

Time	4.00 pm	Public Meeting?	YES	Type of meeting	Partnership Boards
Venue	Committee Room 3 - 3rd Floor - Civic Centre				

Membership

Karen Preston (Chair)	Academies Sector Representative
Stephen Smith (Vice Chair)	Primary Sector Governor Representative
Daryl Asbury	Academies Sector Representative
Kirsty Banks	Academies Sector Representative
Rachael Brown	Pupil Referral Unit Headteacher Representative
Ian Browne	16 - 19 Education Representative
Linda Campbell	Nursery Sector Governors Substitute
Kate Charles	Primary Sector Substitute
Amarjit Cheema	Academies Sector Substitute
Louisa Craig	Academies Sector Representative
Ben Davis	Academies Sector Representative
Lorraine Dawney	Special School Sector Substitute
Gary Gentle	Diocesan Representative Substitute
Trisha James	Primary Sector Governor Representative
Samantha Kemp-Marshall	Early Years (PVI Sector) Representative
Susan Lacey	Nursery Sector Head Teacher Representative
Carroll McNally	Non-School Member Diocesan Schools Representative
Bhaksho Raj	Academies Sector Representative
Zoe Rollinson	Primary Sector Headteacher Representative
Emma Smith	Nursery Sector Headteacher Substitute
Andrea Stephens	Secondary Sector Headteacher Substitute
Graham Tate	Academies Sector Representative
Lisa Thompson	Diocesan Schools Representative
Elizabeth Towner	Early Years (PVI Sector) Substitute
Lucia Jayne Turner	Nursery Sector Governor Representative
Samantha Walker	Primary Sector Headteacher Representative
Lindsay Watson	Pupil Referral Unit Sector Substitute
Lisa-Anne Westwood	Academies Sector Representative
Sarah Whittington	Special School Sector Head Teacher Representative
Phil Williams	Academies Sector Representative

Observer Status

Emma Bennett	Executive Director of Families
Councillor Chris Burden	Cabinet Member for Education, Skills and Work
Bill Hague	Head of Business and Support Services
Brenda Wile	Deputy Director of Education

Information for the Public

If you have any queries about this meeting, please contact:

Contact Shelley Humphries
Tel/Email 01902 554070 shelley.humphries@wolverhampton.gov.uk

Copies of other agendas and reports are available from:

Website <http://wolverhampton.cmis.uk.com/decisionmaking>
Email democratic.support@wolverhampton.gov.uk
Tel 01902 555043

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Some items are discussed in private because of their confidential or commercial nature. These reports are not available to the public.

Agenda

Part 1 – items open to the press and public

- | <i>Item No.</i> | <i>Title</i> |
|-----------------|--|
| 1 | Welcome and Introductions |
| 2 | Apologies |
| 3 | Declaration of Interest or Confidentiality |
| 4 | Minutes of the Previous Meeting - 17 February 2022 (Pages 1 - 6)
[To approve the minutes of 17 February 2022 as a correct record.] |
| 5 | Matters Arising
[To consider any matters arising from the minutes of the meeting held on 17 February 2022.] |
| 6 | Schools' Forum Membership 2021- 2022 Update (Pages 7 - 10)
[To receive an update on current Schools' Forum Membership.] |
| 7 | Schools' Forum Forward Plan 2022 - 2023 (Pages 11 - 14)
[To note the Schools' Forum Forward Plan 2022 - 2023.] |

ITEMS FOR DISCUSSION OR DECISION

- | | |
|----|---|
| 8 | Dedicated Schools Grant Outturn 2021-2022 (Pages 15 - 18)
[To receive the report on the final out turn against the DSG in 2021-2022.] |
| 9 | Surplus and Deficit Budget Monitoring (Pages 19 - 22)
[To receive an update on surplus and deficit budget monitoring and balances held in maintained schools.] |
| 10 | High Needs Sub-Group Update
[To receive an update from the Chair of the High Needs Sub-Group.] |
| 11 | Any Other Business |
| 12 | Dates for future meetings <ul style="list-style-type: none">• 29 September 2022• 1 December 2022• 19 January 2023• 16 February 2023 |

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<p>CITY OF WOLVERHAMPTON COUNCIL</p>	<h2 style="margin: 0;">Schools' Forum</h2> <h3 style="margin: 0;">Minutes - 17 February 2022</h3>
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Attendance

