

REPORT TO SCHOOLS FORUM

14 March 2024

Item 8

TITLE OF REPORT: Maintained Schools in Financial Difficulty

Purpose of the Report

1. To bring to Schools Forum proposals on the distribution of the Maintained Schools in Financial Difficulty funding that has been allocated to Gateshead by the Department for Education (DfE).

Background

2. In July 2023 the Department for Education (DfE) announced that it was providing £40m of additional funding for 2023/24 to support individual schools in that find themselves in particular financial difficulties. £20m of this funding was provided to 35 local authorities for maintained schools, and Gateshead's allocation of this funding is £179,028.20. Below is a link to the information provided by the DfE.
3. It is anticipated that this is one off funding and it is not anticipated that there will be any further funding in future years.

[Additional support for schools in financial difficulty in 2023 to 2024 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/additional-support-for-schools-in-financial-difficulty-in-2023-to-2024)

4. For Gateshead it is proposed that this process will exclude special schools and nursery schools as they have access to financial difficulty funding via other procedures.
5. In consultation with EducationGateshead it is proposed that funding is allocated to schools in financial difficulty on the following basis:-
 - Schools that had an opening and closing deficit for 2022/23.
 - Schools that had a closing deficit of over £20k at the end of 2022/23.
 - Schools that have a projected deficit balance at the end of 2023/24.
6. Funding will then be allocated on a proportional basis as per the year end deficit of 2022/23.

Proposal

7. It is proposed that Schools Forum approves the following allocation conditions:-

- The funding is for maintained mainstream schools only as special and nursery schools as they have access to financial difficulty funding via other procedures.
- Only schools that had an opening and closing deficit revenue budget for 2022/23, and a projected deficit budget at the end of 2023/24 be allocated funding.
- Schools will be allocated a proportion of the £179,028.20 funding on a proportional basis based on their closing revenue balance for 2022/23.

Schools Forum is requested to approve the allocations.

Recommendations

8. It is recommended that Schools Forum

For the following reasons:-

9. To provide Gateshead maintained mainstream schools in financial difficulty with an allocation of funding from the grant provided by the DfE.

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