



Apologies for absence were received from Mike Heiser (Chair), Wiolette Bura, Jayne Jardine, Melissa Loosemoore, Raphael Moss, Narinder Nathan, Andy Prindiville and Councillor Stephens (Cabinet member for Schools, Employment and Skills).

2. **Declarations of Interest**

None.

3. **Deputations (if Any)**

None.

4. **Minutes of the previous meeting**

It was **RESOLVED** to approve the minutes of the previous meeting held on 20<sup>th</sup> January 2022 as a correct record.

5. **Actions arising**

**Action 82 – Local Authority School Improvement Monitoring and Brokering Grant - publication of the DfE guidance and Government’s Education White Paper.**

Olufunke Adediran, Head of Finance advised that no further update was available as publication of DfE guidance was still awaited.

**Action 83 – Any Other Business Dedicated Schools Grant / Age Weighted Pupil Unit Funding Lobbying Query**

Olufunke Adediran, Head of Finance updated the forum that following communication with officers in Harrow, it had been confirmed that the Harrow Schools Forum had not been supportive of the lobbying proposal for increased AWPU funding for Primary Schools. On this basis it was **NOTED** that no further action had been taken to pursue the proposal with Andy Prindiville to be advised accordingly.

6. **Dedicated Schools Grant (DSG) Budget Monitoring Report 2021-2022**

Olufunke Adediran, Head of Finance at Brent Council, introduced the report providing an update on the forecast financial position in relation to the Dedicated School Grant for 2021/22

In presenting the report the key points highlighted included:

- The DSG forecast projected an in year deficit of £5.4m, this was mainly due to the High Needs Block (which would be discussed in more detail under Agenda Item 8.) The cumulative deficit was expected to be £15.9m by the end of the financial year 2021/2022.
- The High Needs Block (HNB) income had been revised from £59.4m reported in November 2021 to £58.8m following various import/export adjustments by the Department for Education (DfE). This figure was in line with the original budget set in January 2021 and excluded the academy recoupment by the DfE of £7.6m.

- There had been an adjustment to the Early Years Block income forecast as a result of provisional claw back funding of £0.694m. The claw back was as a result of the funding allocation having been impacted by comparatively low attendance numbers as a result of the pandemic in the Spring and Summer terms 2021 although attendance numbers had started to increase from October 2021.
- The 2021/22 DSG funding allocation would see a further final adjustment, which would be published in July 2022, as Spring 2022 census numbers would replace the previously used Spring 2021 census for the final 3/12ths of the calculation. The 2022 census had shown an increase in take-up of the 2 year old entitlement and small increase in 3 & 4 year old entitlements with a reconciliation to be completed as part of the budget monitoring process to finalise the likely impact of the increased numbers and the reduction in funding.
- In terms of High Needs Block expenditure, the budget had been forecast to exceed income by £5.3m mainly due to the increase in EHCPs. As of January 2022, there were 2,895 EHCPs for Brent pupils in all settings, compared to 2,784 in January 2021, representing a 4% increase over the 12-month period. Members noted the High Needs Block was subject to an ongoing management plan designed to recover the deficit and manage ongoing pressure on which progress was being presented to the Forum on a termly basis.
- In terms of the Early Years Block Expenditure, prior year adjustments related to the 2020/21 allocation had resulted in a decrease in funding of £0.5m, following confirmation of the January 2021 Early Years census, as amounts paid to providers had exceeded the income allocation against both the 2-year-old and the 3&4-year-old provisions. Members noted the risk highlighted that the pressure against this Block could increase as a result of the further adjustments made as a result of the DfE claw back.
- The forecast underspend of £0.2m from the Central Block expenditure related to in year vacancies in the Admissions and the School Effectiveness Services and a reduction in contributions towards historic commitments for pensions strain costs, which would be used to mitigate adjustments needing to be made elsewhere within the DSG.

The Chair thanked officers for their report and asked if Forum members had any questions. In considering the update provided the Forum shared concern with regard to how the claw back funding may affect the already struggling Early Years sector.

In response the Forum noted that no net detriment was anticipated in terms of funding allocation to the overall Early Years DSG block as a result of the clawback, given the main allocation was based on advance estimated numbers of pupils.

As no further issues were raised the Forum **RESOLVED** to note the contents of the report.

## 7. **Dedicated Schools Grant High Needs Block Deficit Management Plan 2021-22 Update**

Olufunke Adediran, Head of Finance at Brent Council, introduced the report providing the Schools Forum with the updated High Needs Block (HNB) Deficit Management Plan.