Members of the Schools' Forum

Karen Preston (Chair)	Academies Sector Representative
Daryl Asbury	Academies Sector Representative
Kirsty Banks	Academies Sector Representative
Rachael Brown	Pupil Referral Unit Headteacher Representative
Louisa Craig	Academies Sector Representative
Ben Davis	Academies Sector Representative
Trisha James	Primary Sector Governor Representative
Susan Lacey	Nursery Sector Head Teacher Representative
Carroll McNally	Non-School Member Diocesan Schools Representative
Graham Tate	Academies Sector Representative
Lisa Thompson	Diocesan Schools Representative
Lucia Jayne Turner	Nursery Sector Governor Representative
Samantha Walker	Primary Sector Headteacher Representative
Lisa-Anne Westwood	Academies Sector Representative
Sarah Whittington	Special School Sector Head Teacher Representative
Phil Williams	Academies Sector Representative

Observer Status

Helen Bakewell	Head of Service Inclusion and Empowerment
Bill Hague	Head of Business and Support Services
Councillor Dr Michael Hardacre	Cabinet Member for Education, Skills and Work

In Attendance

James Barlow	Finance Business Partner
Shelley Humphries	Democratic Services Officer
Terry Shaw	Finance Manager
John Wood	Lead Commissioner for SEND

Item No. Title

- 1 **Welcome and Introductions**

- 2 **Apologies**
 Apologies were received from Schools' Forum members Stephen Smith, Bhaksho Raj, Zoe Rollinson and Linda Campbell. Apologies were also received from Brenda Wile.

- 3 **Declaration of Interest or Confidentiality**
 There were no declarations of interest or confidentiality.

4 **Minutes of the Previous Meeting - 20 January 2022**

Resolved:

That the minutes of the meeting of 20 January 2022 be approved as a correct record.

5 **Matters Arising**

Minute 8

In respect of the offer from Councillor Dr Michael Hardacre to contact the Department for Education regarding timeliness of information needed by schools, it was noted that a letter was being carefully drafted to ensure the message was relayed in a sensitive manner.

6 **Schools' Forum Membership 2021- 2022 Update**

Bill Hague, Head of School Business and Support Services presented the Schools' Forum Membership 2021- 2022 Update.

It was reported that PVI nominations had been received and an update would be provided once appointments had been made. ConnectEd had been consulted in respect of other vacancies.

Resolved:

That the Schools' Forum Membership 2021- 2022 Update be received.

7 **Schools' Forum Forward Plan 2022 - 2023**

Bill Hague, Head of School Business and Support Services presented the Schools' Forum Forward Plan 2022 - 2023 and highlighted future agenda items.

Schools' Forum members were invited to suggest any items they wished to receive at future meetings by contacting either Bill Hague, Head of School Business and Support Services or Shelley Humphries, Democratic Services Officer.

Resolved:

That the Schools' Forum Forward Plan 2020 – 2021 be noted.

8 **High Needs Block Funding 2022 - 2023**

Terry Shaw, Finance Manager presented the High Needs Block Funding 2022 – 2023 report and highlighted salient points. The report provided an update on the High Needs Block (HNB) of the Dedicated Schools Grant (DSG) 2022-2023 and sought approval to allocate the funding in accordance with the guidance issued by the Education and Skills Funding Agency.

Thanks were extended for the timely turnaround of the paper and reporting to the High Needs Sub-group for consideration. It was acknowledged that details of the overspend had been provided within the report, which also reflected the main concerns around the increase in places. It was noted that budget monitoring challenges often arose as school budget agreements for high needs places were typically informed by previous census figures and not current data. It was hoped that the appointment of the Finance Operator would continue the positive impact on data monitoring and budget planning going forward.

It was felt that communication between Finance and School Business and Support Services had improved in recent years and it was reported that future work was set

to involve the Insight and Performance team to further improve timely data analysis and planning.

It was highlighted that a sub-group of the High Needs Sub-group had been established to focus on Matrix banding and would be discussed in more detail in agenda item 13.

Resolved:

1. That Schools' Forum note the anticipated settlement for 2022-2023.
2. That Schools' Forum approve the allocation of High Needs expenditure for 2022-2023.
3. That Schools' Forum note the matrix bands for 2022-2023.
4. That Schools' Forum approve a total per place contribution for maintained Pupil Referral Units (PRUs) and Special Schools to support the delivery of local authority retained education functions previously funded by Education Services Grant.

