

# Notice of Schools Forum



Date: Monday, 18 November 2024 at 10.00 am

Venue: Committee Room, First Floor, BCP Civic Centre Annex, St Stephen's Rd, Bournemouth BH2 6LL / Via MS Teams

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## Membership:

### Chairman:

Geoff Cherrill                      Maintained Special

### Vice-Chairman:

Patrick Earnshaw	Academies - Secondary
Kate Carter	Academies - Primary
Esther Curry	Academies - Primary
Kate Curtis	Academies - Primary
Sean Preston	Academies - Primary
Heather Spring	Academies - Primary
Vacancy	Academies - Primary
Vacancy	Academies - Primary
Mark Avoth	Academies - Secondary
P Gray	Academies - Secondary
M Dyer	Academies - Secondary
J Sankey	Academies - Secondary
Vacancy	Academies - Secondary
Ben Doyle	All Through Academies
Jon Webb	Special Academies
Russell Arnold	Alternative Provision Academy
Vacancy	Maintained Primary
Chris Barnett	Maintained Secondary
Phillip Gavin	Mainstream PRU
Vicky Peters	Early Years
Linda Duly	Early Years
Vacancy	Catholic Diocese
Richard Wharton	C of E Diocese Representative

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All Members of the Schools Forum are summoned to attend this meeting to consider the items of business set out on the agenda below.

Members of the public may attend this meeting in person at the venue listed above. Papers can be found at the following link:

<https://democracy.bcpCouncil.gov.uk/ieListDocuments.aspx?MIId=5771>

If you would like any further information on the items to be considered at the meeting please contact: Claire Johnston email [democratic.services@bcpcouncil.gov.uk](mailto:democratic.services@bcpcouncil.gov.uk)

Press enquiries should be directed to the Press Office: Tel: 01202 454668 or email [press.office@bcpcouncil.gov.uk](mailto:press.office@bcpcouncil.gov.uk)

This notice and all the papers mentioned within it are available at [democracy.bcpccouncil.gov.uk](http://democracy.bcpccouncil.gov.uk)

GRAHAM FARRANT  
CHIEF EXECUTIVE

11 November 2024

**DEBATE**  
**NOT HATE**



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on the Mod.gov app

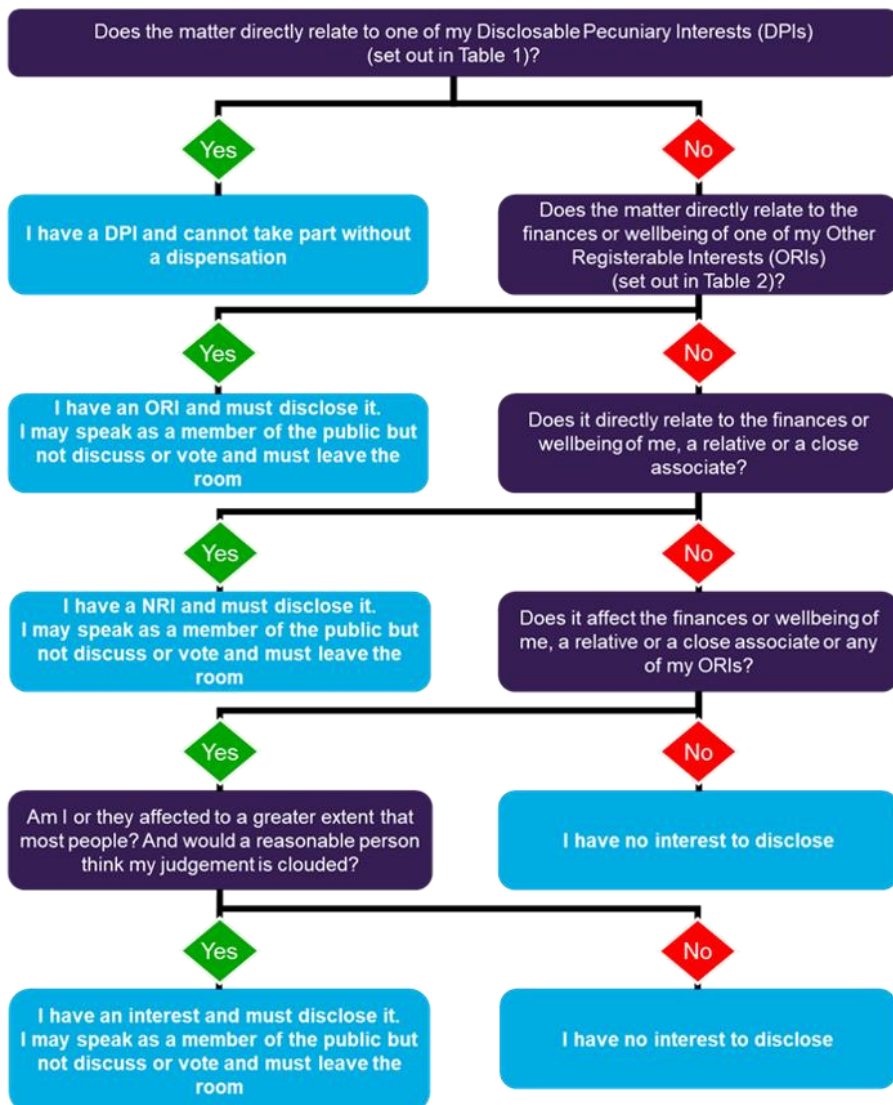


## Maintaining and promoting high standards of conduct

### Declaring interests at meetings

Familiarise yourself with the Councillor Code of Conduct which can be found in Part 6 of the Council's Constitution.

Before the meeting, read the agenda and reports to see if the matters to be discussed at the meeting concern your interests



What are the principles of bias and pre-determination and how do they affect my participation in the meeting?

Bias and predetermination are common law concepts. If they affect you, your participation in the meeting may call into question the decision arrived at on the item.

#### Bias Test

In all the circumstances, would it lead a fair minded and informed observer to conclude that there was a real possibility or a real danger that the decision maker was biased?

#### Predetermination Test

At the time of making the decision, did the decision maker have a closed mind?

If a councillor appears to be biased or to have predetermined their decision, they must NOT participate in the meeting.

For more information or advice please contact the Monitoring Officer  
([janie.berry@bcpcouncil.gov.uk](mailto:janie.berry@bcpcouncil.gov.uk))

### Selflessness

Councillors should act solely in terms of the public interest

### Integrity

Councillors must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships

### Objectivity

Councillors must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias

### Accountability

Councillors are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this

### Openness

Councillors should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing

### Honesty & Integrity

Councillors should act with honesty and integrity and should not place themselves in situations where their honesty and integrity may be questioned

### Leadership

Councillors should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs

# AGENDA

Items to be considered while the meeting is open to the public

**1. Apologies for Absence**

To receive any apologies for absence.

**2. Declarations of Interest**

Councillors are requested to declare any interests on items included in this agenda. Please refer to the workflow on the preceding page for guidance. Declarations received will be reported at the meeting.

**3. Minutes of the Previous Meeting**

7 - 10

To confirm the minutes of the previous meeting, held on 23 September 2024, as a correct record.

**4. Finance Update – 2024-25 Dedicated Schools Grant (DSG) Budget Monitoring and 2025-26 Financial Settlement, and School Block Transfer to High Needs**

11 - 46

This report provides the latest DSG budget monitoring for 2024-25, with the DSG funding gap estimated at £44.5m (compared with the budget gap of £28m) and an accumulated deficit at March 2025 of £108m.

Due to the change in government, there is delay in the DfE issuing the DSG information for 2025-26. General policy announcements have been made to enable local authorities to consider their local mainstream formula and whether any disapplication of the expected regulations will be needed. This report includes consideration of the local mainstream formula and a transfer of school block funding to high needs.

The deadline for disapplication requests remains according to the usual annual timescale of 18 November 2024. DfE accept that consultation with schools and Schools Forum will not have concluded by that date.

**5. 5 Year High Needs Forecast**

47 - 50

This report sets out the detailed forecast for the high needs block (HNB) of the DSG in 2024-25 and the following 4 years.

The in-year shortfall in funding next year (2025-26) is forecast to be £60.2million before any contribution from schools block. A further increase to £70.7million in 2026-27 is expected before the increases to the shortfall begin to slow in 2027-28 and 2028-29. The cumulative deficit at the end of March 2029 is forecast to be £384.7million assuming the transfer from schools block is supported.

**6. Early Years Single Funding Formula 2025/26**

To Follow

## **7. Schools Forum Membership**

The current schools Forum Membership vacancies are:

Maintained Primary Sector (governor representative)  
Primary Academies Sector x2  
Secondary Academies Sector  
14-19 Sector  
Diocese Representatives (Roman Catholic)

## **8. Forward Plan**

To consider and note the Forward Plan

51 - 52

## **9. Dates of Future Meetings**

To note the future meeting dates as follows:

- 13 January 2025
- 23 June 2025
- 29 September 2025
- 24 November 2025
- 19 January 2026
- 22 June 2026

## **10. Any Other Business**

To consider any other business, which, in the opinion of the Chairman, is of sufficient urgency to warrant consideration.

No other items of business can be considered unless the Chairman decides the matter is urgent for reasons that must be specified and recorded in the Minutes.

