

## *GATESHEAD SCHOOLS FORUM AGENDA*

**Thursday, 7 November 2024 at 2.00 pm in the Microsoft Teams**

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From the Chief Executive, Dale Owens

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| Item | Business  |
|------|---|
| 1    | <b>Apologies</b>  |
| 2    | <b>Minutes</b> (Pages 3 - 6)<br><br>The Forum is asked to approve as a correct record the minutes of the last meeting held on 19 September 2024.        |
| 3    | <b>Early Years Inclusion Fund Consultation</b> (Pages 7 - 10)<br><br>Laura Smith, Education, Schools and Inclusion, Carole Smith, Resources and Digital |
| 4    | <b>Early Years Budget Grant</b> (Pages 11 - 20)<br><br>Carole Smith, Resources and Digital  |
| 5    | <b>Growth Fund Procedure</b> (Pages 21 - 28)<br><br>Carole Smith, Resources and Digital   |
| 6    | <b>DSG Monitoring - Quarter 2</b> (Pages 29 - 32)<br><br>Terence Appleby, Resources and Digital   |
| 7    | <b>School Funding Update</b><br><br>A verbal update by Carole Smith, Resources and Digital  |
| 8    | <b>Date and Time of Next Meeting</b><br><br>Thursday 12 December 2024 via Microsoft Teams   |

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## GATESHEAD METROPOLITAN BOROUGH COUNCIL

### GATESHEAD SCHOOLS FORUM MEETING

Thursday, 19 September 2024

|                 |                           |                                   |
|-----------------|---------------------------|-----------------------------------|
| <b>PRESENT:</b> | Peter Lague (Chair)       | Trade Union Representative        |
|                 | Mark Barrett              | Maintained Secondary Headteachers |
|                 | Julie Goodfellow          | Primary Academy Headteacher       |
|                 | Alison Hall               | Primary Maintained Headteacher    |
|                 | Steven Haigh              | Secondary Academy Headteacher     |
|                 | Paul Harris               | Primary Maintained Headteacher    |
|                 | Rebecca Matthews          | AP Academy Headteacher            |
|                 | Ethel Mills               | PVI Sector Representative         |
|                 | Michelle Richards         | Special Schools Headteacher       |
|                 | Jacqui Ridley             | Maintained Primary Governors      |
| Brendan Robson  | Secondary Faith Academies |                                   |

|                       |                 |                   |
|-----------------------|-----------------|-------------------|
| <b>IN ATTENDANCE:</b> | Terence Appleby | Gateshead Council |
|                       | Philip Cole     | Gateshead Council |
|                       | Suzanne Dunn    | Gateshead Council |
|                       | Kelly Flavin    | Gateshead Council |
|                       | Barry Grenfell  | Gateshead Council |
|                       | Kate Lowes      | Gateshead Council |
|                       | Carole Smith    | Gateshead Council |

#### 1 APOLOGIES

Apologies for absence received from Sarah Diggle, Councillor Gallagher and Councillor Haley.

#### 2 MINUTES

The minutes of the meeting held on the 11 July 2024 were agreed as a correct record.

With the minor ammendment of update to the apologies of absence for Alison Hall.

#### 3 QUARTER 1 DSG MONITORING

The Forum received a report on Quarter 1's Dedicated Schools Grant (DSG) projected outturn position for 2023/24.

The Council's budget for 2024 is £123.352m with a final outturn for the year of £125.527m an overspend of £2.175m. £2.177 of this projected overspend is in the High Needs Block. This is due to:

- +£1,293k Top-ups
- +£312k Support for Inclusion
- +£542K Alternative Provisions Services

The balance of the DSG reserve on 31 March 2024 was £2.719m. Factoring in the in-year overspend of £2.175m and the Early Years clawback for 2023/24 of £0.131m decreased the balance to £0.413m on 31 March 2025.

It was noted that the High Needs Block is not sustainable, and work is being undertaken to look at sustainability issues going forward.

RESOLVED:

- The School Forum notes the report.

#### **4 EARLY YEARS 2-YEAR-OLD FUNDING FORMULA**

The Forum received a report for information on the early years 2-year-old funding formula.

As part of the DfE Section 251 (S251) data collection, the DfE required Councils to provide them with details of their early year's formulas. The DfE raised some queries on the S251 budget return which included the request that the deprived and working parent 2-year-old formula be disaggregated and required separate entities on the return. On review of the updated data the DfE responded 1 August 2024, that the pass-through rates of 2-year-olds for working parents did not comply with the 95% pass through rate and was only 92.4%.

The DfE S251 contact was e-mailed 2 August highlighting that Gateshead calculated the 2-year-old formula as one formula and the pass-through rate at 95% for the single formula. The issues that changing the formula part way through the year could cause for settings, with a request to submit a retrospective disapplication of the Schools and Early Years Financial Regulations on the basis that this was a genuine misunderstanding of the requirement for a 95% pass through rate for both elements of the 2-year-old funding.