9 **Early Years Block Funding 2022 - 2023**

Terry Shaw, Finance Manager presented the Early Years Block Funding report and highlighted salient points. The report provided a summary of the Early Years funding block of the Dedicated Schools Grant, as illustrated in the Dedicated schools grant (DSG): 2022 to 2023 announcement made by the Education and Skills Funding Agency (ESFA) in December 2021.

Thanks were extended for the transparency of figures for the hourly rate for maintained nursery schools.

A concern was raised centred around indicative allocations for maintained nursery schools' supplementary funding. It was noted that out-turns from the past three years presented actual amounts that were lower than indicative amounts. A request was made for clarification as this appeared to show an unused underspend.

Bill Hague, Head of School Business and Support Services and Finance Officers acknowledged the discrepancy and agreed to examine figures over the period to formalise an answer within an Early Years surplus balance report for the next meeting. It was clarified that the figures referenced in the query were separate to the Early Years Block underspend and acknowledged that any surplus found was to be used solely for the benefit of maintained nursery schools.

Resolved:

1. That the proposed use of the Early Years Block grant for 2022-2023 be agreed.
2. That clarification be provided on underspend in maintained nursery schools' supplementary funding.

10 **Central Services Block Funding 2022 - 2023**

Terry Shaw, Finance Manager presented the Central Services Block Funding 2022 – 2023 report and highlighted key points. The report provided an update on the Central Schools Services block of the Dedicated Schools Grant (DSG) Services and sought approval for a list of items that the Local Authority managed centrally on the behalf of schools and academies.

Resolved:

That Schools Forum agree the individual lines of the proposed budget allocation of the Central Schools Services Block for 2022-2023.

11 **Schools Block Funding 2022 - 2023**

Terry Shaw, Finance Manager presented the Schools Block Funding 2022 – 2023 report and highlighted key points. The report provided an update on the Schools' Block of the Dedicated Schools' Grant (DSG) 2022-2023, following Forum agreement to apply the national funding formula, in accordance with the guidance issued by the Education and Skills Funding Agency (ESFA).

It was confirmed that the funding figures were the same as agreed the January meeting of Schools' Forum, it had been expressed as Education Functions instead of de-delegations as government terminology had changed.

It was reiterated that the Schools' Block had been calculated to be affordable with no capping and minimum funding guarantee of 2% as recommended by ESFA. It was noted that Wolverhampton schools were in a good position having moved to the national funding formula some time ago.

Resolved:

That the individual schools' budget settlement for 2022-2023 be noted.

12 **Early Years Funding - Options for Future Use of Underspend**

Bill Hague delivered the Early Years Funding - Options for Future Use of Underspend presentation.

It was reported that the out-turn for 2020 – 2021 identified an underspend of £2.36 million which the Department for Education (DfE) were not planning to recoup. A workshop including officers from Early Years and Schools' Forum members had taken place to formulate plans to maximise the use of this underspend to benefit the Early Years sector.

The presentation outlined the prevailing issues in the Early Years sector, which included reduction in take-up of early years places, which could be attributed to factors such as COVID, Britain's departure from the EU or cultural differences (for example, in some cultures, children did not join mainstream education until the age of seven).

Inconsistency of availability for 2-year-old settings and places across the City and recruitment and retention of staff also presented challenges.

The two main proposals for the use of the underspend included:

1. Universal promotion of the Early Years Offer in Wolverhampton
2. Early Years Improvement Fund

The first proposal outlined the appointment of a Communications / Marketing Officer and a Sufficiency Officer over a two-year period to lead campaigns promoting the Early Years offer and provide support to all providers across the City, which included attracting quality staff with the promotion of career opportunities in the sector. The second included the creation of a fund to support specific projects aimed at providing

new or improved facilities or learning projects focused on physical skills or communication and language skills.

It was suggested that a blended approach of strategic long-term oversight as well as the provision of the immediate support needed for the current cohort.

Concerns had arisen around the impact of COVID and a lack of school readiness and the impact on children's speech, language and social skills caused by periods of isolation during lockdown at an early stage of development. It was also thought that the reduction of children attending nursery over the pandemic may have contributed to delays identifying special educational needs early on, with a consequential effect of delayed funding for support once children were in school.

Support for parents was called for, particularly around preparing their children for school and it was noted that there had been no COVID recovery funding for early years settings.

It was also suggested that additional funding could be attracted from other sources to bolster training and development in the sector.

It was acknowledged that funding benefitted the children best when passported directly to settings and members expressed appreciation for the pass-through rate offered within Wolverhampton. It was also recognised that planning and appropriate intervention early on may negate pressure further down the line.