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## **SCHOOLS FORUM**

**MONDAY, 23RD SEPTEMBER, 2024**

**Present:** Geoff Cherrill (Maintained Special) – **Chairman**  
Patrick Earnshaw (Academies - Secondary) – **Vice-Chairman**

Esther Curry, Coastal Learning Partnership, Academies - Primary  
Kate Curtis, Talbot Primary School, Academies - Primary  
Heather Spring, Twynham Priamry, Academies - Primary  
Mark Avoth, Bourne Academy - Principal, Academies - Secondary  
Michelle Dyer, Avonbourne Academies - Principal, Academies - Secondary  
Ben Doyle, Principal - St Peter's School, All Through Academies  
Jon Webb, Special Academies  
Russell Arnold, The Quay School - Headteacher, Alternative Provision Academy  
Chris Barnett, Deputy Head - St Edward's School, Maintained Secondary  
Phillip Gavin, Christchurch Learning Centre - Headteacher, Mainstream PRU  
Vicky Peters, Priory View Preschool, Early Years  
Linda Duly, Cuddles Day Nursery, Early Years  
Richard Wharton, C of E Diocese Representative

**Also in Attendance:** Cllr R Burton and Cllr S Carr-Brown

**Officers in attendance:** Jo Collis-Heavens, Finance Manager Children's Services  
Steve Ellis, Management Accountant Education Services  
Cathi Hadley, Corporate Director of Children's Services  
Sharon Muldoon, Interim Director of Education  
Tanya Smith, Head of School Planning and Admissions  
Nicola Webb, Assistant Chief Financial Officer

### **1 Apologies for Absence**

Apologies were received from James Sankey and Kate Carter. The following had also resigned from the Forum, Dr Dorian Lewis, Bridgid Hinks and Natasha Ulla.

### **2 Declarations of Interest**

There were none received

### **3 Election of Chair**

Geoff Cherril was elected Chair of the Forum until September 2026.

### **4 Election of Vice-Chair**

Patrick Earnshaw was elected Vice-Chair of the Forum until September 2026.

### **5 Minutes of the Previous Meeting**

The minutes of the previous meeting held on 6 February 2024.

### **6 DSG 23-24 Outturn**

The Management Accountant Education presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'A' to these Minutes in the Minute Book. The Forum was informed that the report considered the end of year position for the DSG budget 2023-24 at a net in-year deficit of £27.7 million. This was against a budgeted deficit of £27.1 million. The £0.6 million overspend was largely due to the increasing high needs budget, £1.3 million, offset by savings in the school block and early years block. The accumulated deficit had grown as a result, from £35.8 million to £63.5 million at March 2024, with this required to be carried forward and recovered from future DSG allocations.

In relation to early years funding, it was asked what the reasons were for the underspend in this area. It related to finalisation of funding from the previous year. It was noted that the position was laid out within a table in the report. Overall, there was a £90k surplus and it was noted that 99 percent of the money funding had been passed onto providers.

**RESOLVED: That the Forum noted the DSG financial position.**

It was requested that it be considered at a future meeting if the £90k underspend could it be ringfenced to go back to early years. This was noted and it was confirmed that any discussions around this would normally take place in January.

## **7 Quarter 1 Budget Monitoring and High Needs Update 2024-25**

The Management Accountant for Education Finance and the Interim Director for Education and Skills presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'B' to these Minutes in the Minute Book. A supplementary paper detailing BCP School Reserves was also circulated. The Forum was informed that the BCP Local Area SEND system had significantly changed for the better over the last academic year. This followed the creation of a new SEND Improvement Plan developed to meet the Local Authority's DfE Statutory Direction Notice to Improve. The improvement work which had taken place over the last 10 months had now addressed all historic backlogs and improved the servicing of new assessments and Education Health and Care Plans into the system.

BCP's timeliness in servicing new assessments at 20 weeks was at 97 percent, close to the statutory expectation of 100 percent. A significant improvement from the previous year's activity which stood at 0 percent in August 23 and August 2022 at just 5.6%. It was reported to Cabinet in September, that an unexpected further increase in new EHCP requests since January 2024 had led to a £15.9 million further increase in the annual funding gap budgeted of £28 million (£43.9 million annual funding gap in total). The cumulative deficit on 31 March 2025 was projected to be £107.4 million.

It was noted that point 34 in the supplementary papers – that the local deficit continued to grow. It was also noted that School and Academy balances overall had continued to increase over last 3 years. A matter was raised that this information was published alongside the High Needs deficit paper without any context provided around the figures. There were some comments made regarding the trust totals not showing all of the issues around school and academy balances, for example requiring funds for capital works, requiring funds for unfunded increases in staffing costs and that the impact of the SEND issue was also reflected in the circumstances that schools were facing with their budgets.

The Forum was requesting a dialogue with BCP around data sharing as some schools were not as inclusive for SEND provision as others. It was noted that following discussions at the Education Conference it was proposed that a template would be circulated to schools later in the week with a request for agreement to share information. It was noted that this would be acted on and at this point information was being shared to the extent which it could be. It was suggested that the Forum should consider information sharing as an item at the next meeting. It was expected that this would be resolved but the Forum may send a request to assist in relevant conversations.



The Director for Education and Skills advised that as the paper outlined the progress on the SEND improvement journey had gone well. However, a very large number of needs assessments were received in July, 152, this was unprecedented and would undoubtedly lead to a decrease in overall performance. There had been a significant increase with regards to needs assessment aligned to the safety valve proposals in the public domain.

A change in assessment types had also been seen coming from early years and early-stage primary in greater numbers. The 152 requests received in July had been reviewed to assess the types coming and there had also been reports from SENCOs and Heads of children with high levels of need that they hadn't expected. School Forum was encouraged to look at the innovations proposal around this to gather views. It was also noted that there were higher numbers of young people in specialist post-16 provision.

Issues around the demand for special school responses to consultations was raised and it was noted that it had increased significantly over a number of years.

Early Years struggled to get EHCPs through and were struggling to give them the support they need as do not have the staff available. It was suggested that this may have led to nurseries and pre-schools just turning these children away. Conversely it was noted that intervention was not always necessary so young and was just early development needs.

The Forum had approved a methodology for original school block transfer, which was challenged but the methodology and reasons for this would come back to Forum on an annual basis.

In relation to the conversations which had taken place it was noted that the High Needs system was incredibly complex and there was concern that there was not equity across the system.

**RESOLVED – That the report be noted.**

**8 Forward Plan**

The Forward Plan for the Forum was noted

**9 Dates of Future Meetings**

Dates for future meetings were noted as follows:

- 18 November 2024
- 13 January 2025
- 23 June 2025

**10 Any Other Business**

The Chair had not been notified of any other business

**Duration of the meeting:** 10.00 - 10.45 am

**Chairman at the meeting on  
Monday, 23 September 2024**

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## SCHOOLS FORUM



Report subject	<b>Finance Update – 2024-25 Dedicated Schools Grant (DSG) Budget Monitoring and 2025-26 Financial Settlement, and School Block Transfer to High Needs</b>
Meeting date	18 November 2024
Status	Public Report
Executive summary	<p>This report provides the latest DSG budget monitoring for 2024-25, with the DSG funding gap estimated at £44.5m (compared with the budget gap of £28m) and an accumulated deficit at March 2025 of £108m.</p> <p>Due to the change in government, there is delay in the DfE issuing the DSG information for 2025-26. General policy announcements have been made to enable local authorities to consider their local mainstream formula and whether any disapplication of the expected regulations will be needed. This report includes consideration of the local mainstream formula and a transfer of school block funding to high needs.</p> <p>The deadline for disapplication requests remains according to the usual annual timescale of 18 November 2024. DfE accept that consultation with schools and Schools Forum will not have concluded by that date.</p>
Recommendations	<p><b>It is RECOMMENDED that Schools Forum:</b></p> <p><b>Note the information in the report, and specifically the request to the DfE to disapply aspects of the expected regulations for 2025-26 as follows:</b></p> <ol style="list-style-type: none"> <li><b>1. To allow a transfer from the school block to high needs of 1%.</b></li> <li><b>2. To enable all schools to contribute to a transfer to enable the minimum per pupil funding levels to be reduced by close to 1%.</b></li> </ol>
Reason for recommendations	Schools Forum to be consulted on the mainstream schools funding formula and transfer to high needs.
Portfolio Holder(s):	Councillor Richard Burton, Children and Young People

Corporate Director	Cathi Hadley, Director of Children's Services
Report Authors	Nicola Webb – Assistant Chief Finance Officer Email: <a href="mailto:nicola.webb@bcpcouncil.gov.uk">nicola.webb@bcpcouncil.gov.uk</a>
Wards	Council-wide
Classification	For consultation

## Background

1. The publication of the notional schools and high needs national funding formula (NFF) allocations for 2025-26 has been delayed by the general election with this not expected until late November. The final DSG allocations will follow in December as usual.
2. The Chancellor's October budget 2024 included that the national core schools budget will increase by £2.3 billion, £1 billion of which will go towards supporting the special educational needs and disabilities system, equivalent to 6% growth.
3. The government also noted the aim to reform England's SEND provision to improve outcomes and return the system to financial sustainability.
4. The BCP DSG funding levels in 2024-25 for context are £263 million for the mainstream school formula, £2 million for basic need mainstream pupil growth in September 2024 and £61 million for the high needs budget.
5. In advance of the department confirming the mainstream schools NFF factor values and allocations a summary policy note was published in October 2024. This set out the structure of the schools NFF for 2025-26 and confirmed that there will be no substantial changes compared with the current year. The structure of the NFF is included in Appendix 1.
6. Due to the delay in confirming the NFF factor values, the DfE will not be issuing the usual modelling authority proforma tool (APT) for 2025-26 until the December Settlement because it has limited use until factor values are known. The local consultation with schools will not therefore be able to illustrate any individual school impact from varying the NFF funding values in the local formula until the January 2025 Schools Forum meeting.
7. As the individual NFF factors for 2025-26 will operate in the same way as in 2024-25, the disapplication process to vary the statutory requirements will work to similar timelines as last year with the deadline of 18 November 2024. It is therefore expected that local authorities would be able to plan and submit any disapplication requests in advance of the publication of the NFF allocations and supporting products. It is accepted that the outcome of the consultation with schools and Schools Forum will not be available by this date.
8. The DSG schools block also includes funding for basic need pupil growth and this is expected to operate as usual although no specific policy announcements have been made.