On the 22 August at which the DfE provided their solution to the situation this was:

- The Council would not be able to apply for a retrospective disapplication of the regulations
- The S251 return would remain as completed with the formula for 2-year-olds of working parents being left as having a 92.4% pass through rate.
- A letter would be sent from the DfE to the Council to state that is it technically in breach of the Schools and Early Years Finance Regulations, but no action would be required by the Council for 2024/25 financial year.

The DfE has acknowledged that Gateshead Council are not the only Council to have experienced this issue and there is going to be an update on the operational guidance to correct the error of interpretation for 2025/26.

RESOLVED:

- i. That the report is noted.

**5 EARLY YEARS INCLUSION FUND PROPOSAL AND DRAFT CONSULTATION**

The Forum received a report on the use of the Early Years Inclusion Fund (EYIF) for 2024/25 to establish early years assessment hubs and to fund low and emerging SEND in early years settings.

In 2024/25 it is proposed that a £47,188 of the £540,238 EYIF is used to set up 2 early years assessment hubs within Gateshead. The aim of the hubs is to provide time measured intensive assessment and observation, with transition support back to the child’s “home” early years setting. A summary of the proposal was attached in appendix 1 of the report. Schools Forum supported the set-up of the hubs and agreed with the proposals in the draft consultation document.

The premises costs of the hubs will be brought back to Schools Forum when available.

The second part of the report proposed the allocation of the remainder of the EYIF be allocated to settings using the settings weighted ACORN hours for 2024/25 until process linked to SEND thresholds can be developed.

RESOLVED:

- i. The School forum agreed the proposal for the early years hub, and the proposed allocation of the EYIF
- ii. Schools Forum approved the draft consultation document to be sent out to all settings on the proposed uses of EYIF

**6 DATE AND TIME OF NEXT MEETING: 7 NOVEMBER 2024**

The date of the next meeting will be Thursday 7<sup>th</sup> November 2024.

**Chair.....**

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**Title of Report:** Early Years Inclusion Fund Consultation Outcome

**Report of:** Darren Collins, Strategic Director, Resources & Digital

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## **Purpose of the Report**

1. To bring to Schools Forum the outcome of the Early Years Inclusion Fund (EYIF) consultation on the use of EYIF to establish early years assessment hubs, and the allocation of the EYIF to settings.

## **Background**

2. This report builds on a report brought to Septembers Schools Forum on the EYIF consultation proposals and the draft consultation document for approval.
3. The EYIF was introduced from April 2017 by the Department for Education (DfE) as part of the Early Years National Funding Formula (EYNFF). The changes required each local authority to have an inclusion fund for children with low and emerging special educational needs and disabilities (SEND).
4. The EYIF formula was last updated for 2021/22, where after consultation with providers, it was agreed that Gateshead's inclusion fund would be the balance of the 5% permitted top slice after the deduction of the costs of the Early Years Team.
5. Due to the extension of early years provision the DfE operational guidance confirmed that it is the expectation that "local authorities have special educational needs inclusion funds (SENIFs) for all children with special educational needs (SEN) eligible for or taking up the new and existing entitlements, regardless of the number of hours taken".
6. The estimated balance of EYIF is £540,238 for 2024/25, and it was proposed that £47,188 of the EYIF for 2024/25 is used to set up 2 early year assessment hubs, with the remainder to be distributed to early years settings.
7. Agreement was also requested for a full year provision for the assessment hubs for 2025/26, an estimated £168,791, with the remainder of the EYIF allocated to settings linked to the Gateshead Thresholds.
8. Over 140 consultation documents were sent out to settings on 20 September 2024, with only 7 being returned by the deadline. 57% or 4 respondents agreed with questions 1 to 3. 71% of respondents agreed with questions 4 and 6 and 100% with question 6. A list of the questions, and table of responses and comments are included in appendix 1.

## Proposal

9. For the EYIF for 2024/25 it is proposed that Schools Forum approves:-

- £47,188 of EYIF funding is used to set-up 2 early years assessment hubs.
- £8,500 will be retained centrally to allocate to providers that identify needs of new children moving into the area throughout the year, assessed by Area SENCo.
- The remainder of the EYIF, £484,550 will be allocated using the post codes of the children at providers on the January census to generate the ACORN score. The ACORN score will be multiplied by the summer term actual hours and Autumn term interim hours for all entitlements, to generate the ACORN weighted hours to allocate funding. This is proposed so that settings can be allocated the funding as soon as possible in the Autumn term following the proposed consultation outcome and pending approval from Schools Forum.

10. For the EYIF for 2025/26 it is proposed that Schools Forum approves:-

- £168,791 of funding is used to continue the 2 early years assessment hubs
- A new allocation method be developed using the Gateshead SEND Thresholds to allocate funding to settings for individual children based on need.

## Recommendation

11. It is recommended that Schools Forum approves: -

- The proposed use of EYIF to set up 2 early years assessment hubs, £47,188 for the financial year 2024/25 and £168,791 for the financial year 2025/26.
- The retention of £8,500 for 2024/25 centrally for allocation to allocate to providers that identify needs of new children moving into the area throughout the year, assessed by Area SENCo.
- The allocation of the remainder of the EYIF £484,550 using a settings ACORN score, multiplied by the summer term actual hours and the Autumn term interim hours for all entitlements.