Thanks were extended to everyone who had contributed and it was agreed that proposals would be further developed and formalised to present to a future meeting of Schools Forum for approval.

Resolved:

1. That the presentation on the Early Years Funding - Options for Future Use of Underspend be received.
2. That formalised proposals for the use of the Early Years Underspend would be presented to Schools Forum for approval.

13

High Needs Sub-Group Update

In her capacity as Chair of the High Needs Sub-Group, Sarah Whittington provided a verbal update on work undertaken by the group.

It was reported that the High Needs Sub-Group Terms of Reference had been reviewed and updated to reflect new membership, responsibilities, frequency and work schedule.

It was noted that Penn Hall residential was no longer included in the budget plan because of the lack of financial viability and discussions were currently ongoing with Brenda Wile, Bill Hague and the school to establish a way forward.

Out of City and independent places were currently under review which included further education, custodial, mainstream, independent and special school places. The latter two made up more than a quarter of the budget therefore work was ongoing to gradually reduce out of City placements where possible. Commissioned places had been agreed for September 2022.

A Matrix Sub-group had also been established which would be meeting next on 10 March 2022. The last meeting had focused on modelling for matrix banding.

It was reported that a number of issues had been identified around funding particularly around top-up funding and special schools' reliance on additionality funding as well as methods of recording data to inform the annual review process on matrix banding.

It was suggested that top-up banding could be set in advance each financial year and modelling had been explored using an existing school, the Essex model and other modelling methodology.

It was proposed that this exploratory work continued, perhaps using a school with a stable cohort, to establish a system ready for the next financial year to avoid placement breakdowns and reduce the need for additionality funding.

It was requested that thanks be extended to all members of the High Needs Sub-Group on behalf of Schools' Forum.

Resolved:

1. That the exploration of different matrix banding models for the 2022 – 2023 financial year be supported by Schools' Forum, subject to further consultation with City of Wolverhampton Council Officers.
2. That the Chair of the High Needs Sub-Group relay thanks to all Sub-Group members on behalf of Schools' Forum.

14 **Dates for future meetings**

It was noted that the dates for future meetings had been scheduled for:

- 30 June 2022 (tbc)
- 29 September 2022
- 01 December 2022
- 19 January 2023
- 16 February 2023.

Confirmation of the June date would be relayed in due course. The Chair wished all a safe half-term and issued a reminder in respect of Storm Eunice warnings.

The Chair closed the meeting at 17:22.

Schools' Forum Membership

Last updated: June 2022

Primary sector						
Headteacher / Representatives	Nominated	Term ends	Governors	Elected	Term ends	Notes
Samantha Walker (Wodensfield Primary School)	01.02.19	Sep 22	Stephen Smith (Vice Chair) (Warstones Primary School)	09.09.20	Sep 23	4 representatives of which at least 2 must be governors.
Zoe Rollinson (Lanesfield Primary School)	24.03.18	Sep 24	Trisha James (Dovecotes Primary School)	01.09.20	Sep 23	
Substitute			Substitute			
Kate Charles (Stow Lawn Primary School)	16.09.19	Sep 22	Vacancy			

Secondary sector						
Headteacher / Representatives	Nominated	Term ends				Notes
Andrea Stephens (Headteacher – Colton Hills Schools)	17.02.2021	Sep 24				1 Representative
Substitute						
Vacancy						

Nursery sector						
Headteacher / Representatives	Nominated	Term ends	Governors	Elected	Term ends	Notes
Susan Lacey (Ashmore Park Nursery School)	03.09.20	Sep 23	Lucia Jayne Turner (Windsor Nursery)	01.09.20	Sep 23	2 representatives: <ul style="list-style-type: none"> • 1 Headteacher or their representative (e.g. bursar) • 1 Governor Representative
Substitutes			Substitute			
Emma Smith (Bilston and Eastfield Nurseries)	19.01.2022	Sep 25	Linda Campbell (Low Hill Nursery School)	13.11.20	Sep 23	

Schools' Forum Membership

Last updated: June 2022

Special school sector						
Headteacher / Representatives	Nominated	Term ends	Governors	Elected	Term ends	Notes
Sarah Whittington (Tettenhall Wood School)	10.03.18	Sep 24	Vacancy			2 representatives: <ul style="list-style-type: none"> • 1 Head teacher or their representative (e.g. bursar) • 1 Governor Representative
Substitute			Substitute			
Lorraine Dawney (Green Park School)	22.10.20	Sep 23	Vacancy			