## Local authority formulae in 2025-26

9. As in previous years, local authorities will be responsible for deciding local funding formulae for mainstream schools in their area. It will need to align with the NFF within set tolerances with any departures requiring a disapplication from the DfE.
10. A summary of the NFF funding positions for schools in 2024-25 is included in the table below for context.

**Table 1: Summary of outcome for BCP schools of the 2024-25 NFF**

Formula Position	2024-25 Number of Schools	%
Minimum Funding Guarantee (MFG) formula top up	10	11%
Minimum Per Pupil Funding Level (MPPFL) formula top up	28	31%
Fully formula funded	53	58%
<b>Total</b>	<b>91</b>	<b>100%</b>

11. In recent years, the number of schools fully formula funded has been increasing while those receiving MPPFL top up has been reducing as schools move towards the NFF. Lower funded schools with relatively few pupils attracting characteristic funding received the largest boost in funding in the initial years of the NFF through the MPPFL. This was then followed by higher increases in formula unit values with the top up required then reduced. The priorities for funding of the new government may change or accelerate this trend.
12. Pupil characteristics attracting funding are reflected in the local formula school budget allocations one year before being funded through the NFF primary and secondary units of funding to allocate the DSG to councils. The NFF funding per pupil for 2025-26 will have been fixed based on school data from October 2023. As more schools become fully funded according to the main formula, data changes at the October census each year have greater impact on individual school funding levels and formula affordability.

### **NFF Affordability**

13. As a result of the NFF using lagged data, there was a £0.5m shortfall in the mainstream NFF funding allocation to the council in 2024-25. Any surplus DSG growth fund allocations can be used to cover this but an overall shortfall in school block funding remains possible.
14. The guidance for 2024-25 to achieve affordability suggested a priority order for adjusting the NFF to achieve balance with it proposed this is used in 2025-26 if there is a shortfall in funding and no transfer to high needs is agreed. The order is as follows:
  - a) Reducing the unit values of the basic entitlement factors for each phase by the same proportion up to the maximum permitted (2.5% below the NFF was allowed in 2024-25).
  - b) Reducing all other unit values equally up to the maximum permitted (2.5% below the NFF in 2024-25).
  - c) Setting the MFG below the NFF value to the lowest level permitted
  - d) Seeking a late disapplication to reduce the MPPFLs.

## **Growth Fund**

15. Growth funding is allocated to schools either through the formula (implicit growth for permanent expansions) or from the central budget for temporary expansions (explicit growth). In recent years there has been surplus growth funding available to balance the mainstream schools NFF shortfall or transfer to other budgets.
16. The current year guidance says that the growth fund can be used only to:
  - support growth in pre-16 pupil numbers to meet basic need
  - support additional classes needed to meet the infant class size regulation
  - meet the costs of new schools (these are new schools identified from the latest census data)
  - meet the revenue costs for schools of removing or repurposing surplus places
17. The discretionary aspect of the current policy relates to the central growth fund for temporary growth through bulge classes and the contingency for basic need places not yet commissioned.
18. The local growth fund policy was updated in 2024-25 to reflect the revised DfE guidance. This is included at Appendix 2.
19. Unless the national requirements for the growth fund are changed, there are no plans to change the general basic need growth fund policy for 2025-26. However, proposals might be brought forward to use for the revenue costs of repurposing surplus capacity.
20. A central budget estimate for basic need growth will be included in the papers for the January 2025 meeting.

## **Transfer of school block funding to high needs**

21. Only a small surplus of school block funding has been available in recent years (if all schools were to receive their full NFF allocations and appropriate provision is made for in-year pupil growth). The surplus in 2024-25 was £0.4 million and it is again expected to be small as the trend for increasing pupil needs annually is not expected to be reversed in the October 2024 census.
22. High needs block allocations are unknown for 2025-26 but the scale of the current funding shortfall is expected to grow further to £60 million as shown in the separate paper on the agenda.
23. The Interim Director of Education and Skills has added an invest-to-save inclusion fund as a new pressure in the current year. Schools have been consulted on the final proposals and the intention is to continue this in future. This £2.8m fund is included in the forecast expenditure for 2025-26 and is designed to help schools become more inclusive to reduce the use of high cost specialist placements, reduce the use of alternative provision in the local system and reduce the number of new ECHNA assessments for the future. The investment plan and feedback from schools is included as Appendix 3.
24. In 2024-25 the DfE agreed a transfer of funding of £1.3 million (0.5%) from the £265 million schools block funding. Due to the low level of surplus funding from the schools block, schools did not receive their full NFF allocations, and the local formula reduced the NFF allocations to ensure that all mainstream schools contributed to the transfer as follows:

- a. reducing MPPFL by 0.45% (required DfE approval)
  - b. setting an MFG of 0.4% (within the regulations)
  - c. reducing the basic entitlement by 0.45% (within the 2.5% tolerance permitted)
25. Other options considered last year were that some schools were excluded from contributing any of their NFF to the transfer:
- a. Schools with increased funding only to contribute through capping per pupil gains. This option is within the regulations and does not require specific DfE approval as long as Schools Forum agree a level of transfer up to 0.5%.
  - b. Schools receiving minimum per pupil funding levels to be excluded from contributing by reducing the basic entitlement funding only which does not impact on the level of funding these schools are allocated (simply increasing the amount of top up funding above the formula). This option is within the regulations as long as the reduction to the basic entitlement is within the set tolerance. If outside, other factors could also be reduced to remain within the regulation tolerances.
26. An application has been submitted to the DfE this year for a 1% transfer (estimated at £2.7 million) as noted in the 2 October 2024 SEND update report to Cabinet. It is proposed that the NFF is reduced according to a similar scheme as applied in the current year, with this estimated as follows:
- a. reducing MPPFL by 1% (requires DfE approval)
  - b. setting an MFG below the NFF and within tolerance (within the regulations)
  - c. reducing the basic entitlement by 1% (within the 2.5% tolerance permitted)
27. The final proposed amounts of NFF reductions and school level impact will be confirmed after the DSG settlement, APT and school data is received in December and will be available for the January meeting to enable Schools Forum to support a 1% transfer, a lesser amount or no transfer.
28. In the meantime, a short consultation with schools will be undertaken to establish preferences for Schools Forum to consider in January 2025 where a recommendation to the council is to be agreed.

### **DSG Budget Monitoring 2024-25**

29. As part of the council's approved budget for 2024-25 it was recognised that the funding for high needs would be short by £28 million (45%).
30. The 2024-25 expenditure forecast report from the service to Cabinet in October 2024 increased this funding gap to £44.5 million (71% overspend against the grant allocation). The reasons for the increase were set out in detail as part of that report with the link included at the end of this report. This information is similar to that provided to the September 2024 Schools Forum meeting (link also provided below).
31. The excess of expenditure over grant has been ongoing nationally since the introduction of Education, Health and Care Plans (EHCPs) were introduced under the Children's and Families Act 2014.
32. Table 2 below sets out the current 2024-25 position regarding the expenditure on the high needs block of the DSG. This shows the allocation of £62.3 million (including the transfer of £1.3 million from the schools block) which was within an overall DSG grant allocation of £363 million. Expenditure in other DSG blocks is projected at the related funding levels.

**Table 2: Forecast High Needs Revenue Expenditure 2024-25**

Revenue Expenditure	Government Grant £m	Original Budget £m	Latest Estimate £m
DSG - Grant Funded Expenditure	62.3	62.3	62.3
Additional Budgeted Expenditure		28.0	28.0
Further Additional Expenditure			16.5
<b>Total Estimated Expenditure</b>	<b>62.3</b>	<b>90.3</b>	<b>106.8</b>
Dedicated Schools Grant (DSG) Funding	-62.3	-62.3	-62.3
<b>Total DSG Grant Funding</b>	<b>-62.3</b>	<b>-62.3</b>	<b>-62.3</b>
<b>Net Overspend / Unfunded</b>	<b>0.0</b>	<b>28.0</b>	<b>44.5</b>

33. Locally the deficit has been growing exponentially for several years with the result that the forecast accumulated deficit as of 31 March 2025 is now estimated to be £108m rising to £168million a year later if current trends continue.
34. The council is in dialogue with government about the high needs deficit and implications for the council.

### Financial Implications

35. These are set out above in the body of the report.

### Legal Implications

36. Schools Forum must be advised of the DSG Settlement for 2025-26 when it becomes available, and schools and Schools Forum must be consulted on mainstream schools funding proposals.
37. The process to disapply any of the expected regulations must be completed according to the timetable set out by the DfE.
38. Schools Forum has a range of decision making powers and these will need to be taken in the January 2025 meeting to enable budgets to be distributed to schools by 28 February 2025.

### Summary of human resources/sustainability/public health implications

39. None

### Summary of equality implications

40. An equalities impact assessment has not been undertaken as the operation of the DSG and expenditure to be met from each block is prescribed by the DfE. The council is running a large DSG deficit to support pupils with additional needs.



## **Summary of risk assessment**

41. The main risk within the DSG is the high needs funding gap for which there is currently no government solution.
42. There continues to be a risk that projected costs will rise further as activities to date to reduce demand are yet to be fully implemented. Improvements in commissioning have not yet become embedded and the review of special school banding has not yet concluded.