## For the following reason(s):

- To enable the setup of the 2 early years assessment hubs
- To provide EYIF to all providers in a timely basis to enable them to plan for the effective use of EYIF for their children
- To provide sufficient time for the development of a process to support the embedding of Gateshead Thresholds in early years settings to provide funding based on individual children.



**The consultation Questions**

Q1 - Do you accept the use of £47,188 inclusion funding for the financial year 2024/25 to set up 2 early years assessment hubs?

Q2 - Do you accept the use of an estimated £168,791 inclusion funding for the financial year 2024/25 to set up 2 early years assessment hubs?

Q3 - Do you accept the top slice of £8,500?

Q4 - Do you accept that the residual amount of £484,550 be used to allocate EYIF to settings for 2024/25?

Q5 - Do you accept using the average ACORN score of each individual setting to calculate funding?

Q6 - Do you accept Summer term and interim autumn hours being used to calculate EYIF for 2024/25?

**Summary of Responses**

| Summary  |     |        |    |       |            |       |
|----------|-----|--------|----|-------|------------|-------|
| Question | Yes | %      | No | %     | Don't Know | %     |
| 1        | 4   | 57.14  | 1  | 14.29 | 2          | 28.57 |
| 2        | 4   | 57.14  | 2  | 28.57 | 1          | 14.29 |
| 3        | 4   | 57.14  | 2  | 28.57 | 1          | 14.29 |
| 4        | 5   | 71.43  | 2  | 28.57 | 0          | 0.00  |
| 5        | 5   | 71.43  | 1  | 14.29 | 1          | 14.29 |
| 6        | 7   | 100.00 | 0  | 0.00  | 0          | 0.00  |

## Comments made by respondents

|                       |  |
|-----------------------|--|
| <b>Q1</b>             |  |
| Provider 3            | It would be useful to know how these assessment hubs will work, who will be eligible to access them and how children can be referred to them.  |
|                       |  |
| <b>Q2</b>             |  |
| Provider 1            | There is insufficient funding for 3 and 4 year olds already so adding 2 year olds makes it worse   |
|                       |  |
| Provider 7            | This will take away essential finances used by nurseries to provide higher level of support to the children and may impact them accessing provisions.  |
|                       |  |
| <b>Q3</b>             |  |
| Provider 3            | I have concerns that £8,500 will not be enough and worry about what will happen once this funding has gone.  |
|                       |  |
| <b>Q4</b>             |  |
| Provider 1            | This is not enough to provide the amount of funding needed for inclusion for 3 and 4 year olds across Gateshead  |
|                       |  |
| <b>Q5</b>             |  |
| Provider 7            | It does not matter if an SEND child is living in a more deprived area, they need the same level of additional support to bridge gap.   |
|                       |  |
| <b>Other comments</b> |  |
| Provider 1            | If funding is to be provided for 2 year olds it only affects my setting if I already get enough funding for my 3 and 4 year olds.  |
|                       |  |
| Provider 2            | Inclusion funds has been a big support for our setting in the past and we hope that it continues further to support the children with SEND.  |
|                       |  |
| Provider 7            | Nurseries do not receive enough financial support to SEND children - offering higher level of support/ 1:1 to scaffold learning and care to help them reach their full potential and keep them safe. |

**Title of Report:** Early Years Budget Grant 2024/25

**Report of:** Darren Collins, Strategic Director, Resources & Digital

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## **Purpose of the Report**

1. To bring to Schools Forum the outcome of the consultation on the allocation of the Early Years Budget Grant (EYBG).

## **Background**

2. The EYBG was announced in July 2024 at the same time as core budget grants for mainstream schools, post 16 and special schools to support education providers with their costs following the 2024/25 teachers pay award. The allocations and operational guidance were only published by the Department for Education (DfE) 17 September 2024 for the EYBG and is for the time period September 2024 to March 2025.
3. The EYBG funding is made to Local Authorities with school based early years provision as school-based providers are more likely to incur specific costs related to teachers pay. A proportion of the grant will be directed towards maintained nursery schools.
4. Funding has been allocated as proportion of the total funding available (£34m for EYBG) based on the value of the previous Teachers Pay Grant that was rolled in to early years funding for 2024/25.
5. The value of the grant for Gateshead to cover the period September 2024 to March 2025 is £148,100 for nursery classes and £10,787 for maintained nurseries.
6. Local authorities must pass on the funding in a clear and transparent way, so that providers can understand how allocations have been determined locally.
7. Unlike previous years allocations for teachers pay and pension grants, the DfE did not provide individual allocations to school bases settings but left the allocation methodology to local authority discretion.
8. The EYBG conditions of Grant state that:
  - Local Authorities do not have to consult with Schools Forum (due to time constraints)
  - The DfE encourages Local Authorities to consult with providers, where this is possible and does not create excessive delays in finalising allocations and making payments
  - All funding must be allocated to providers

- There must not be any carry forward past 31 March 2025
9. Before consultation with providers a draft consultation document was taken to senior officers, where it was approved, before being e-mailed out to providers.
  10. The consultation ran from 17th to 28th October 2024. The consultation document is in appendix 1 for information.

