SCHOOLS FORUM
Agenda

Date Wednesday 26 March 2025

Time 4.00 pm

Venue

Notes 1. DECLARATIONS OF INTEREST- If a Member requires any advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote he/she is advised to contact Paul Entwistle or in advance of the meeting.

2. CONTACT OFFICER for this Agenda is Tel. 0161 770 5151 or email

Item No

1 Schools Forum - Wednesday 26th March 2025 (Pages 3 - 18)

1

2

(a)

(b)

This page is intentionally left blank

Oldham Council

Agenda

SCHOOLS FORUM

Wednesday 26 March 2025 4.00pm
Teams Meeting

.

		Approx duration	Officer	Papers
1	**Welcome and Apologies**		Chair	
	Apologies/Declarations of Interest			-
2	**Minutes and Matters Arising**	5 mins	Chair	Attached
	Minutes of meeting held on 15th January 2025			
3	**Dedicated Schools Grant Update**	25 mins	Andy Cooper	Attached
4	**Early Years Funding Consultaion: Outcome**	20 mins	TBC	Attached
5	**Dates of future meetings- 2025/26**	5 mins	Chair	
	11 June 2025			
	November 2025			
	March 2026			
	Any other business – To be notified to andy.cooper@oldham.gov.uk			

This page is intentionally left blank

Oldham Council

Minutes

Meeting of Schools Forum

WEDNESDAY 25 January 2025
via Microsoft Teams
at 4.00pm

Present:	Liz Travis (LT)	Holy Trinity CE Primary (Chair)
	Stuart Ash (SA)	Pinnacle Trust
	Rob Higgins (RH)	The Cranmer Trust
	Karl Newell (KN)	Crompton House School
	Nigel Woodworth (NW)	New Bridge Academy
	Tracy Cavanagh (TC)	Holy Rosary RC Primary
	Iain Windeatt	Trade Union Representative
	Kate Hoggard	Private, Voluntary and Independent Sector
Also Present:	Amber Burton (AB)	Assistant Director, SEND & Inclusion
	Lee Walsh (LW)	Assistant Director of Finance
	Andy Cooper (AC)	Senior Finance Manager

1	**WELCOME AND APOLOGIES**
1.1	The Chair welcomed everyone to the meeting.
1.2	Apologies for absence were received from P McGrath, Matt Bulmer, Tony Shepherd, Vicky Gibbons, Clare Roper and Victoria Hayes.
1.3	Members were requested to declare any business, pecuniary and personal interests. No declarations were made.
1.4	Members were reminded of the 40% attendance requirement for the meeting to be quorate
2	**MINUTES AND MATTERS ARISING**
2.1	**RESOLVED:** That the minutes of the meeting held on 27 November 2024 be approved as a correct record and signed by the Chair.
2.2	**MATTERS ARISING:** No matters arising. It was noted that there is still a vacancy for primary school representation. TC has been following this up with Gary Needle at St Joseph's but needs pursuing.

3	**SCHEME FOR FINANCING SCHOOLS**
3.1	AC talked through the report that had been circulated with the agenda, confirming that the Local Authority revisions to the scheme are technical accounting adjustments in relation to International Financial Reporting Standard 16 which deals with Leases. Members were asked to note this information. The full Scheme for Financing Schools 2024/25 has been circulated to Members
4	**DSG FUNDING UPDATE**
4.1	**Funding**: Received formal funding announcement in December. Across the board the funding has increased by 32.3m. **Schools Block** 273.9m, increase of 7.3%. The Authority is proposing to mirror the NFF with exception of ACA which will be reduced to 1.001 compared to 1.0025 last year. **High Needs**: 8% increase on previous year. **Early Years**: Increase of 28% on previous year, significant increases to working parents' entitlement increased from 15 to 30 hours and also 'under 2 year olds funding'. Modelling on provider rates for 25/26, to be completed by end Feb. Updates need to be agreed and an update will be brought to the next meeting. **Central Services Schools Block (CSSB)**: Increased by 3% despite the continuing 20% annual reduction for Historical Commitments, for which a reinstatement application has been made, decision pending.
4.2	**DSG Management plan**: Start 2024/25 with a £3,702k cumulative surplus (subject to Audit). For 24/25, forecasting an in year deficit of £4,275k with a £573k deficit being carried forward. Significant adverse movement of £4,723k since the last meeting. There is an anticipated in year deficit of £2,774k with a cumulative deficit of £3,347k deficit expected by end of 25/26. Early Years and central services will be distributed in accordance with regulations. Main overspend drivers are as expected in the High Needs Block: This includes EHCP's and out of borough (INMSS) costs. Anticipation/ assumption that this will continue into future financial years. Despite the significant downward shift, anecdotal evidence suggest we are still in a relatively good position in relation to other LAs and the worsening potion of the DSG and the pressures within High Needs is a national issue. Override currently scheduled to end in March 26 which means DSG deficits will fall onto council budgets. The Government may write off deficits but more likely that statutory override will be extended (again). The increased settlement this year indicates that the Government is aware of the pressures in the sector. Other points that were noted • **Central services expenditure**: includes 13k for Administration of the School's Forum; options for clerking being considered for administration. • **De-delegated funding:** will provide central provisions (unions, etc). • **Schools Block Growth funding:** underspend in 24/25 to be carried forward and applied in 25/26, amount currently being calculated, Forum therefore asked to agree in principle to agree the underspend can be carried forward, the amount will be confirmed at the March meeting.