Pupil Referral Unit				
Headteacher / Representatives	Nominated	Term ends		Notes
Rachael Brown (Executive Headteacher – Lawnswood Campus)	06.02.20	Sep 23		1 representative
Substitute				
Lindsay Watson (Lawnswood Campus)	20.01.22	Sep 25		

Academies Sector				
Representatives	Nominated	Term ends		Notes
Darryl Asbury (Executive Headteacher - Perry Hall MAT)	18.11.19	Sep 22		11 representatives: <ul style="list-style-type: none"> • At least one must be a representative of a mainstream Academy • If there are any special Academies in the Authority's area at least one member must be a representative of a special Academy • If there are any alternative provision Academies in the Authority's area at least one must be a
Louisa Craig (St Francis and St Clare Catholic MAC)	11.10.18	Sep 24		
Ben Davis Headteacher (St. Martin's MAT)	11.10.18	Sep 24		
Lisa Westwood (Headteacher – Villiers Primary)	24.02.20	Sep 23		
Vacancy				
Karen Preston (Chair) (Governing Board Member, Woodfield Primary)	14.11.18	Sep 24		
Bhaksho Raj (St Francis & St Clare Catholic MAC)	26.09.19	Sep 22		

Schools' Forum Membership

Last updated: June 2022

Academies Sector				
Representatives	Nominated	Term ends		
Graham Tate (Highfields)	01.10.20	Sep 23		representative of an alternative provision Academy
Phil Williams (CLPT)	11.10.18	Sep 24		
Kirsty Banks (St. Stephen's C of E Primary School)	14.11.18	Sep 24		
Substitutes				
Vacancy				
Amarjit Cheema (CEO - Perry Hall MAT)	10.09.20	Sep 23		
Vacancy				
Vacancy				

Non School Members

Sector	Representative	Nominated	Term ends	Notes
Diocesan Schools (x2)	Carroll McNally (Holy Trinity Catholic)	15.09.20	Sep 23	4 Representatives: <ul style="list-style-type: none"> • 2 representatives of Diocesan schools • 1 representative of Early Years Education (Private, Voluntary and Independent) (PVI Sector) • 1 representative of providers of 16-19 education.
	Lisa Thompson (St Andrews C of E Primary School)	25.02.21	Sep 24	
	Substitute			
	Gary Gentle (Bilston CE)	01.09.20	Sep 23	
	Vacancy			
Early Years (PVI Sector)	Samantha Kemp-Marshall	27.06.22	Sep 25	
	Substitute			
	Elizabeth Towner	27.06.22	Sep 25	
16 -19 Education	Ian Browne	13.09.20	Sep 23	

Observer Status Members

LA Role	Representative	Notes
Cabinet Member for Education, Skills and Work	Councillor Christopher Burden	
Executive Director of Families	Emma Bennett	
Deputy Director for Education	Brenda Wile	
Head of School Business and Support Services	Bill Hague	
Clerk to the Forum	Democratic Services Officer	Contact
Democratic Services Officer	Shelley Humphries	email: shelley.humphries@wolverhampton.gov.uk Tel: 01902 554070

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City of Wolverhampton Council

SCHOOLS' FORUM

Date	7 July 2022
Report title	Schools' Forum – Forward Plan 2022 - 2023
Contact Officer	Bill Hague, Head of School Business and Support Services
Telephone number	01902 555100

Summary

This report outlines the Forward Plan for Schools' Forum for 2022 - 2023.

It is good practice to have a forward plan to ensure that Forum members are aware of the schedule of reports that need to be considered and decisions made.

Decision

Members of the Schools' Forum are asked to note and comment on the Forward Plan (Appendix 1).