### **Outcome of the Consultation**

11. At the close of the consultation, 25 responses had been received.
12. Although the response rate was low (25 out of more than 140 3- & 4-year-old settings), most of the responses were in favour of the proposals, ranging from 76% for questions 2 and 3, 72% for question 1 and 64% for question 3.
13. The breakdown of the responses are in appendix 2 and comments in appendix 3.

### **Proposal**

14. The proposal is for the EYBG for nursery class funding to be allocated to school-based providers who have a teacher led provision and have teachers that are paid on teachers pay terms and conditions. Settings must also have a teacher led provision that is at least on a 1:26 ratio.
15. It is proposed that the allocations are based on Spring 2024 hours, as the DfE are allocating funding on January 2024 head count data.
16. For the EYBG for maintained nurseries, it is proposed that the funding allocated by the DfE to Gateshead for nursery schools is passported to Gateshead's only nursery school.

### **Recommendation**

17. It is recommended that Schools Forum notes: -
  - The consultation document in appendix 1
  - The consultation results in appendix 2
  - The consultation comments in appendix 3
18. It is recommended that Schools Forum approves:-
  - The allocation of funding to nursery classes in school-based providers that have teachers that are paid on teachers terms and conditions, and that settings are staffed on a teacher ratio of no more than 1:26
  - That allocations are based on spring 2024 hours
  - The maintained nursery element of the EYBG be allocated to Bensham Grove nursery school as Gateshead's only maintained nursery school.

### **For the following reason(s):**

- To enable the EYBG to be allocated to settings in a clear and transparent way

- To provide funding to school-based settings following the 2024/25 teachers pay award

# **Gateshead Metropolitan Borough Council**

## **Early Years Budget Grant**

### **CONSULTATION PAPER**

**18 October 2024 to 28 October 2024**

## **INTRODUCTION**

**This consultation paper is for early years' providers that are in receipt of funding for 3- & 4-year-old children.**

On the 29 July 2024, the Department for Education (DfE) announced additional funding for mainstream schools, post 16, Special Schools and early years provision to support education providers with their costs following the 2024/25 teachers pay award.

This funding will cover the 7-month period between September 2024 to March 2025, and will then be rolled into the 3-and-4-year-old element of the dedicated schools grant (DSG) early years block for 2025/26.

For early years providers the Early Years Budget Grant (EYBG) will only be paid to local authorities. The DfE funding approach for the EYBG targets areas that have more school-based provision as school-based settings are more likely to incur specific costs related to teachers pay.

The DfE allocation methodology is also proportionally based on the previous Teachers Pay Grant that was allocated to school-based settings before being rolled into 3- & 4-year early years DSG funding.

The DfE published allocations of the EYBG on the 17 September 2024, and the total value of the grant for Gateshead to cover the period September 2024 to March 2025 is £148,100 for nursery classes and £10,787 for maintained nurseries.

Local authorities must pass on the funding in a clear and transparent way, so that providers can understand how allocations have been determined locally.

The EYBG conditions of Grant state that:

- Local Authorities do not have to consult with Schools Forum (due to the time constraints)
- The DfE encourages Local Authorities to consult with providers, where this is possible and does not create excessive delays in finalising allocations and making payments to providers
- All funding must be allocated to providers
- There must not be any carry forward past 31 March 2025

### **Funding Proposal**

The proposal is for the EYBG for nursery class funding to be allocated to school-based providers who have a teacher led provision and have teachers that are paid on teachers pay terms and conditions. It is proposed that the allocations are based on Spring 2024 hours, as the DfE are allocating funding on January 2024 head count data.

For the EYBG for maintained nurseries, it is proposed that the funding allocated by the DfE to Gateshead for nursery schools is passported to Gateshead's only nursery school.

The consultation will run from 18 to 28 October 2024, and the outcome of the consultation will be reported to Schools Forum.

The consultation questions are:-

Q1 Do you accept the proposal to allocate the EYBG to school based nursery classes, who have a teacher led provision and employ teachers on teachers pay terms and conditions?

Q2 Do you accept that only nursery classes that are teacher led (in a ratio of 1:26) will attract EYBG funding?

Q3 Do you accept that funding will be awarded based on Spring 24 hours?

Q4 Do you accept that Gateshead's allocation of EYBG for nursery schools be passported to the only Gateshead maintained nursery as the only setting eligible for this funding?

### **Consultation Response**

Please complete the attached consultation form and return by 28<sup>th</sup> October 2024 and send to Carole Smith [carolesmith@gateshead.gov.uk](mailto:carolesmith@gateshead.gov.uk)



# Consultation Response Form

## Early Years Budget Grant Consultation for 3- & 4-year-old Early Years Settings

The name organisation and role sections must be completed, and only one consultation response will be accepted from each setting.