The Forum noted the following key points as part of the update provided:

- The forecast Dedicated Schools Grant (DSG) deficit estimated to year end for 2021/22 was £5.4m which was mainly due to a deficit in the High Needs Block (HNB) and brought the cumulative deficit to £15.9m.
- The rise in demand for Education, Health and Care Plans (EHCP's) was the main cost driver in the HNB with an increasing complexity of need and rising cost of out of borough placements, although the Forum noted this reflected a national trend as detailed in Table 1, and section 3.3 of the report.
- The Forum were informed that Brent's DSG deficit position was not unique and many local authorities were holding large DSG deficits. As a result of this the DfE were expected to release further guidance as to how deficits should be handled after 2022/23.
- In addressing the plan to recover the deficit the Forum were advised that it was likely that further changes would be required as a result of the pending SEND Green Paper from the Government, expected in Spring 2022. Any further changes to the plan would be shared with Schools Forum accordingly with the current activity focussed around three key themes on which further detail had been provided within section 4 of the report – Managing demand; Improving sufficiency of places and Financial Management.
- An indicative summary of cost avoidance arising from the actions identified within the management plan had been detailed within section 4.8 of the report with further details on the costed plan provided within Appendix 1 of the report. The previous forecast cumulative deficit pressure presented to the Forum had projected a deficit of £18.5m by 2025/26 based on an assumed average growth in income of 7% year on year. Following guidance from the DfE the Deficit Management Plan had been updated in order to respond to the rate of growth that would inform the future financial model. The revised model incorporated a rate of growth of 13% in 2022/23, 5% in 2023/24 and 3% thereafter which had resulted in an increase in the projected cumulative deficit to approx. £19.3m.
- The Forum were advised that in recognition of the large deficits multiple local authorities were carrying the DfE would be introducing two schemes to support local authorities in reducing deficits. The "Safety Valve" programme would see the DfE work with those local authorities identified with the highest deficits to support them achieve a financially stable system, involving the provision of an additional £150m. It was not anticipated that Brent (given the level of deficit) would qualify for support through this programme. The Forum were informed it was, however, anticipated that Brent would be eligible to receive additional funding and support through the second DfE initiative "Delivering Better Value in SEND". This would see the provision of £85m over a period of 3 years to be made available to support a wider group of Local Authorities with smaller DSG deficits. The scheme would provide dedicated support and funding to assist in reforming the High Needs provision. Further details on the support available were currently awaited with the Forum to be updated when the information was available.
- In providing further detail on the scheme Sharon Buckby, Head of Inclusion, felt it important to highlight it was not yet clear how Brent would benefit from any funding allocation available through the Delivering Better Value in SEND programme which may, as an alternative to additional funding involve for example the provision of further advice and support in relation to the deficit management plan. In terms of action already being taken, however, the Forum

noted the progress made in reviewing and managing demand for EHCPs based on the wider action within schools to develop alternative capacity to meet the needs of children requiring additional support. As an example reference was made to use of the SEND Support Fund to support the training of staff across a number of schools in developing their skills to deliver specialised support in relation to Speech and Language, Cognition and Learning, Autistic Spectrum Disorder (ASD) and Social, Emotional and Mental Health needs (SEMH). This had been supported through the Schools Forum with evidence of the positive impact now taking effect.

In concluding the discussion, the Chair asked the Forum if they had any questions or comments on the report presented. Officers responded to questions as follows:

- In response to a query as to whether the lower than anticipated number of EHCP's to date this year may be impacted by assessment timescales the Forum was advised that the need to increase capacity within the assessment service had been recognised. In terms of EHCP assessments in Brent, these were operating at 54% timeliness compared to a national rate of 50%. Whilst the assessment process involved a number of service providers funds had been allocated to expand investment and build capacity within the service. Whilst recognising the issues highlighted as a national issue, confirmation was also provided that the current pressures in terms of capacity had been reflected within the deficit management plan and future forecast of demand.
- Officers advised that the annual assessment of packages of support for pupils with EHCP's continued to be reviewed by the SEND team supported by discussion with pupil's individual schools to ensure the support packages continued to effectively meet their needs. The Forum was advised this may be an area that the DfE advisers may also consider as part of the Delivering Better Value in SEND programme.
- Having recognised the national position regarding HNB deficits and additional support due to be provided through the Delivering Better Value in SEND and Safety Valve programmes also felt there was need for the DfE to also consider adapting the structure of High Needs funding in order to address the level of deficits over a longer term basis.