**Wolverhampton Schools' Forum
Forward Plan 2022 – 2023**

Date of Meeting	Item Type	Responsible Officer
7 July 2022		
Surplus and Deficit Budget Monitoring	Information Item	James Barlow / Terry Shaw
Dedicated Schools Grant Out-turn	Information Item	James Barlow / Terry Shaw
High Needs Subgroup Update	Information Item	Sarah Whittington
29 September 2022		
Election of Chair and Vice Chair	Decision Item	All
Schools' Forum Constitution 2022 - 2023	Decision Item	Bill Hague
Budget Monitoring and School Balances Report		James Barlow
Early Years Underspend Update	TBC	Bill Hague/Phil Leivers
Education Role in the Exploitation Hub	TBC	Rachel King
Update on the Impact of the Education MASH Officer	Information Item	Louise Anderson
High Needs Subgroup Update	Information Item	Sarah Whittington
1 December 2022		
Growth Fund Update	Information Item	David Kirby
2023/2024 Consultation on Schools' Funding Formula	Decision Item	James Barlow
2023/2024 High Needs Place Commissioning	Decision Item	TBC
High Needs Subgroup Update	Information Item	Sarah Whittington
19 January 2023		
Dedicated Schools Grant and School Funding 2023/24	Decision Item	James Barlow
High Needs Subgroup Update	Information Item	Sarah Whittington
16 February 2023		
High Needs Block Funding 2023	Approval Item	James Barlow
Early Years Block Funding 2023	Approval Item	James Barlow
Central Services Block Funding 2023	Approval Item	James Barlow
Schools Block Funding 2023	Approval Item	James Barlow
High Needs Subgroup Update	Information Item	Sarah Whittington

**Wolverhampton Schools' Forum
Forward Plan 2022 – 2023**

Date of Meeting	Item Type	Responsible Officer
29 June 2023 TBC		
School Balances Update	Information Item	James Barlow
Dedicated Schools Grant Out-turn	Information Item	James Barlow
High Needs Subgroup Update	Information Item	Sarah Whittington

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City of Wolverhampton Council

SCHOOLS' FORUM

Date	7 July 2022
Report title	Dedicated Schools Grant Outturn 2021-2022
Contact Office	Terry Shaw, Finance Manager
Contact Email Address	terry.shaw@wolverhampton.gov.uk

Summary

The purpose of this report is to inform Members of the Schools' Forum on the final expenditure against the Dedicated Schools Grant (DSG) in 2021-2022.

Decision

Members of the Schools' Forum are asked to:

1. Note the latest 2021-2022 DSG allocation published by the Department for Education.
2. Receive the report on the final out turn against the DSG in 2021-2022.

1.0 Background

- 1.1 On 17 December 2020, the Government announced the Local Authority's DSG allocation for 2021-2022. The City of Wolverhampton's initial allocation was £291.74 million detailed over the main funding blocks. Over the course of 2021-2022, the DSG has been updated to reflect initial changes in the levels of participation across the early years sector and changes as a consequence of the academisation process. The most recent 2021-2022 DSG allocation updated as at March 2022 was £290.05 million. The final update of the 2021-2022 DSG allocation will be published in July 2022.

Block	Latest DSG Allocation 2021-2022 £m	ESFA Recoupment £m	Net DSG received by Authority £m
Schools Block	223.90	(152.89)	71.01
Central Schools Services Block	2.09	0.00	2.09
High Needs Block	46.53	(5.83)	40.70
Early Years Block	17.53	0.00	17.53
Total	290.05	(158.72)	131.33

2.0 2021-2022 Outturn by Funding Block

Schools Block

	2021-2022 Budget £m	Schools Block £m	Growth Fund £m	Variance £m
Brought forward from 2020-2021			(1.96)	(1.96)
Recoupment for Academies	152.88	152.88		0.00
Transfer to growth fund	1.67	1.67	(1.67)	(1.67)
Transfer to Schools	69.35	69.35		0.00
Growth Fund expenditure in year			2.27	2.27
Total	223.90	223.90	(1.36)	(1.36)

- 2.1 The carried forward balance of £1.36 million relates to accruals and future commitments on the growth fund as per the agreed School's block budget for 2022-2023.

Central Schools Services Block

- 2.2 The Central Schools Services Block had a brought forward underspend of £0.04 million in 2021-2022 to support the appointment of the ONE System Manager. The underspend increased to £0.11 million at the end of 2021-2022 and will be used to develop the IT remote learning offer and to fund the statutory Children Missing Education (CME) post in 2022-2023.