**Return deadline 28 October 2024**

|                     |  |
|---------------------|--|
| <b>Name</b>         |  |
| <b>Organisation</b> |  |
| <b>Role</b>         |  |

| EYBG   |                          |
|--|--------------------------|
| <b>Q1 Do you accept the proposal to allocate the EYBG to school based nursery classes, who have a teacher led provision and employ teachers on teachers pay terms and conditions only?</b> |                          |
| Yes  | <input type="checkbox"/> |
| Don't Know   | <input type="checkbox"/> |
| No   | <input type="checkbox"/> |
| <b>Comments</b>  |                          |

| EYBG  |                          |
|---|--------------------------|
| <b>Q2 Do you accept that only nursery classes that are teacher lead (in a ratio of 1:26) will attract EYBG funding?</b> |                          |
| Yes   | <input type="checkbox"/> |
| Don't Know  | <input type="checkbox"/> |
| No  | <input type="checkbox"/> |
| <b>Comments</b>   |                          |

| EYBG   |                          |
|--|--------------------------|
| <b>Q3 Do you accept that funding will be awarded based on Spring 24 hours?</b> |                          |
| Yes  | <input type="checkbox"/> |
| Don't Know   | <input type="checkbox"/> |
| No   | <input type="checkbox"/> |
| <b>Comments</b>  |                          |

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| EYBG  |                          |
|---|--------------------------|
| <b>Q4 Do you accept that Gateshead's allocation of EYBG for nursery schools be passported to the only Gateshead maintained nursery as the only setting eligible for this funding?</b> |                          |
| Yes   | <input type="checkbox"/> |
| Don't Know  | <input type="checkbox"/> |
| No  | <input type="checkbox"/> |
| <b>Comments</b>   |                          |

**Please return to**  
Carole Smith  
Finance Business Partner Schools  
**By Monday 28 October 2024**

## Appendix 2

| Setting           | Question 1 |            |            | Question 2 |            |            | Question 3 |            |           | Question 4 |            |            |
|-------------------|------------|------------|------------|------------|------------|------------|------------|------------|-----------|------------|------------|------------|
|                   | Yes        | Don't Know | No         | Yes        | Don't Know | No         | Yes        | Don't Know | No        | Yes        | Don't Know | No         |
| 1                 | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 2                 | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 3                 | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 4                 | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 5                 | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 6                 | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 7                 | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 8                 | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 9                 | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 10                | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 11                | x          |            |            | x          |            |            | x          |            |           |            | x          |            |
| 12                |            |            | x          |            |            | x          |            | x          |           |            |            | x          |
| 13                | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 14                | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 15                |            |            | X          |            |            | x          |            |            | x         |            |            | x          |
| 16                | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 17                | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 18                |            | x          |            | x          |            |            |            | x          |           |            | x          |            |
| 19                | x          |            |            | x          |            |            | x          |            |           |            | x          |            |
| 20                | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 21                |            |            | x          |            |            | x          | x          |            |           |            |            | x          |
| 22                |            | x          |            |            | x          |            |            | x          |           |            | x          |            |
| 23                | x          |            |            | x          |            |            | x          |            |           | x          |            |            |
| 24                |            |            | x          |            |            | x          |            | x          |           |            |            | x          |
| 25                |            |            | x          |            |            | x          |            | x          |           |            |            | x          |
| <b>Total</b>      | <b>18</b>  | <b>2</b>   | <b>5</b>   | <b>19</b>  | <b>1</b>   | <b>5</b>   | <b>19</b>  | <b>5</b>   | <b>1</b>  | <b>16</b>  | <b>4</b>   | <b>5</b>   |
| <b>Percentage</b> | <b>72%</b> | <b>8%</b>  | <b>20%</b> | <b>76%</b> | <b>4%</b>  | <b>20%</b> | <b>76%</b> | <b>20%</b> | <b>4%</b> | <b>64%</b> | <b>16%</b> | <b>20%</b> |

### Appendix 3

| Comments   |   |
|------------|---|
| Q1         |   |
| Setting 15 | We are a PVI and do not have teacher status but work as hard  |
|            |   |
| Setting 21 | I totally disagree with it being only settings with teacher status, as all settings are struggling with increased cost, and the rise in minimum wage. |
|            |   |
| Q3         |   |
| Setting 15 | Unfortunately this will not help PVI settings   |
|            |   |
| Q4         |   |
| Setting 15 | Again preschools should receive this funding to enhance staff wages   |
|            |   |
| Setting 21 | Who/what is the only Gateshead maintained nursery?  |
|            |   |
| Setting 24 | I just don't know much about the whole scheme; the info is very vague.  |

**Title of Report:** Growth Fund Procedure

**Report of:** Darren Collins, Strategic Director, Resources & Digital

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## **Purpose of the Report**

1. To bring to Schools Forum proposed updates to Gateshead's Growth Fund Procedure.

## **Background**

2. Growth funding is an amount of funding from the Schools Block of the Dedicated Schools Grant (DSG) that is held centrally to provide funding to mainstream schools who experience basic need growth.
3. The Growth Fund Procedure has not been updated since 2020, when it was amended to enable funding to follow the children from the closed Thomas Hepburn school to secondary schools taking pupils from the closed school.
4. The proposed updates for the Growth Fund Procedure for 2024 are for the following reasons:
  - To enable funding to follow the child, for children moving from closing primary schools
  - To provide funding to schools taking pupils via the fair access process (FAP) for both primary and secondary pupils where there is no funding available from a preceding school. The Department for Education (DfE) have been asked for guidance on this point to ensure that this is allowable. A response has not yet been received from the DfE.