## **Background papers**

43. DfE policy notes published on 3 October 2024:

<https://www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2025-to-2026>

44. Cabinet Report 2 October 2024: High Needs Schools Grant Expenditure Forecast

[http://ced-pri-cms-02.ced.local/documents/s52985/Hlgh%20Needs%20Schools%20Grant%20Expenditure%20Forecast.pdf?\\$LO\\$=1](http://ced-pri-cms-02.ced.local/documents/s52985/Hlgh%20Needs%20Schools%20Grant%20Expenditure%20Forecast.pdf?$LO$=1)

45. Schools Forum 23 September 2024: Quarter 1 Budget Monitoring and High Needs Update 2024-25

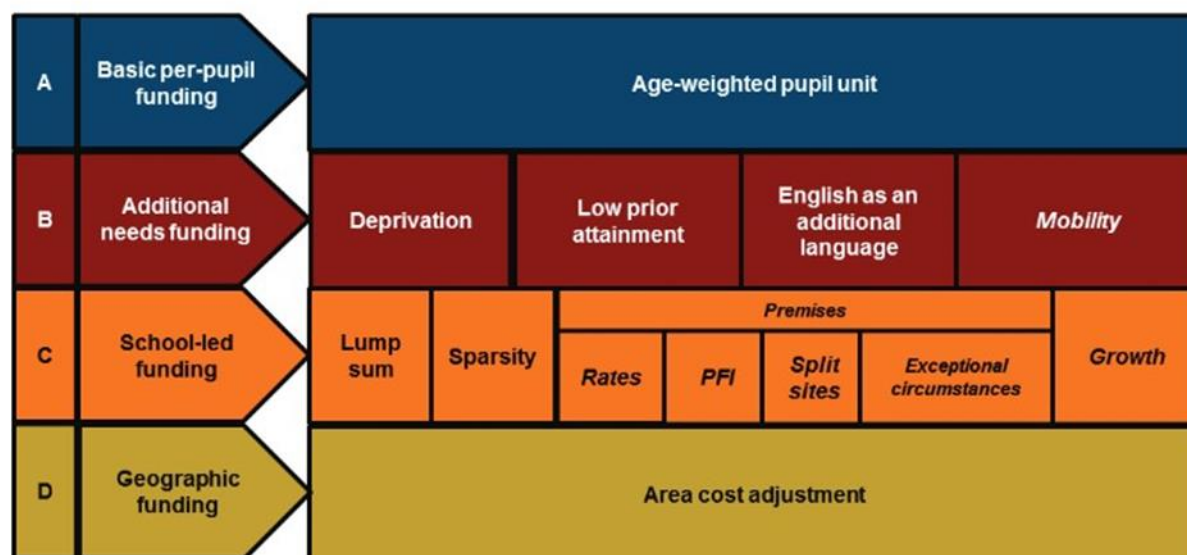
[http://ced-pri-cms-02.ced.local/documents/s52866/DSG%20monitoring%20Q1%2024-25.pdf?\\$LO\\$=1](http://ced-pri-cms-02.ced.local/documents/s52866/DSG%20monitoring%20Q1%2024-25.pdf?$LO$=1)

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### The structure of the schools NFF for 2025 to 2026

1. The 2025-26 schools NFF will use the same factors as the 2024-25 NFF. These are shown in the diagram below, and then explained in more detail:

**Figure 1: The building blocks and factors in the national funding formula for schools**



This diagram illustrates the factors that are considered when calculating schools block DSG funding allocations through the NFF. It is not to scale. Private finance initiative (PFI) and exceptional premises factors are allocated to local authorities based on historic spend (not relevant to BCP); and rates based on actual costs.

The individual NFF factors for 2025 to 2026 will operate in the same way as in 2024 to 2025 except for some changes to the PFI factor.

### 2. The pupil-led factors that will be used in the NFF for 2025-26

1. the basic entitlement factor – every pupil will attract this funding. There will continue to be different factor values for primary pupils, key stage 3 pupils, and key stage 4 pupils
2. additional needs funding – the NFF in 2025 to 2026 will continue to provide funding for pupils with additional needs, as measured by:
  - a) free school meals (FSM) factor – pupils who are eligible for free school meals will attract this funding. This funding is broadly intended to cover the cost of providing free meals for each eligible pupil
  - b) free school meals ever 6 (FSM6) factor - all pupils who are recorded as eligible for free school meals, or who have been at any point in the last six years, attract funding through this factor. The value of this factor will vary depending on the phase (primary or secondary) of the pupil
  - c) IDACI – this funding is based on the 2019 area-based income deprivation affecting children index (IDACI) measuring the relative deprivation of lower-layer super output areas (LSOAs). For the NFF, the IDACI ranks are divided into 7 bands A to G, with A representing the most deprived areas and G the least deprived. Additional funding is targeted towards pupils in bands A to F,

with more funding directed to pupils in the more deprived bands. The value of this factor will also vary depending on the phase of the pupil

- d) low prior attainment – pupils will attract this funding if, at primary, they did not achieve the expected level of development in the early years foundation stage profile assessment, and at secondary, did not achieve the expected standard in key stage 2 in any of reading, writing or maths. The value of this factor will vary depending on the phase of the pupil
- e) English as an additional language - pupils attract this funding if they entered state education in England during the last 3 years, and their first language is not English. The value of this factor will vary depending on the phase of the pupil
- f) mobility factor – this factor allocates funding to schools with a high proportion of pupils who have an entry date in the last 3 years which is not typical (in most cases, if their first recorded appearance on the school's roll was other than the October census). The value of this factor will vary depending on the phase of the pupil

### **3. The school-led factors that will be used in the NFF for 2025-26**

1. lump sum - every school attracts a lump sum through the NFF irrespective of its size or phase
2. sparsity factor - eligibility for sparsity funding depends on the distance the pupils living closest to the school would have to travel to their next nearest appropriate (for example, same phase) school, and the average number of pupils per year group. The value of this factor will vary depending on the phase of the school. The distance thresholds, year group size thresholds, and operation of the distance and year group size tapers will remain as they were for 2024 to 2025
3. premises – the NFF in 2025 to 2026 will continue to allocate funding to reflect the costs associated with a school's premises and overheads:
  - rates - for local accounting purposes, rates funding allocations will continue to notionally feature in the NFF allocation publication for all schools, including schools in billing authority areas where rates are paid directly by the Department for Education (DfE). Actual allocations to schools in those areas will not include funding for rates
  - split sites – this factor targets extra funding to schools which operate across more than one site. As in 2024 to 2025, schools can attract funding for up to a maximum of 3 additional eligible split sites. There will continue to be basic eligibility funding – that is, a lump sum that schools attract for each site (up to the maximum of 3 additional eligible sites) – as well as distance funding (through which up to 3 additional sites which are more than 100 metres from the main site, attract additional funding)
  - exceptional circumstances – this factor provides additional funding where local authorities have had approval from the Education and Skills Funding Agency (ESFA) to direct additional funding to a small number of schools with significant additional and atypical costs

#### **4. The NFF in 2025-26 will continue to provide funding protections**

1. minimum per pupil levels (MPPLs) - the MPPLs guarantee a minimum amount of funding for every pupil - the funding received through the MPPL varies from school to school depending on the year groups they have. In 2025 to 2026, MPPL values will remain compulsory in local authority funding formulae
2. the funding floor - the funding floor ensures that a school's funding is protected from excessive losses year-on-year, and that all schools attract a minimum uplift to their pupil-led per pupil funding. For 2025 to 2026, split sites funding will sit outside the calculation of the funding floor. This means that split sites funding will properly reflect any changes in the organisation of schools' sites

#### **5. Rolling in previous grants to the NFF**

1. The teachers' pay additional grant (TPAG), the teachers' pension employer contribution grant (TPECG) 2024 and the recently announced core schools budget grant (CSBG) will be rolled into the NFF for 2025-26. The funding for all 3 grants will be rolled in following a very similar approach to previous grants. That is:
  - a) Adding cash amounts to the primary, key stage 3 and key stage 4 per pupil funding factors in the schools NFF, to represent the equivalent amounts in the grants.
  - b) Adding cash amounts to the primary and secondary FSM6 factors, and the lump sum, in the schools NFF, to represent the equivalent amounts in the grants.
  - c) Adding cash amounts to the minimum per pupil funding levels (MPPFLs) for primary, KS3 and KS4 respectively, to reflect the average per pupil amount of funding that schools attracted through the preceding grants.
  - d) Adding an amount representing the total funding each school received through the preceding grants on to its baseline, which is used to calculate funding protection for the schools through the funding floor.
2. For TPAG and TPECG, the funding rolled in to the NFF will use the published funding rates directly. For example, in step (1) above, the cash amount added to the primary basic per pupil NFF factor to roll-in TPAG will simply be the cash value of the primary basic per pupil rate in TPAG for 2024-25 (that is, £62).
3. For CSBG the funding provided will need to reflect the full-year cost of the support staff pay award, as well as the part-year cost of the 2024 teachers' pay award (from September 2024). Therefore, to roll in this funding, the full year equivalent of the whole of the CSBG, will be used.

#### **6. Local Formula Changes**

A technical adjustment has been made to the operation of the minimum funding guarantee (MFG), whereby the split sites funding will be excluded from the MFG calculation to bring in line with the calculation in the NFF.

