

DARLINGTON SCHOOLS FORUM
9th March 2021

MATTERS ARISING FOLLOWING MEETING 12TH JANUARY 2021

Purpose of Report

1. To update Forum regarding agenda items considered at the January 2021 School Forum meeting.

School Funding Formula

2. Following approval by Schools Forum, the Darlington school budget share calculation was submitted to the Education, Skills Funding Agency (ESFA) on 14th January 2021.
3. Following checks, ESFA confirmed on the 3rd February 2021, that the Darlington submission complied with the regulations. Academy schools will be informed of their budget for 2021/22 by ESFA, maintained schools will receive confirmation of their budget share from the Local Authority.

High Needs

4. School Forum were presented with an initial draft budget for 2021/22 for high needs at their January 2021 meeting. Attached at appendix 1 is the final budget for 2021/22. There have been no changes to the budget presented to Forum in January, the attached appendix shows the budget net of savings and in more detail, which follows the usual reporting levels to Forum.
5. The budget as set for high needs in 2021/22 will be revised in year for adjustments made to the high needs block by ESFA (e.g. recoupment and import/export).

Early Years

6. No further guidance has been received from ESFA/DfE regarding early years funding in 2021/22 since the last School Forum meeting in January. For budget setting purposes it is therefore assumed that the funding arrangements for 2021/22 will remain as in previous years.
7. As is normal, ESFA have provided the Local Authority with an indicative early years allocation for 2021/22, which will be updated in June 2021 to take account of the January 2021 census and again in June 2022 for the January 2022 census.

8. At the January Forum, members were advised that ESFA had increased the 3&4 year old hourly rate by 6p per hour and the two year old hourly rate by 8p per hour, both of which were agreed to be passed onto providers in the early years rates from April 2021. No other changes to the early years formula unit values were proposed.
9. At the January meeting, Forum was informed that due to potential underspend in 2020/21 that modelling would be undertaken on the 3 & 4 year old hourly rate to investigate if there was scope for a change over and above the Government increase.
10. At the time of writing the full results of the January early years census are unknown and as this census will be used by ESFA to adjust the 2020/21 early years allocation, it is difficult to estimate the final year end position for early years in 2020/21. Currently based on the allocation received it is projected that the 2020/21 early budgets will be in surplus, however the ongoing COVID situation is having a significant impact on this budget area.
11. It is known that due to national lockdown that the take up of early years places in January 2021 is different to January 2020 (on which the early years allocation for 2020/21 is currently based), a 15% reduction in take up between January 2020 and January 2021, would decrease the early years budget by over £580,000. Whilst some of this decrease would be offset by a reduction in the projected expenditure, it is expected that the current projected underspend is likely to materialise and could potentially be a draw on previous years reserves.
12. The 2021/22 allocation is indicative, currently based on the January 2020 census. Again a decrease in take up in January 2021 would significantly reduce this budget. A 15% reduction would likely lead to a shortfall in the 3&4 year old budget of over £100,000 based on the hourly rate already agreed (£50,000 of this is the increase in SEN inclusion budget which was funded from reserves in 2020/21).
13. On the basis of the above due to uncertainty over the January 2021 census it is prudent not to further increase the 3 & 4 year old hourly rate at this point. Therefore, the early years funding rates are to be set as notified to Forum in January, which are shown in the table below.
14. No further information has been received with regard to the maintained nursery lump sum.

Provision	2020/21 Actual Rate	2021/22 Proposed Rate	Change
<u>3 & 4 Year Old Children</u>			
Nursery School – Per hour per child	£4.25	£4.31	£0.06
School Nursery Class – Per hour per child	£4.25	£4.31	£0.06
Private, Voluntary & Independent Sector – Per hour, per child	£4.25	£4.31	£0.06
Deprivation – Top 10% most deprived post codes – Per term, per child	£50	£50	£0.00
Deprivation – 11 - 20% most deprived post codes – Per term, per child	£25	£25	£0.00
Deprivation – 21 - 30% most deprived post codes – Per term, per child	£12.50	£12.50	£0.00
<u>2 Year Old Children</u>			
All Providers – Per hour per child	£5.28	£5.36	£0.08
<u>Early Years Pupil Premium</u>			
All Providers – Per hour per child	£0.53	£0.53	£0.00
<u>Disability Access Fund</u>	£615.00	£615.00	£0.00
<u>Central Early Years Team*</u>	£113,754	£113,754	£0.00
<u>Maintained Nursery School Lump Sum**</u>	£103,827	£TBC	TBC

*This represents less than 2% of the total funding. DfE rules stipulate a maximum of 5% can be held centrally.

** Lumps sums as per the 2021/22 allocation, which are subject to change.

Recommendations

15. That Forum note the high needs budget for 2021/22.
16. That Forum note the early years funding formula rates for 2021/22