## **Proposal**

5. Many of the updates are minor and just add clarity. All the amendments are highlighted via the tracked changes for clarity in the draft procedure in appendix 1.
6. The main updates to note are:-
  - The deletion of the reference to reception and year seven pupils
  - The addition of children moving into schools via the fair access process (FAP) to be eligible for growth funding
  - The addition of a section on closing school
  - Updates to the values for lead in costs and maximum values to be claimed for growth
  - Deletion the sentence that growth funding for pupils from closing schools will be at the average per pupil funding for the school
  - The inclusion of data from the admissions team to be used to calculate growth funding

- The update of dates and funding rates in the examples

## **Recommendations**

7. It is recommended that Schools Forum approves the updates to the Growth Fund Procedure, pending information from the DfE on the inclusion of children placed in schools via the FAP process.

### Draft GROWTH FUND PROCEDURE Updated for 2024

#### INTRODUCTION

#### GROWTH FUND INTRODUCTION

From 2019/20 the Dedicated Schools Grant to the Local Authority from the Department of Education (DfE) contains a formula for growth funding in schools by comparing the most recent October pupil numbers to the previous October pupil numbers at the middle supper output level to calculate the growth in pupil numbers.

Local authorities ~~are able to can~~ either use some or all of this growth funding or add additional funding from the schools block to create a Growth Fund to support schools which are required to provide extra places in order to meet basic need within the authority or to support new schools. The Growth Fund can also support the costs of pre-opening and the reorganisation of schools ~~costs~~.

The Growth Fund may not be used to support schools in financial difficulty.

As the Growth Fund is within the schools block it is only available for pupils in year groups Reception to year 11 aged 5-15 in mainstream schools. It cannot be used to support growth for nursery, under 5 or post-16 pupils or special schools provision.

The Growth Fund is ring-fenced so that it is only used for the purposes of supporting growth in pupil numbers to meet basic need, to ensure there are enough school places in the local authority area for the benefit of ~~both~~ mainstream maintained ~~schools~~ and academy schoolsies. Any funds remaining at the end of the financial year can be rolled forward into the following year's growth fund.

**Any growth or expansion due to parental preference will not be eligible to be funded from the growth fund, i.e. if pupils could be accommodated in another primary school within a 2 mile radius of the growing primary school.**  
**Ssecondary school applications will be reviewed on a case by case basis.**

#### GATESHEAD CRITERIA FOR ACCESSING GROWTH FUNDING

A growing school is defined as: -

- A school where there is a planned increase in Planned Admission Number (PAN), and ~~which~~ has not had the full set of admission in-take. For example, an increase in PAN in September 202419 may still be having an impact for several years in 2025/26.
- A school where the capacity has been increased, with planned expenditure on buildings, which has been agreed/supported by the Local Authority.
- A school where an increase in pupil numbers has been agreed with, and specified by, the Local Authority as a consequence of a delay in the opening

of a new school or implementation of a capital programme that would have increased the size of a neighbouring school.

- A school/academy [that](#) carries out a formal consultation at either the request of or supported by the Local Authority to increase their PAN.
- [A school that admits pupils above their PAN to accommodate pupil numbers within the Local Authority at the request or supported by the Local Authority](#)
- Schools that admit pupils [in year groups other than reception or year 7](#) because of a closing school at the request of or supported by the Local Authority
- [A new school that has been created with the support of the Local Authority and takes children in for the first time in either reception or year 7](#)
- [A school that admits children via the fair access process, where there is no previous school to re-coup funding from](#)

## PREDICTED OR ACTUAL GROWTH

Where the predicted numbers for a Primary School (excluding nursery classes) for the following September show an increase of more than 16 pupils or 10% of their total roll, due to basic need, that requires the running of an additional class, schools may be able to access additional funding.

Where the predicted numbers for a Secondary School for the following September show an increase of more than 40 pupils or 8% of their total roll (excluding Post-16), due to basic need, that may require the running of an additional class or higher than anticipated staffing levels, they may be able to access additional funding.

Where reception or year 7 numbers increase to the extent that an additional class or classes are required. These instances will be reviewed on an individual basis. Where a school takes pupils not in reception or year 7 due to a closing school at the request of or supported by the Local Authority, there will be no lower limit on this number.

Where a school takes pupils over their PAN in reception or year 7, historic patterns of year 7 intake will be considered as well as children from other LA's.

Children moving school on a nonstandard date, (Start of the autumn term for all schools and start of spring term for reception age children), as these children will be captured in a schools mobility data.