Having recognised the progress being made the Forum RESOLVED to note the refreshed content of the HNB Deficit Management Plan and progress being made in terms of its ongoing delivery.

## **8. High Needs Block Budget 2022-23**

Olufunke Adediran, Head of Finance at Brent Council introduced the report detailing the High Needs Block (HNB) budget for adoption in 2022/23.

The Forum noted the following key points as part of the update provided:

- The HNB funding had initially been confirmed at £71.9m for 2022/23, this was £5.5m more than received in 2021/22 and represented an 8% increase in funding. Following the 2021 Spending Review the government had also announced that it would provide an additional £325m in 2022/23 for Special Schools and other providers funded from the HNB, through a top up to the HNB of the DSG to support wider cost pressures, particularly with regard to the

1.25% Health and Social Care Levy (Increased National Insurance Contributions) that would be effective from 2022/23. It had been estimated that Brent would receive £2.9m of the additional funding, bringing the overall DSG funding allocation to £74.8m, this represented an overall increase of 13% compared to 2021/22.

- In addition to the increased funding, Schools Forum had approved a School Block transfer of £1.2 million that subsequently brought the total funding for the HNB in 2022/23 to £76m.
- £7.7m of the total HNB funding would be recouped by the DfE in order to directly pay Academies for their base funding, therefore leaving a balance of £68.3m for the HNB budget.
- Confirmation was provided that the Schools Forum High Needs Sub Group had also met in January 2022 to address the final detailed HNB budget as detailed in Appendix 1 of the report. As part of this process an assumption had been made that the top banding rates would remain the same for mainstream schools, Pupil Referral Units (PRU's), Additionally Resources Provisions (ARP's) and Special Schools as detailed in Appendix 2 of the report.
- The inclusion of an allocation of £0.2m to account for the Health and Social Care Levy in Special School and ARP's following the DfE's published additional High Needs funding allocations with the funding methodology due to be agreed in discussions with the Special Schools and Alternative Provision headteachers the outcome of which would be reported to the next Forum.
- The main risks and challenges identified in relation to the budget which remained as the increasing demand for ECHPs alongside rising inflation prices in relation to both in borough and out of borough placements.

In terms of issues raised in response to the update the Chair sought clarification as to whether the budget had taken account of the impact of the deficit management plan for the HNB with confirmation provided this had been reflected as part of the budget.

As no further queries raised and the Forum **RESOLVED** to note the content of the report.

## **. 9. Updated Schools Funding Formula 2022-2023**

Olufunke Adediran, Head of Finance at Brent Council introduced the report that confirmed the final schools funding formula allocations.

The Forum noted the following key points as part of the update provided:

- Schools Forum had approved the initial funding formula allocations in January 22, following consultation with schools on changes to the local funding factors as a result of the move towards the National Funding Formula.
- As a result of compliance checks by the DfE an error had subsequently been identified with the pupil numbers included in the formula where a school with an additional year group had not been recognised as a new and growing school. The error had been corrected and whilst not altering the overall DSG allocation, had resulted in an adjustment of the final school budget calculations with the revised school allocations detailed in Appendix 1 of the report.
- As a result of this change the amount allocated to schools via the funding formula had increased by £0.181m with the Minimum Funding Guarantee

maintained at the same level in order to minimise the overall impact. As a result of two out of five Choice Advance and Fair Access Interview projects coming to an end in March 2022 £0.243m was however due to be released within the growth fund. The Forum had agreed to retain the growth budget of £2.25m and hold the surplus to fund growth in the Secondary phase, however it was now proposed (in order to manage the increased allocation to schools) that £0.181m of the surplus be used to mitigate this impact. As a result the growth fund allocation for 2022/23 had been revised to £2.1m.

- Forum members were advised that all budget shares for schools had been recently published on the Best Brent website.

In concluding the discussion, the Chair thanked officers for their report and transparency in the process. As no further questions were raised the Forum **RESOLVED** to note and approve the revised final school mainstream funding formula allocations for 2022/23.

#### **10. Any Other Urgent Business**

No issues were raised under this item for consideration at the meeting.

#### **11. Dates of Future Meetings were noted as follows –**

The Forum noted the provisional schedule of dates for future meetings during 2022/23 as set out below with agreement to continue meeting online:

- Thursday 16 June 2022 at 6pm
- Thursday 3 November 2022 at 6pm
- Thursday 8 December 2022 at 6pm (additional date if required)
- Thursday 19 January 2023 at 6pm
- Tuesday 21 February 2023 at 6pm

The meeting closed at 6:48 pm

G Chadwick  
Vice Chair in the Chair