DSG Central Services Block	2021-2022 Budget £m	2021-2022 Expenditure £m	Variance £m
Brought Forward Balance from 2020-2021	0.00	(0.04)	(0.04)
Tri-partied Funding	0.45	0.45	0.00
Termination of employment costs	0.05	0.05	0.00
School Admissions	0.41	0.41	0.00
Servicing of Schools' Forum	0.03	0.03	0.00
Licences/subscriptions	0.23	0.23	0.00
Statutory and Regulatory Services	0.16	0.16	0.00

DSG Central Services Block <small>continued</small>	2021-2022 Budget £m	2021-2022 Expenditure £m	Variance £m
Education Welfare	0.27	0.27	0.00
Asset Management	0.18	0.18	0.00
Contribution to One System Manager	0.03	0.02	(0.01)
MASH Support	0.06	0.06	0.00
Develop IT Remote Learning Offer	0.06	0.00	(0.06)
Centrally Employed Teachers	0.16	0.16	0.00
Total	2.09	1.98	(0.11)

High Needs Block

- 2.3 The budget of £40.37 million is made up of the government's allocation (£40.70 million), and a brought forward deficit balance from 2021-2022 (£0.33 million). The table below shows an overspend of £0.38 million (less than 1% of overall budget) on the High Needs Block in 2021-2022 which will be offset against the 2022-2023 allocation as mandated by the Education and Skills Funding Agency. Additional work continues to be undertaken in 2022-2023 to improve forecasting particularly in the areas of overspend in 2021-2022.
- 2.4 Although the in-year expenditure was close to the government's total allocation, there were variations at budget level as shown in the table below. This included an overspend against the original budget of £1.75 million on Out of City placements, and as detailed above the recent improvements in data should allow this budget to be set more accurately in future.
- 2.5 Work is ongoing to continue to improve the financial projections and scrutiny around SEN Education Out of City Placements. Processes are now in place to ensure that all invoices received in 2022-2023 relate to that financial year and not to previous years.

Cost Centre Description	2021-2022 Revised Budget £m	2021-2022 Expenditure £m	(Underspend) / Overspend £m
Brought Forward Balance from 2020-2021	0.33	0.33	0.00
SEN Early Years Team	1.13	0.94	(0.19)
SEN Sensory Inclusion	0.64	0.60	(0.04)
SEN Admin Team	1.69	1.22	(0.47)
SEN Education Out of City	3.99	5.74	1.75
Alternative Provision	0.85	0.19	(0.66)
Post 16 SEN Provision	1.50	1.69	0.19
High Needs Top Ups Maintained Schools	10.80	10.57	(0.23)
High Needs Place Funding	8.64	8.86	0.22
SEN Additionality	1.13	0.84	(0.29)
High Needs Top Up Academies	5.28	5.60	0.32
High Incidence SEN	0.14	0.02	(0.12)
PFI – Penn Fields	0.25	0.26	0.01
Outreach	0.90	0.92	0.02
Additional Nursery & Reception SEND	0.31	0.07	(0.24)
SEN Commissioning Team	0.83	0.62	(0.21)
SEN LAC Tripartite Funding	0.75	1.08	0.33
High Needs Funding – Hospital Education	0.49	0.48	(0.01)
High Needs Funding – Home Education	0.37	0.37	0.00
Teachers' Pay and Pensions	0.69	0.69	0.00
Total	40.71	41.09	0.38

Early Years Block

- 2.6 The Early Years Block had a brought forward underspend of £1.98 million, which has decreased in 2021-2022 to a carried forward underspend of £1.40 million. Additional work is being undertaken in 2022-2023 to utilise the amount carried forward to further support the City's Early Years settings.

Cost Centre Description	2021-2022 Budget £m	2021-2022 Expenditure £m	Variance £m
Brought Forward Balance from 2020-2021	0.00	(1.98)	(1.98)
Entitlement Funding Disadvantaged 2-Year-Olds	2.74	2.90	0.16
Universal Entitlement for 3- and 4-Year-Olds	9.87	10.06	0.19
Additional Entitlement for 3- and 4-Year-Olds	2.35	2.47	0.12
Pupil Premium	0.32	0.32	0.00
Disability Access Fund (DAF)	0.09	0.02	(0.07)
SEN Inclusion Fund	0.25	0.33	0.08
Weighted Deprivation 3- and 4-Year-Olds	0.98	1.08	0.10
Maintained Nursery School Supplement	0.87	0.87	0.00
Early Years Central Support Team	0.06	0.06	0.00
Total	17.53	16.13	(1.40)

The in-year overspend and resulting reduction in the brought forward balance in 2021-2022 was mainly due to an increase in the demand for places for disadvantaged two-year-old children, in addition to an increase in the demand for three- and four-year-old places.