## GROWTH IN PUPIL NUMBERS FROM CLOSING SCHOOLS

[Where schools admit pupils into any year group following a school re-organisation or the closure of a school, the school taking in the additional pupils with the support of the Local Authority will also be entitled to growth funding.](#)



[Children moving into schools via the fair access process where there is no predecessor school to recoup funding from may be entitled to apply for growth funding. These applications will be reviewed on a case-by-case basis.](#)

## LEAD IN COSTS

New schools will be allocated an amount of £~~80,000~~~~68,700~~ (202~~41~~/~~252~~) that can be used as the governing body see fit to fund any lead in costs and initial resources. This funding is in addition to the lump sum included within each school budget share.

To recognise that schools may require this funding prior to opening, funding is available to schools up to one year (three terms) in advance of the planned opening date. The funding will be phased as follows or paid in the term before opening as one payment:

- £~~250~~,000 three terms prior to opening
- £~~250~~,000 two terms prior to opening
- £~~3028,0700~~ the term before opening

In the event that the academy trust does not proceed with the new school and withdraws academy sponsorship, then any allocation made should be repaid in full to Gateshead Council within 10 working days of notifying Gateshead Council that the sponsor has withdrawn.

## FUNDING A NEW SCHOOL – BUDGET SHARE METHODOLOGY

To calculate the pupil led factors for a new school's budget share, data relating to pupils attending an existing local school deemed most suitable will be used. It could either be a school with the same or a similar catchment area or a school with anticipated similar characteristics. Business Partner – Schools in consultation with Educationgateshead and Schools Forum will decide the most appropriate data set to use.

## FUNDING FOR GROWTH

When applying for growth funding, schools will be required to provide evidence that an additional class or tutor group would be required to meet increasing numbers. (Views will also be sought from appropriate Education Gateshead officers).

Allocations will be calculated per additional pupil using the applicable AWPU rates for Primary, Secondary KS3 and Secondary KS4 pupils.

Amounts payable to maintained schools will be pro-rata for the 7/12th period September to March. Amounts payable to academies will be for the full academic year as academy budgets run from September to August. For new schools this will be dependent on their opening date.

An upper threshold will also be applied so no primary school can receive more than £~~640~~,000 and no Secondary schools more than £~~85,568,500~~ for the 7/12th period September to March and no Primary academy can receive more than £~~10265~~,000 and no Secondary academy more than £~~14611,5400~~ for the full academic year.

~~For school receiving funding for taking pupils from closing schools not in reception or year 7 funding will be based on the average per pupil funding of that school.~~

Maintained schools will receive 7/12<sup>th</sup> funding and academies for the full academic year.

Initial growth funding allocations would be based on admissions data and demographic forecasts to aid schools with budget setting (May/June). Where there is uncertainty or disagreement around the predicted pupil numbers, funding will not be allocated until receipt of the actual October census data, [or data is available from the LA admissions team](#).

The LA will undertake a mid-year review, based on the October Census, but no additional funding would be allocated to schools where funding had already been agreed unless actual growth was at such a level that significant additional costs had been incurred. In instances where schools had not qualified for additional funding based on the original estimates, additional funding would only be allocated if the school could demonstrate additional costs had been incurred to support the additional pupils.

In instances where actual growth was at lower levels than original estimates schools will not be subject to claw-back on any funding already allocated.

Where the growing school numbers require more than one additional class (numbers over 50) funding caps will be doubled.

## AMENDMENTS

It is possible to amend the criteria for allocating growth funding during the year where this becomes necessary, however the revised criteria must be submitted to the EFA for compliance checking and must also be approved by Schools Forum before the revised criteria can be implemented.

## Appendix A – Examples

### Primary School A - Growth Funding Example

October Census 20~~2318~~ 195 pupils  
Predicted September 20~~2419~~ Numbers (Based on Admissions data and Demographic Forecasts) 216 pupils  
Increase 21 pupils in reception  
Increase % 10.8%  
Growth Funding Allocation per Pupil £~~3,544.192,817.22~~  
Estimated Additional Funding (7/12ths- Sept ~~2419~~ to Mar ~~250~~)  
£~~43,416.3334,510.95~~, therefore would be funded at £~~43,416.3334,510.95~~

### Primary Academy B - Growth Funding Example

October Census 20~~2318~~ 225 pupils  
September 20~~2419~~ Numbers (Based on Admissions data and Demographic Forecasts)  
251 pupils  
Increase 26 pupils in reception  
Increase % 11.5%  
Growth Funding Allocation per Pupil  
£~~3,544.192,817.22~~  
Additional Funding (Full academic year) £~~92,148.9473,247.72~~, therefore will fund at  
£~~92,148.9473,247.75~~.