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## **Growth Fund Policy 2024-25 for Information**

### **Permanent expansions**

- Funding will be added to the APT in advance of pupils arriving at the school as intrinsic growth. The pupil numbers used will be considered with the relevant schools. As the numbers are on the APT, schools will be funded at their average pupil rate. Schools where there is expected permanent growth of at least 30 pupils will be funded in this way.
- In 2024-25 this includes Livingstone (5 FE in KS3 year 9 + 2 FE in year 2), Cornerstone (1FE in KS4 year 11)
- Any further growth will be funded as extrinsic growth, budgeted in the central growth fund.
- Criteria for payment of intrinsic growth funding
  - a) basic need (as agreed with BCP)
  - b) growth of at least 30 pupils in the designated year group
- Criteria for payment of extrinsic growth
  - a) growth above that included as intrinsic growth on the APT in the specified year group.
  - b) to be funded at £1,550 per pupil for both primary and secondary growth as per DfE guidance

### **Temporary expansions (bulge classes)**

- A temporary expansion or bulge class provides generally 30 places above the PAN.
- Funding, as per the DfE guidance will be at the cost of a teacher. BCP is proposing this is at scale M6 teacher, plus oncosts and any pay award from Sept 2024.
- There is no claw back of funding once the bulge class has passed through (lagged funding means that the bulge is funded through the formula for the year after it has gone).
- Criteria for payment of funding
  - a) basic need (agreed with BCP)
  - b) growth of at least 30 pupils in the designated year group

### **Minor variation to pupil numbers**

Minor variations to pupil numbers do not attract funding.

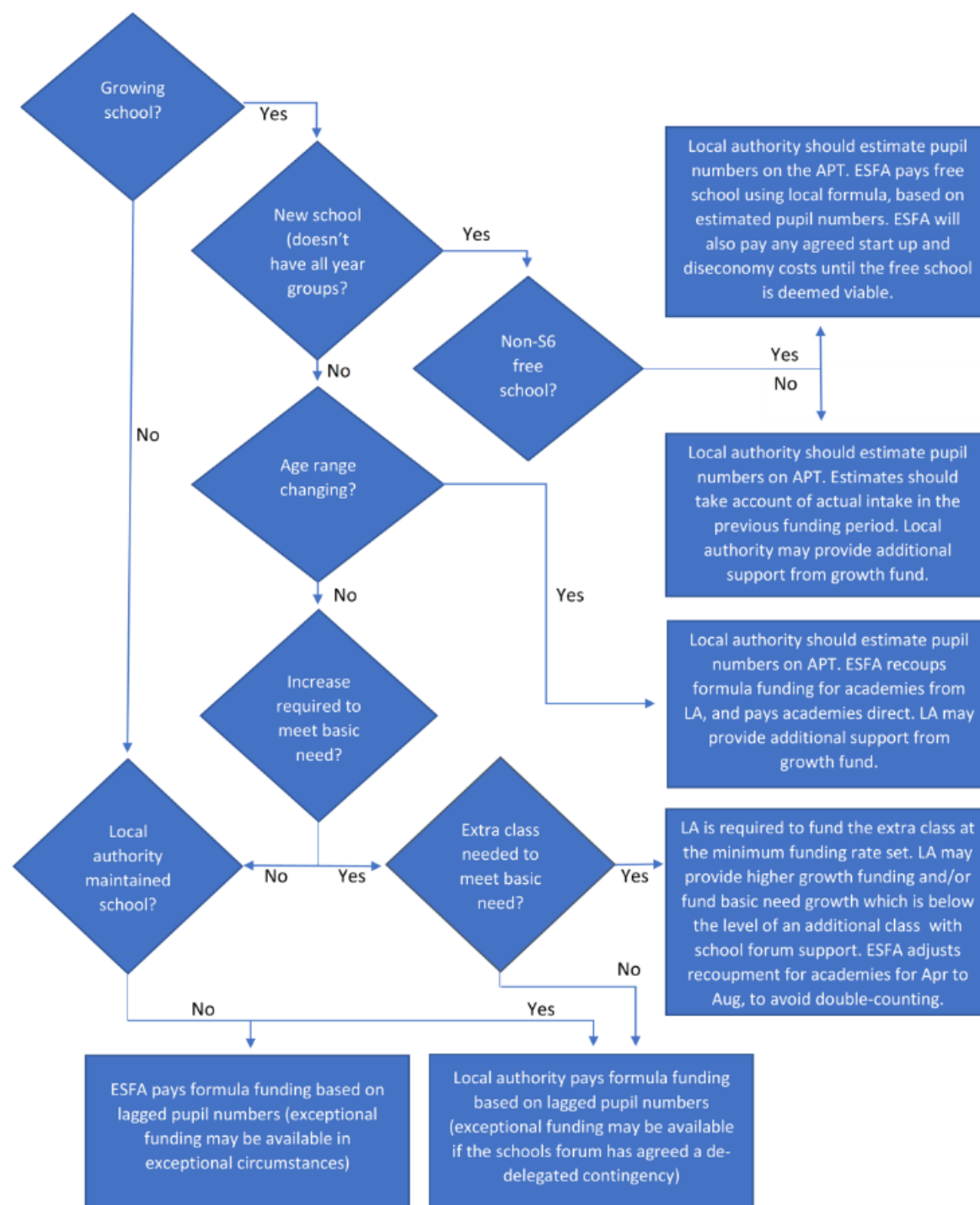
### **Falling Rolls Fund**

There will be no falling rolls fund in 2024-25, this is no change from previous years.

### Growth funding will not apply where a school:

- a) increases its PAN by choice but not agreed with the local authority as part of the process to meet basic need in the area,
- b) admits over PAN by choice (not to meet agreed basic need),
- c) admits pupils above a school's PAN on appeal or error in the school admissions process,
- d) general growth due to popularity, which is managed through lagged funding,
- e) is in financial difficulty and the LA has not agreed to an increase in the PAN.

[Growth and falling rolls fund guidance: 2024 to 2025 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/growth-and-falling-rolls-fund-guidance-2024-to-2025)





# Innovation Fund

25

9<sup>th</sup> September 2024

Chris Lee – Interim Head of School Inclusion



# Agenda



- ✓Recap – Our Initial Proposals
- ✓You Said... Feedback from Head Teachers
- ✓We Will Do...
- ✓Timeline

# Recap - Our Initial Proposals





# You Said... Education Conference

## 27.06.24



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Change name –development fund?

Changes to mainstream buildings not built for additional needs

### Outreach

- ✓ Outreach from Katie Tuck and her team has been golden
- ✓ Need In and outreach
- ✓ Hubs/cross pollination/sharing information
- ✓ Training – look at EHCP content and use to support
- ✓ Videos could help to upskill teachers
- ✓ BOOST funding needs to stay
- ✓ Trauma informed – schools are moving to this – consider timing of training e.g. twilights to enable all staff to attend

### Specialist teachers

- ✓ Specialist teachers can help ensure school set up right way e.g. for those awaiting specialist.
- ✓ Report recommendations need to be able to be delivered in mainstream

# You Said... Education Conference

## 27.06.24

29

### Area SENCOs

- ✓ concern over school losing capacity if seconded
- ✓ IQM – there is a national mark – what is the difference and why use a new local one?
- ✓ Build on work that Trusts already do
- ✓ Ensure consistency of offer across whole area

### Support school's own provision through the funding

- ✓ Funding for groups rather than individuals
- ✓ Primary/EY – target to enable early identification and support
- ✓ Planning for transition
- ✓ Primaries are looking for ways in which individualised curriculums can be delivered within mainstream provisions to promote inclusion.
- ✓ Mainstream Plus – a way of allowing children with complex needs to stay in mainstream by hiring specialist staff to support them. Required ongoing evidence that the child was flourishing and cost £10k per child



# You Said....

## Hamworthy HT Forum 03.07.24



- ✓ Area SENCO – would know us and patches; is doing/has recently done the job
- ✓ Retention in the posts – less churn, more consistency
- ✓ SENCO CPD
- ✓ Transition
- ✓ Can we have test and learn projects funded? E.g.
  - ✓ shared units in core and foundation subjects Y5-Y8?
  - ✓ Better transitions, sense of welcoming in new school, work travels with the children to their next school/setting
  - ✓ New pathways 14-19 across partner schools and B&P College including EHE and risk of NEETS
  - ✓ Funding for partner schools to support CLC and YP who are EHE and/or risk of NEET as an examination centre.



# We Will Do...

## Areas for Funding

- ✓ Inclusion Consultants
- <sup>31</sup> ✓ Training and Development Funding
- ✓ Additional Outreach Supplement
- ✓ Innovation Projects



# Inclusion Consultants (ICONS)



- ✓ Phase and Location based model building on existing resource
- ✓ 2 x additional EY ICONs supporting EY settings and schools to and including Reception year and KS1.
- ✓ 5 x Primary age ICONs supporting primary schools in KS2
- ✓ 4 x Secondary age ICONs supporting secondary schools
- ✓ 2 x Senior ICON to manage school age team



# ICONS– levels of support

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Universal	Foundation	Enhanced	Statutory
<ul style="list-style-type: none"><li>✓ A named ICON allocated as a point of contact for general queries and advice</li><li>✓ ICON attendance at an annual planning meeting</li><li>✓ Support within the first two days following a critical incident</li><li>✓ Access to Inclusive Setting Audit (ISA) and Environmental SEND Audit (ESA)</li><li>✓ Access to Graduated Response and Ordinarily Available Provision information and resources</li></ul>	<ul style="list-style-type: none"><li>✓ Information, advice and guidance via telephone</li><li>✓ Annual 'Whole School SEND Audit' including SEND in a Nutshell</li><li>✓ ICON attendance at termly planning meetings</li><li>✓ Agreed number of individual assessments and observations per year per school</li></ul>	<ul style="list-style-type: none"><li>✓ SEND Health Check</li><li>✓ Post-Ofsted inspection support for any improvement points</li><li>✓ Dedicated time for whole school development, e.g. strategic work with SENCO/HT regarding SEND systems</li></ul>	<ul style="list-style-type: none"><li>✓ EHC Assessments</li><li>✓ Annual Reviews</li><li>✓ No to Assessment decisions</li><li>✓ No to EHC Plan decisions</li></ul>