City of Wolverhampton Council

SCHOOLS' FORUM

Date	07 July 2022
Report title	Surplus and Deficit Budget Monitoring
Contact Officer	Terry Shaw, Finance Manager
Contact Email Address	terry.shaw@wolverhampton.gov.uk

Summary

This is a report to update Members of Schools' Forum on the Local Authority processes of monitoring schools having or forecasting a deficit balance and schools carrying excess surplus balances, and to note the balances held within Wolverhampton maintained schools as of 31 March 2022.

Decision

Members of the Schools' Forum are asked to:

1. Note the level of balances in maintained schools as at 31 March 2022.
2. Note the approach to challenging schools around the level of their balances and their plans for those resources.
3. Note the monitoring and reporting methodology.

Schedule of background papers (If applicable)

1. [Scheme for Financing of Schools January 2019.](#)

1.0 Purpose

- 1.1 This report will update Schools' Forum members of the work currently being undertaken in relation to maintained schools having or predicted to have deficit balances, and with those that are carrying excess surplus balances.

2.0 Background/Process

- 2.1 This report outlines the processes followed by the Local Authority in the monitoring of potential deficit balances, including the desktop monitoring and Licensed Deficit application.
- 2.2 The Scheme for Financing Schools provides an option for the clawback of excess surplus balances subject to an arbitration panel. Any balances clawed back are redistributed to schools through a School Improvement bid process.

3.0 Monitoring of Deficit Balances

- 3.1 Schools are currently required to submit budget plans twice per year – original budget plans in May, with updated, revised Autumn term plans in October. Upon receipt of these plans, officers identify schools that are forecasting a deficit, and add them to a monitoring watchlist. The following table is a summary of the schools ending 2021-2022 with a deficit balance, and those reporting a future deficit in the May budget plans:

School Phase (Number of LA schools)	2021-22 Actual	2022-23 Budget Plan	2023-2024 Budget Plan	2024-2025 Budget Plan
Nursery (7)	2	2	3	4
Primary (34)	1	0	3	17
Secondary (3)	1	1	1	1
Special (4)	0	0	0	1
PRU (3)	0	0	3	3
Total	4	3	10	26

The plans submitted in May are provisional in relation to future funding levels, since there are uncertainties that cannot be built into a budget plan. It is expected that the October plans will be more robust, though it is accepted that continued uncertainties remain around future levels of funding.

- 3.2 Schools are expected to apply for a licensed deficit at the point that they anticipate their end of current year budget to be in a deficit position greater than £10,000. The following table illustrates the value of the deficit position for each phase of school:

Value of forecast deficit by end of 2022-23 Financial Year					
School Phase	<£10,000	£10,000 - £100,000	£100,000 - £200,000	£200,000 - £500,000	>£500,000
Nursery	0	2	0	0	0
Primary	0	0	0	0	0
Secondary	0	0	1	0	0
Special	0	0	0	0	0
PRU	0	0	0	0	0
Total	0	2	1	0	0

Two of the schools included in the above figures are currently operating within a licensed deficit scheme.

4.0 Monitoring of Excess Surplus Balances

4.1 A school's right to carry forward surplus balances is covered in Section 4 of the Scheme for Financing Schools. Section 4.2 states:

'The Authority, under arrangements approved by the Schools' Forum, will recover excessive surplus balances from individual schools that are unsupported by specific proposals for their use. Any such amounts recovered will be redistributed across the appropriate local area under arrangements approved by Schools' Forum.'

4.2 Current arrangements are that schools with an existing surplus are expected to submit updated plans in July, and those with new surplus balances submit plans in October. These plans are reviewed by Local Authority officers and headteachers are invited to further explain their plans at meetings held through the Autumn term. Where it is deemed necessary, an arbitration panel is held where a final decision is made about any clawback of funding at the end of the financial year.

4.3 The following table illustrates the number of schools that held excess surplus balances at the end of 2021-2022 financial year:

Number of Schools and Total Value of Excess Surplus Balances 2021-2022					
School Phase	Total Opening Balance 2021-2022	Total Closing Balance 2021-2022	Total number of Schools	Schools with Excess Surplus	Total Excess Surplus Balance
	£000	£000			£000
Nursery	1,287	1,202	7	5	1,005
Primary	8,439	9,050	34	29	4,627
Secondary	285	2,523	3	2	1,983
Special	2,155	2,239	4	3	1,251
PRU	1,097	601	3	2	335
Total	13,263	15,615	51	41	9,201

4.4 The processes of monitoring of excess surplus balances, capital balances and deficit recoveries will be reviewed in line with previous plans and will be reported back to Schools' Forum in a timely manner.

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