payments are paid termly in the balancing payment for the term as child level information is needed to be able to determine how much deprivation uplift is to be allocated.

6.6 Providers who responded to the consultation welcomed the expansion of the deprivation uplift to all age ranges.

7. **Special Educational Needs Inclusion Fund (SENDIF)**

- 7.1 The local authority is proposing to set a 9p per hour per child supplement for the Special Educational Needs and Disability Inclusion Fund (SENDIF), which is mandatory, across all age ranges within the extended entitlements.
- 7.2 The increase considers the regular feedback from providers that special educational needs is one of the most significant challenges they are facing. This is reinforced by the number of children aged 3 and 4, identified as in need of SENDIF, increasing steadily over the last 2 years. SENDIF in 2022/23 was overspent by 53% against budget with a further overspend of 77% projected for 2023/24. There will also be additional SENDIF requirement as funding is allocated for 9-month-olds to 2-year-olds in 2024/25. The local authority is proposing to increase the unit value of SENDIF funding from £600 to £696 in light of the increase in the costs and complexities being faced by providers.
- 7.3 Providers access the SENDIF by applying to the Funding For Inclusion Team, as per the current arrangements, and are paid termly. The supplement will support the increase from a maximum of £1,800 per year to £2088 for a child attending 15 hours and from £3,600 to £4176 for a child attending 30 hours.
- 7.4 Providers who responded to the consultation welcomed the expansion of SENDIF to all age ranges.

8. **Other**

- 8.1 **The Disability Access Fund** is a fixed amount allocated by the DfE which is paid in accordance with national regulations to those children in receipt of Disability Living Allowance. The amount allocated by the DfE has increased from £828 per annum to £910 per annum. This is funded by the DfE based on DWP data and providers claim this funding when a parent identifies and can evidence that they are in receipt of Disability Living Allowance for their child.
- 8.2 **Early Years Pupil Premium (EYPP)** is paid to all providers where the child is eligible for pupil premium as outlined by the DfE. The rate paid is determined by the DfE and in 2024/25 will be £0.68 per hour (increased from £0.66 in 2023/24).

9. **Recommendations**

Members of Schools Forum are asked to:

1. Note the funding proposals for the Early Years Funding formula.
2. Approve items 1 to 13 of the centrally retained funding identified in point 5.6 within the Main Issues section of this paper.
3. Note that the Director of Children and Families will determine the Early Years Block Funding Formula and the rates to be paid to providers in 2024/25 by 12 March 2024, subject to Leeds City Council's call-in arrangements.

Schools Forum forward plan 2023/24

Schools Forum date	Driver for date	Agenda items	Purpose	Responsible officer	Comments
	No external requirements	School balances 2023/24 outturn	Information	Lucie McAulay/ Rosie Harrison	
		DSG 2023/24 outturn	Information	Lucie McAulay/Shirley Maidens	
	Get views from SF before consultation	DSG budget monitoring 2024/25	Information	Lucie McAulay/Shirley Maidens	
		School funding update 2024/25, including consultation plans	Information	Lucie McAulay	
		DSG Medium Term Financial Strategy 2025/26 - 2029/30	Information	Lucie McAulay	
	Assume consultation the week before and after half term then need time to clear reports before SF. Disapplication deadline usually 20th November, SF	School funding formula arrangements 2025/26, including any transfers of funding between the DSG blocks	Decision and consultation	Rosie Harrison / Lucie McAulay	
	APT deadline usually 21st Jan, SF needs to be before this. Final funding figures received from ESFA at end of Dec. Need as much time as possible at start of Jan to do modelling before SF meeting.	Final school funding arrangements 2025/26	Information	Lucie McAulay	
		De-delegation 2025/26 decision	Decision	Rosie Harrison / Lucie McAulay	
	Approval of EY funding by SF before end of Feb. Can't hold SF meeting during half term.	Free Early Education Entitlement rates and centrally retained funding 2025/6	Decision and consultation	Chris Sutton	
		High Needs Budget 2025/26	Information	Lucie McAulay / Shirely Maidens	
		DSG budget monitoring 2024/25	Information	Lucie McAulay/Shirley Maidens	
		Schools In Financial Difficulty Terms Of Reference	Information	Lucie McAulay	

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