# ICONS- Costing

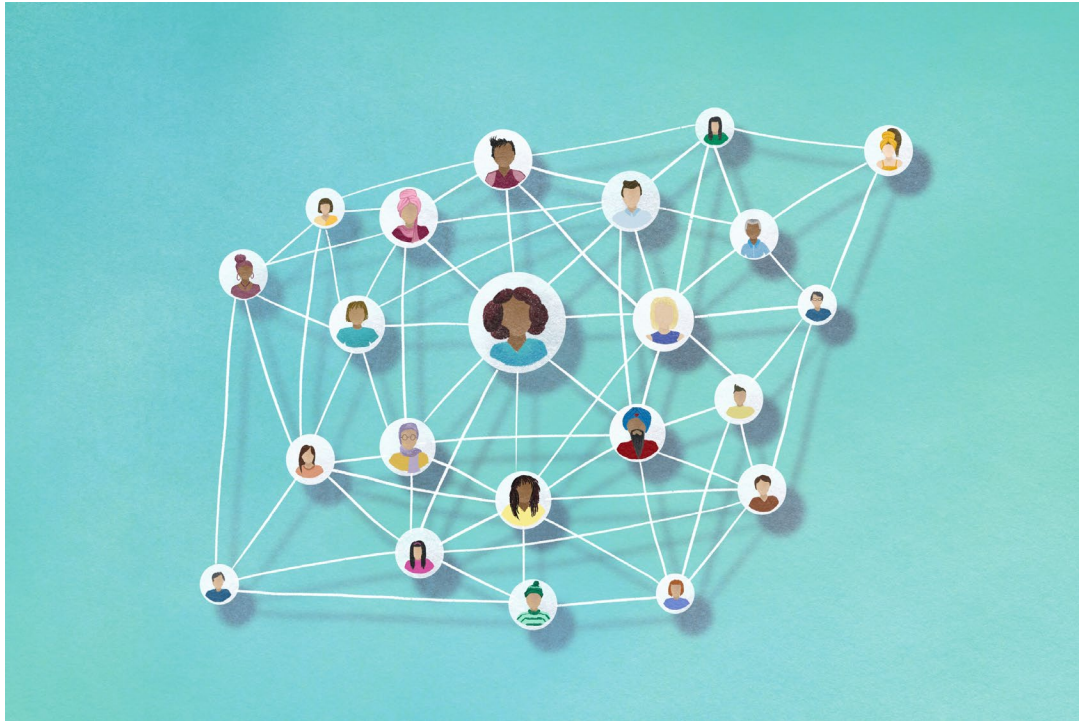
- ✓ 2 x EY ICONs & 5 x Primary ICONs & 4 x Secondary ICONs
- ✓ Soulbury SCP 8-12 £49,878 - £55,484 plus 32% oncosts
- ✓ 11 posts = cost range of £724,228 - £805,627

- 34
- ✓ Plus 2 x Senior ICON
  - ✓ Soulbury SCP 13 – 17 £56,976 - £63,748 plus 32% oncosts
  - ✓ 2 posts = cost range of £150,416 – £168,294

**= Overall Cost Range of £874,644 - £973,921**



# ICONS– Structural Position and recruitment



- ✓ Structure to be confirmed pending agreement
- ✓ Potential to be sited under SEND Strategic Head of Service
- ✓ Senior ICON to report directly to relevant Head of Service.
- ✓ Recruitment – based on school feedback – concerns relating to just secondment recruitment.
- ✓ Offer permanent Senior role, 9 permanent roles and 2 secondment roles to enable current practice and upskilling of our school staff but not be reliant on secondments to recruit.



# Training and Development Funding

## What is it? Whole School SEND

- ✓ 1. Every Leader a Leader of SEND Training
  - For Senior Leaders in schools to impact on leadership culture and practice to enable a cascade effect throughout schools.
- ✓ 2. Training in delivering Whole School SEND School Reviews for ICONs
  - Enabling ICONs to conduct SEND Reviews in schools to help improve SEND provision and strategy.
- ☞ 3. Free Online CPD and training on Whole School SEND Online for all schools

Proven impact on culture and approaches to SEND in mainstream schools on the leadership teams, working on hearts and minds of School Leaders on the basis that it cascades down throughout the school.

## Cost

- ✓ 1. 3 sessions will be funded by Whole School SEND themselves for Autumn Term. Any further sessions will cost £500 per session 3 additional to deliver = £1,500
- ✓ 2. £1,200 per delegate x 11 = £13,200 plus expenses
- ✓ 3. No cost.

**Desired impact** - Change of culture in schools and increased confidence and ability to meet needs in mainstream – resulting in fewer exclusions, fewer suspensions, reduced EHCNA requests and/or increased numbers of EHCP remaining in mainstream settings



# Training and Development Funding

## What is it?

- ✓ Excluded to Included Training (F2F full day training) for schools.
- ✓ The programme helps schools reduce exclusions by developing an understanding of the factors that affect pupils' behaviours and relationships. Having this understanding of the motivation behind a pupils' actions is key in improving attendance and building positive relationships. It also equips school staff with effective support mechanisms for those navigating potential exclusion.
- ✓ The programme serves as a catalyst for positive change within schools. Ultimately, the programme plays a pivotal role in reshaping the narrative of school environments. With the aim of working towards inclusivity, empathy, and the overall well-being of all students.

## Cost

- ✓ £2,000 +VAT + Trainer expenses

## Desired Impact

- ✓ Change of culture and awareness in relation to exclusions and increasing belonging/inclusion behaviours by schools



# Training and Development Funding

## What is it?

- ✓ Attachment and Trauma (F2F full day training) for schools
- ✓ Provides schools with the training and tools they need to be attachment and trauma aware so they can create a positive learning environment. Led by experienced attachment and trauma specialists, the course includes practical strategies to help staff better understand and support vulnerable children impacted by trauma and unmet attachment needs.

## Cost

- ✓ £1,200 + VAT + Trainer expenses

## Desired Impact

- ✓ Can help improve attendance and reduce exclusions, while boosting academic engagement and enabling children to achieve their full potential. Teachers and other staff will be more confident in addressing and dealing with attachment and trauma-related issues in education, improving relationships across the school community.





# Training and Development Funding

## What is it?

- ✓ Supporting Transitions (webinar half day training) for schools. Looking at the big differences that make transition hard for some pupils, and giving schools the guidance and tools to make the experience feel safer and give the children the tools to be successful.

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## Cost

- ✓ £850 + VAT + Trainer expenses

## Desired Impact

- ✓ Increasing the levels of success with transitions between settings for pupils, reducing exclusions, failed placements and attendance issues.



# Training and Development Funding

## What is it?

- ✓ Trauma Informed Schools UK – whole school training – 2 x 3 hour development sessions to be delivered as half-day INSET or twilight sessions to increase whole school awareness of trauma informed theory and practice and how to implement across the setting

## Cost

- ✓ £1990 x 98 schools = £195,020 (to be negotiated)

## Desired Impact

- ✓ Increased understanding of, confidence with and support in relation to Trauma across whole staff, improving inclusive practice, a culture of belonging and reducing exclusions, suspensions and poor attendance, resulting in more children thriving in mainstream placements





# Training and Development Funding

## What is it?

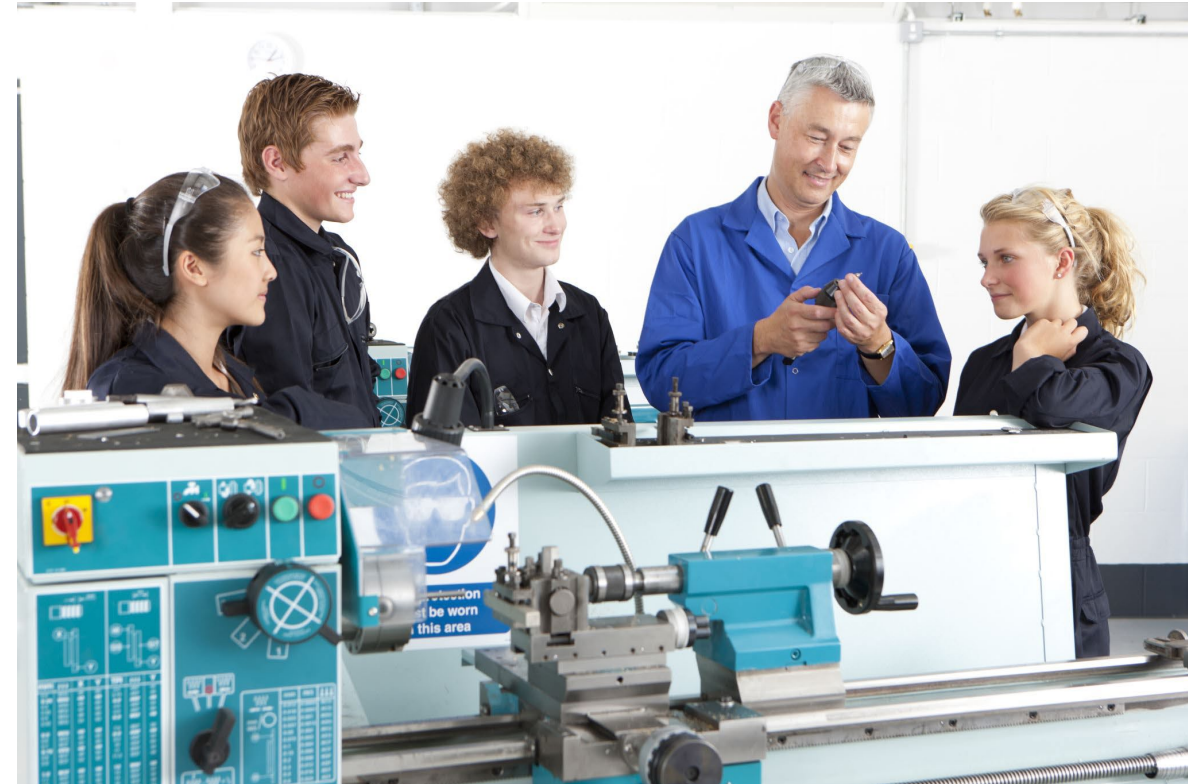
- ✓ Trauma Informed Schools UK – 2-day Leadership Course to increase senior leadership awareness of trauma informed theory and practice and how to implement system changes across the setting.