### Secondary Academy D - Growth Funding Example

October Census 20~~2314~~ 1,374 pupils  
  
October 20~~2418~~ Numbers (Based on Admissions data and Demographer's Forecasts)  
1,415 pupils  
Increase 41 pupils  
Increase % 3%  
Increase in KS3 31  
Increase in KS 4 10  
Growth Funding Allocation per KS3 Pupil £~~4996.893,841.81~~ = £~~154903.5919,096.11~~  
Growth Funding Allocation per KS4 Pupil £~~5,632.694,385.81~~ = £~~56326.9043,858.10~~  
Additional Funding (Full academic year)  
£~~211,230.49162,954.21~~  
Capped to overall limit  
£~~156,50011,400~~

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**Title of Report:** Quarter 2 DSG Monitoring

**Report of:** Darren Collins, Strategic Director, Resources & Digital

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## Purpose of the Report

1. To inform Schools Forum of the projected outturn position of the Dedicated Schools Grant (DSG) for 2024/25 as at quarter 2.

## Background

2. The DSG is made up of four funding blocks:
  - The **Early Years (EY) block** for 2 and 3 & 4-year-old funding;
  - **Mainstream Schools block** which includes some centrally held and de-delegated funding;
  - **High Needs block (HNB)** which includes special schools, alternative provision and top-ups to maintained schools and academies; and
  - **Central Services Schools block** which includes central functions carried out on behalf of schools, for example, licences, schools' admissions, pension costs.
3. Schools Forum receives details of DSG revenue monitoring throughout the financial year, with the format presented based on the expenditure headings of the Section 251 statement. Details are provided in Appendix 1.
4. The Council-lead DSG budget for 2024/25 is £123.352m.
5. The projected outturn for the year is £125.750m, an overspend of £2.398m, an increase of £0.233m compared to the previous quarter. The High Needs Block is projected to overspend by £2.448m, which is an increase of £0.271m. The main areas of variance are:
  - +£1,397k top-ups
  - +£287k Support for Inclusion
  - +£688k Alternative Provisions Services
6. The balance of the DSG reserve at 31 March 2024 was £2.719m. Factoring in the in year overspend of £2.398m and the Early Years clawback for 2023/24 of £0.131m is forecast to decrease the balance to £0.190m at 31 March 2025.
7. Whilst the projections include the teachers pay award of 5.5% from September it does not yet factor in any Local Government pay award for 2024/25, although this has now been confirmed as £1,290 per FTE. This will put further pressure on the budget and reserve position. All areas of spend are under review.

## **Proposal**

8. That Schools Forum notes the content of the report.

## **Recommendations**

9. That Schools Forum notes the content of the report.

## 2024/25 DSG Revenue Outturn as at quarter 2

| DSG Area  | Budget after Recoupment | Outturn        | Variance     | Comments/Notes   |
|---|-------------------------|----------------|--------------|--|
|   | £'000                   | £'000          | £'000        |  |
| Maintained Schools Budget Share   | 66,584                  | 66,584         | 0            |  |
| High needs place funding within Individual Schools Budget                         | 4,620                   | 4,620          | 0            | Place funding only   |
| <b>DEDELEGATION</b>   |                         |                |              |  |
| Contingencies   | 0                       | 0              | 0            |  |
| Behaviour support services  | 244                     | 247            | 3            |  |
| Support to UPEG and bilingual learners  | 247                     | 173            | (74)         | Change in staffing structure   |
| Staff costs Maternity cover   | 102                     | 107            | 5            |  |
| Staff costs Trade Union Facility Time   | 54                      | 50             | (4)          |  |
| <b>HIGH NEEDS BUDGET</b>  |                         |                |              |  |
| High Needs Budget (including Special Schools, PRU and Additional Support Top-ups) | 28,227                  | 30,676         | 2,448        | +£1,397k top-ups<br>+£287k Support for Inclusion<br>+£688k Alternative Provisions Services |
| <b>EARLY YEARS BUDGET</b>   |                         |                |              |  |
| 2,3 and 4 year-olds funding to PVI's  | 21,808                  | 21,800         | (8)          | Subject to clawback in following year  |
| <b>CENTRAL PROVISION WITHIN SCHOOLS BUDGET</b>                                    |                         |                |              |  |
| School admissions   | 239                     | 232            | (7)          |  |
| Servicing of schools forums   | 47                      | 56             | 9            |  |
| Termination of employment costs   | 312                     | 360            | 48           | Premature Retirement costs   |
| Pupil growth/ Infant class sizes  | 210                     | 210            | 0            |  |
| Other Items   | 166                     | 143            | (23)         | CLA/ MPA Licences top sliced from DSG for all school licences                              |
| Education Welfare service   | 143                     | 143            | 0            |  |
| Asset Management  | 107                     | 107            | 0            |  |
| Statutory/ Regulatory duties  | 241                     | 241            | 0            |  |
| <b>TOTAL DSG</b>  | <b>123,352</b>          | <b>125,750</b> | <b>2,398</b> |  |

|   | £'000        | Comments/Notes    |
|---|--------------|-------------------|
| Reserves balance at 31 March 2024                                     | (2,719)      |                   |
| Appropriation from reserve: in year adjustments                       | 131          | EY 23/24 clawback |
| Appropriation (to)/from reserve: in-year (surplus)/deficit            | 2,398        |                   |
| <b>Projected reserve balance at 31 March 2025 (surplus) / deficit</b> | <b>(190)</b> |                   |

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