## Cost

- ✓ £3,100 for 40 delegates x 5 cohorts = £15,500 + venue hire

## Desired Impact

- ✓ Increased understanding of, confidence with and support in relation to Trauma across senior leadership in schools, resulting in a systemic and cascade change in school organisations, improving inclusive practice, a culture of belonging and reducing exclusions, suspensions and poor attendance, resulting in more children thriving in mainstream placements



# Additional Outreach Supplement

## What is it?

- ✓ Additional funding set aside through Innovation Fund to increase capacity of Outreach Support based on feedback at workshops and Education Conference to support further BOOST training. Exact format to be agreed following end of year outreach review and final planning in Autumn Half Term 1.

## Cost

- ✓ Max £500,000 additional allocated.

## Desired Impact

- ✓ Additional outreach support through BOOST funding to provide further layers of training and support for mainstream schools from outreach providers, increasing schools' ability to support pupils in mainstream reducing exclusions, suspensions etc





# Innovation Projects

## What is it?

- ✓ Funding allocated for mainstream schools to be able to submit bids/EOI as to how they can use to support cohorts of children within their settings in new ways where without this funding they would otherwise have struggled to meet their needs in mainstream.

## Cost

- ✓ A total pot of £1,180,954.96 for bids to be made for resulting in a minimum of 11 projects based on £100,000 per bid. Larger bids for wider impact could be considered.

## Desired Impact

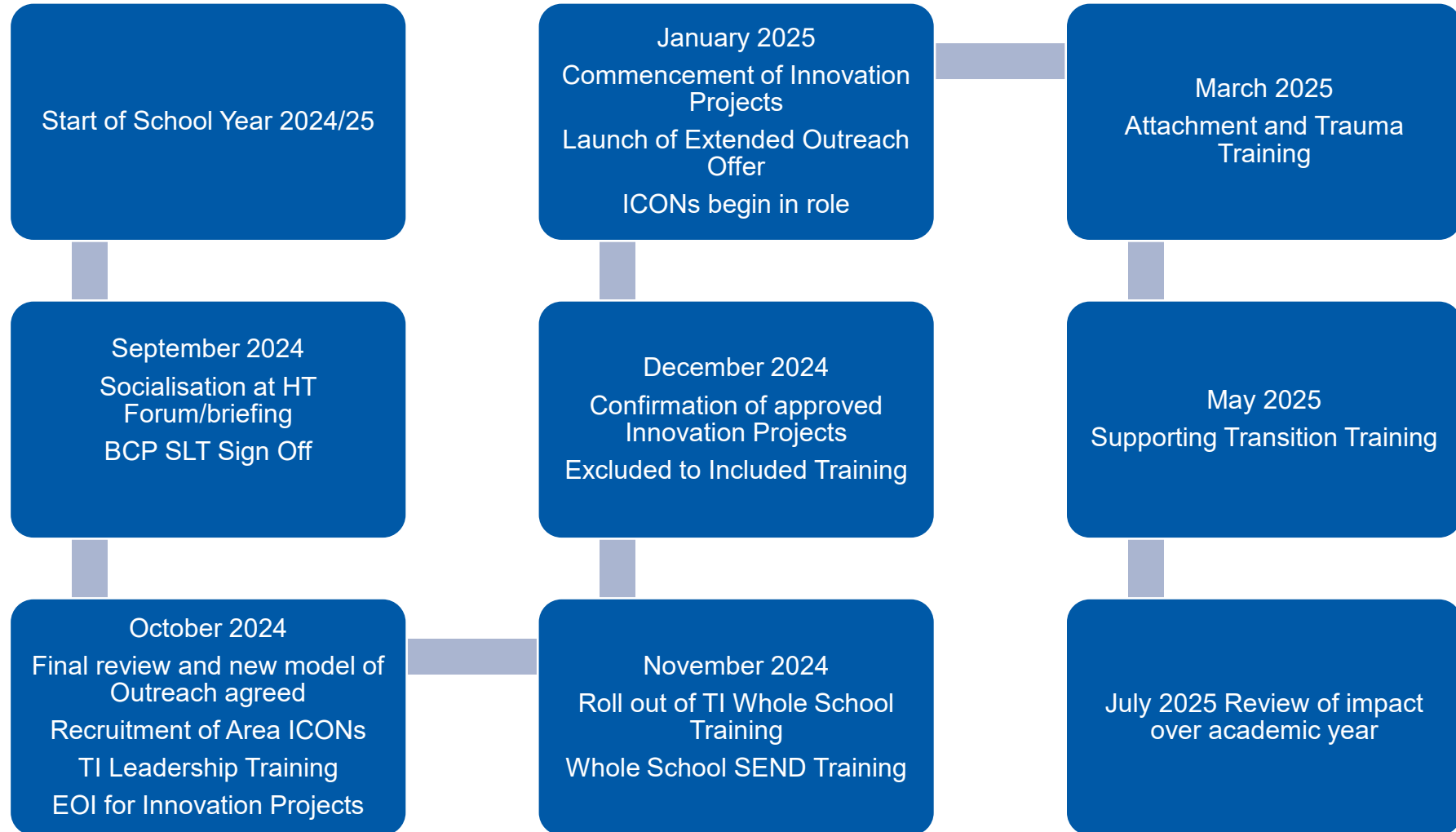
- ✓ Increased levels of inclusion in mainstream – reduction in numbers of children with EHCPs requiring specialist placements, reduction in exclusions and suspensions.



# Costing Summary – Total £2.8 million

Element	Impact Sought	Costs
Inclusion Consultants	Increased Advice and Support to mainstream schools resulting in greater ability and confidence with increased numbers of pupils with SEND successfully remaining in mainstream	£874,644 - £973,921
Every Leader a Leader of SEND - Whole School SEND Training for schools	Change of culture in leadership of schools and increased confidence and ability to meet need in mainstream	£1,500
SEND Review Training – Whole School SEND for Inclusion Consultants	Upskilling of ICONs to enable them to deliver SEND reviews of School SEND systems and processes.	£1200 x 11 = £13,200 + Trainer expenses
Excluded to Included Training (F2F full day training) for schools	Change of culture and awareness in relation to exclusions and increasing belonging/inclusion behaviours by schools	£2,000 +VAT + Trainer expenses
Attachment and Trauma (F2F full day training) for schools	Increased awareness of attachment and trauma-based practice for SENCOs and DTs	£1,200 + VAT + Trainer expenses
Supporting Transitions (webinar half day training) for schools	Increased awareness of how to support children through transitions, improving their successes and reducing negative experiences.	£850 +VAT
Trauma Informed Schools UK – whole school training 2 x 3-hour sessions for schools	Increased awareness and improved practice across whole staff groups in all schools in relation to trauma informed practice	£1990 x 98 schools = £195,020
Trauma Informed Schools UK – 2-day Leadership Course for schools	Support senior leads in schools to implement trauma informed practices into their schools, resulting in reductions in suspensions and exclusions, the frequency of challenging behaviour and improved educational outcomes	£3,100 for 40 delegates x 5 cohorts = £15,500 + venue hire
Outreach supplement	Increase outreach offer and access to outreach training- supporting inclusive practice in staff	£500,000
Innovation Fund	Supporting mainstream schools to be innovative in their approaches to meeting pupil need, resulting in increased inclusion, reduced exclusions, suspensions, specialist placements.	~£1,100,000

# Timeline 2024-25



# Any Questions?



## SCHOOLS FORUM



Subject	<b>DSG High Needs Block 5-year forecast (2024-25 to 2028-29)</b>
Meeting Date	18 November 2024
Status	Public Report
Executive Summary	<p>This report sets out the detailed forecast for the high needs block (HNB) of the DSG in 2024-25 and the following 4 years.</p> <p>The in-year shortfall in funding next year (2025-26) is forecast to be £60.2million before any contribution from schools block. A further increase to £70.7million in 2026-27 is expected before the increases to the shortfall begin to slow in 2027-28 and 2028-29. The cumulative deficit at the end of March 2029 is forecast to be £384.7million assuming the transfer from schools block is supported.</p>
Recommendations	<b>To note the information in the report in consideration of the proposed transfer from the school block to high needs of 1%. (separate agenda item)</b>
Reasons for Recommendations	Schools Forum to be kept informed of high needs position
Portfolio Holder(s):	Councillor Richard Burton, Children and Young People
Corporate Directors	Cathi Hadley, Director of Children's Services
Report Author	Steve Ellis – Management Accountant - Education Email: <a href="mailto:steve.ellis@bcpcouncil.gov.uk">steve.ellis@bcpcouncil.gov.uk</a>
Wards	Not applicable
Classification	For consultation



## Background

1. As reported to Cabinet in October 2024 (see link in background papers), there is a projected £16.5 million increase in the 2024-25 annual funding gap budgeted of £28 million (£44.5 million annual funding gap in total). The cumulative DSG deficit at 31 March 2025 is now projected to be £107.9 million.
2. The increase is due to significant growth in the level of EHCPs in the last 12 months. These changes were discussed fully in the September quarter one budget monitoring report (link in the background papers). These latest trends are fully reflected in the new medium term forecasts up to 2028-29.

## 5-year forecast 2024-2029

3. This year the budget was set acknowledging it was based on a very challenging set of assumptions, and these were tested with government advisers as part of our bid to gain financial support through the safety valve (SV) process. Since that time, the growth in EHCPs has been more than expected, as previously set out, and this will continue to impact over future years. In addition, we have learned that only one of our capital bids submitted as part of the SV process was successful. In addition, due to revised government timescales, the budget savings from the successful bid will now be later than previously anticipated and are expected to now be delivered in the period beyond the current financial planning horizon.
4. The number of placements modelled across different provider types in the new financial forecasts is consistent with the School Capacity (SCAP) submission to the DfE and reflects the council's sufficiency strategy.
5. The revised forecast uses average funding rates based on the annualised cost of the current cohort of pupils with an EHCP. There is an allowance of 5% for inflation on funding rates within these projections.
6. Funding levels in the HNB are assumed to increase by 6% annually, reflecting the announcements for 2025-26 and that the new government has acknowledged the financial strain across the SEND system from current policies with change unable to be delivered quickly. The funding transfer from the schools block (from 2025-26 onwards) is assumed to be 1% with the total schools block increasing by 3% annually.
7. The table below summarises the recent history of the HNB position and the forecast up to 2028-29. A more detailed breakdown of the forecast spend is included in appendix 1.

£ million	actual	forecast	forecast	forecast	forecast	forecast
	23-24	24-25	25-26	26-27	27-28	28-29
<b>Total HNB Spend</b>	<b>87.779</b>	<b>106.732</b>	<b>124.774</b>	<b>141.974</b>	<b>149.150</b>	<b>154.697</b>
HNB Funding	(59.162)	(60.908)	(64.575)	(68.450)	(72.557)	(76.910)
School block transfer		(1.324)	(2.727)	(2.809)	(2.893)	(2.980)
<b>In-year deficit</b>	<b>28.617</b>	<b>44.500</b>	<b>57.472</b>	<b>70.715</b>	<b>73.700</b>	<b>74.807</b>
Deficit bf	35.844	63.512	108.012	165.484	236.199	309.899
other DSG variances	(0.949)					
<b>Deficit cf</b>	<b>63.512</b>	<b>108.012</b>	<b>165.484</b>	<b>236.199</b>	<b>309.899</b>	<b>384.706</b>



## **Financial Implications**

8. The council is forecast to add to the already significant DSG deficit over the next 5 years. It is expected that the cumulative shortfall at March 2029 will reach £385 million.
9. The impact on the council's finances of the rising deficit has been included in previous reports with options and conversations with government on-going in seeking solutions.

## **Legal Implications**

10. The council must consult Schools Forum on expenditure plans for the DSG high needs budget.

## **Summary of human resources/sustainability/public health implications**

11. None

## **Summary of equality implications**

12. An equalities impact assessment has not been undertaken as the operation of the DSG and expenditure to be met from each block is prescribed by the DfE. The council is running a large DSG deficit to support pupils with additional needs.

## **Summary of risk assessment**

13. The main risk within the DSG is the high needs funding gap for which there is currently no government solution.
14. There continues to be a risk that projected costs will rise further as activities to date to reduce demand are yet to be fully implemented. Improvements in commissioning have not yet become embedded and the review of the special school banding has not yet concluded.

## **Background papers**

15. Cabinet Report 2 October 2024: High Needs Schools Grant Expenditure Forecast  
[High Needs Schools Grant Expenditure Forecast.pdf](#)
16. Schools Forum 23 September 2024: Quarter 1 Budget Monitoring and High Needs Update 2024-25  
[DSG monitoring Q1 24-25.pdf](#)

## **Appendix 1**

Detailed high needs budget 2024-29

## Appendix 1 – Detail 5-year forecast

	BCP 2024-25 Forecast Cost	BCP 2025-26 Forecast Average Cost Top-Up	BCP 2026-27 Forecast Average Cost Top-Up	BCP 2027-28 Forecast Average Cost Top-Up	BCP 2028-29 Forecast Average Cost Top-Up
Independent Schools	17,392,479	18,108,000 69,636	20,078,000 73,118	19,154,000 76,774	17,815,000 80,613
Non-Maintained Special Schools	12,370,596	13,129,000 55,674	15,977,000 58,457	17,148,000 61,380	18,187,000 64,449
<b>Total Independent &amp; Non-Maintained</b>	<b>29,763,075</b>	<b>31,237,000 62,997</b>	<b>36,055,000 65,805</b>	<b>36,302,000 68,641</b>	<b>36,002,000 71,549</b>
Colleges	829,176	936,000 3,560	1,234,000 3,738	1,517,000 3,925	1,708,000 4,121
Specialist Colleges (SPI)	6,609,006	8,404,000 43,068	10,258,000 45,221	12,212,000 47,482	13,859,000 49,856
Independent Colleges	947,779	2,642,000 35,799	3,203,000 37,588	3,594,000 39,468	3,663,000 41,441
<b>Total Post 16</b>	<b>8,385,960</b>	<b>11,982,000 22,530</b>	<b>14,695,000 22,885</b>	<b>17,323,000 23,580</b>	<b>19,230,000 24,624</b>
<b>Special Schools</b>	<b>18,140,796</b>	<b>18,306,000 19,444</b>	<b>22,446,000 20,417</b>	<b>23,708,000 21,437</b>	<b>24,883,000 22,509</b>
Mainstream	12,239,587	13,043,000 8,416	15,662,000 8,836	16,436,000 9,278	17,239,000 9,742
Independent mainstream	674,380	674,000 22,478	708,000 23,602	743,000 24,782	781,000 26,021
Mainstream Bases	976,252	1,805,000 14,869	2,245,000 15,612	2,409,000 16,393	2,604,000 17,212
<b>Total Mainstream and Special Units</b>	<b>13,890,219</b>	<b>15,522,000 9,124</b>	<b>18,615,000 9,564</b>	<b>19,588,000 10,053</b>	<b>20,624,000 10,572</b>
Medical / Therapies	45,919	0 3,284	0 3,448	0 3,621	0 3,802
Bespoke	7,094,390	14,338,000 26,812	16,325,000 28,151	17,591,000 29,559	18,465,000 31,035
Pre-School	215,738	374,000 6,816	360,000 7,157	361,000 7,515	379,000 7,890
Awaiting School Placement	1,807,744	0 17,822	0 18,713	0 19,648	0 20,631
<b>Other (AP / Medical / Pre-school)</b>	<b>9,163,791</b>	<b>14,712,000 16,034</b>	<b>16,685,000 14,961</b>	<b>17,952,000 15,788</b>	<b>18,844,000 15,155</b>
<b>TOTAL PLACEMENTS</b>	<b>79,343,842</b>	<b>91,759,000 20,000</b>	<b>108,496,000 20,276</b>	<b>114,873,000 21,058</b>	<b>119,583,000 21,416</b>
Centrally Commissioned Services	6,633,106	9,997,000	10,185,000	10,694,000	11,227,000
PLACES SEN	12,791,000	14,792,000	14,792,000	14,792,000	14,792,000
<b>TOTAL SEN</b>	<b>98,767,948</b>	<b>116,548,000</b>	<b>133,473,000</b>	<b>140,359,000</b>	<b>145,602,000</b>
<b>TOTAL AP</b>	<b>7,964,095</b>	<b>8,226,000</b>	<b>8,501,000</b>	<b>8,791,000</b>	<b>9,095,000</b>
<b>TOTAL HNB SPEND</b>	<b>106,732,043</b>	<b>124,774,000</b>	<b>141,974,000</b>	<b>149,150,000</b>	<b>154,697,000</b>
<b>HNB Funding</b>	<b>60,908,140</b>	<b>64,575,000</b>	<b>68,450,000</b>	<b>72,557,000</b>	<b>76,910,000</b>
<b>IN-YEAR FUNDING GAP</b>	<b>45,823,903</b>	<b>60,199,000</b>	<b>73,524,000</b>	<b>76,593,000</b>	<b>77,787,000</b>
<b>Transfer from SB (0.5% 24-25, 1.5% ongoing)</b>	<b>1,323,903</b>	<b>2,727,000</b>	<b>2,809,000</b>	<b>2,893,000</b>	<b>2,980,000</b>
<b>IN-YEAR AFTER TRANSFER FROM SB</b>	<b>44,500,000</b>	<b>57,472,000</b>	<b>70,715,000</b>	<b>73,700,000</b>	<b>74,807,000</b>
Brought Forward Deficit	63,385,000	107,885,000	165,357,000	236,072,000	309,772,000
<b>Carry Forward Deficit</b>	<b>107,885,000</b>	<b>165,357,000</b>	<b>236,072,000</b>	<b>309,772,000</b>	<b>384,579,000</b>

## **Bournemouth, Christchurch and Poole Schools Forum**

### **Forward Plan**

#### **18 November 2024**

- Finance Update – 2024-25 Dedicated Schools Grant (DSG) Budget Monitoring and 2025-26 Financial Settlement, and School Block Transfer to High Needs
- 5 Year High Needs Forecast
- Early Years Single Funding Formula 2025-26
- Schools Forum Membership
- Forward Plan

#### **13 January 2025**

- DSG Management Plan
- Mainstream School Funding and High Needs Transfer
- LAC Pupil Premium Arrangements
- Maintained School Services and Central retention

#### **23 June 2025**

- DSG Outturn 2024-25
- High Needs Block Update
- Forward Plan

#### **29 September 2025**

- Quarter 1 Budget Monitoring and High Needs Update 2024-25
- DSG Outturn
- Forward Plan and dates for 2026/27

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