	NW: Asked what are the drivers for the HNB now going into overspend? AC/AB: this is a combination of growth in EHCP's, INMSS costs rising, Section 19 provision being required and special school places rising. **SA**: Made the point that the 8% increase in schools funding was misleading and significantly lower in real terms due the fact that the 25/26 allocation included a number of grants that were issued as stand-alone grants in 24/25. **LW**: confirmed there has been no update on a potential extension to the Statutory Override and that at a national level 'speculation' of a 3 year funding settlement continue but not sure if this will actually happen, particularly for the next funding round.
4.3	In considering the report recommendations, Schools Forum: • Noted the DSG settlement for 25/26 • Note the current 2024/25 projected DSG deficit of £0.573m • Approved the deployment of Dedicated Schools Grant- 24/25 and 25/26 • Approved allocation for each service area totally 1.703m of funding from the CSSB. • Approved retention of £0.720m retained duties funding in the Central Schools Block • Approved in principle to carry forward the 24/25 growth underspend In addition representatives from the Maintained Primary Sector approved the de-delegation of funding for School Improvement and under performing schools, Teacher Union Duties, contingencies and Insurance for 2025/26 in the sum of £0.784m. The Forum approved the de-delegation of funding for School Improvement and under performing schools, Teacher Union Duties, contingencies and Insurance for 2025/26 in the sum of £0.098m on behalf of the Secondary Sector. However in the absence of representation from the Sector at the meeting this will (as in 23/24) be deferred to the Secondary Heads for final approval.
5	**PROPOSED DATES FOR FUTURE MEETINGS FOR 2024/25**
	The proposed meeting dates are: Wednesday 26 March 2025 Wednesday 11 June 2025
6	**ANY OTHER BUSINESS**
6.1	No other business was discussed
6.2	(There being no further business, members were thanked for their attendance and the meeting was declared closed at 16.50pm).
	Signed:_____(Chair) Date: _____

This page is intentionally left blank

Joint Report:
Director of Finance
Director of Education, Early Years and Skills

Item 3 – Dedicated Schools Grant 2024/25 and 2025/26

Schools Forum – 26th March 2025

1 Purpose of the Report

1.1 This report provides an update on the current position of the Dedicated Schools Grant (DSG) in relation to the outturn for 2023/24, the current 2024/25 in-year position and the projected forecast at the end of the 2025/26 financial year.

1.2 Schools Forum is requested to note:

- The current and forecast position in relation to the Dedicated Schools Grant (section 2)
- The previously approved in principle 2024/25 Schools Block Growth Funding to be carried forward and deployed in 2025/26 is now confirmed as £1.429m (Section 3)

2 DSG Management Plan

2.1 Table 1 summarises the current DSG Management Plan 2023/24 to 2025/26. The Councils financial statements for 2023/24 were approved at the Audit Committee on 26 February 2025, the outturn for 2023/24 is therefore confirmed as a net surplus of £3.702m across the four blocks of the DSG. The forecast closing position for 2024/25 is for an initial in-year deficit of £4.911m resulting in a projected outturn deficit of £1.209m, however an estimated underspend of £1.429m in growth funding within the schools block reverses the deficit to produce an estimated £0.220m surplus across the four blocks of the DSG at the end of the current financial year. This is an 'improvement' of £0.793m compared to the forecast deficit of £0.573m that was reported to the January meeting.

2.2 In the following year there is a forecast in year deficit of £5.967m leading to an overall deficit balance of £5747m at 31 March 2026, this assumes the growth funding brought forward from 2024/25 is fully spent. The projected deficit is £2.400m higher than the £3.347m reported to the January meeting

Table 1 – DSG Management Plan

DSG Summary 2023/24 to 2025/26	2023/24 Outturn £000	2024/25 Forecast £000	2025/26 Forecast £000
Schools Block (excludes central services)	240,592	255,312	274,777
Central Schools Services Block	2,461	2,378	2,423
High Needs Block	59,146	61,719	67,207
Early Years Block	15,748	17,480	18,412
Two Year Olds' Funding	3,653	12,011	20,564
Early Years Pupil Premium	226	431	648
Early Years Disability Access Fund	130	216	218
Total Grant	**321,956**	**349,547**	**384,249**
Budget Requirement			
Individual Schools Budgets	241,031	255,928	276,206
High Needs Funding for Schools (incl Post 16)	45,471	51,484	55,226
Early Year Funding Delegated to Schools	6,785	7,697	8,189
Total Delegated to Schools	**293,287**	**315,109**	**339,621**
Central High Needs Services	11,373	14,447	16,519
Central Early Years Services	1,047	1,247	1,450
Three and Four Year old PVI's	7,765	9,053	9,490
Under two & Two Year Old Funding	3,480	11,558	19,847
Central Schools Services Block (CSSB)	2,461	2,398	2,423
Total Retained Centrally	**26,126**	**38,703**	**49,729**
Early Years Pupil Premium	226	430	648
Early Years Disability Access Fund	130	216	218
Total Budget Requirement	**319,769**	**354,458**	**390,216**
In Year (Deficit)/Surplus	**2,187**	**-4,911**	**-5,967**
Balance brought Forward	899	3,702	220
Provisional (Deficit)/Surplus	**3,086**	**-1,209**	**-5,747**
Anticipated Growth underspend committed for following financial year (Schools Block)	616	1,429	
Balance Carried Forward	**3,702**	**220**	**-5,747**
Reported at Jan 2025	**3,702**	**-573**	**-3,347**

2.3 Table 2 below summarises the movement and major variances between the current iteration of the Management Plan and the position that was reported to the January Meeting.

Table 2– DSG Management Plan Variances

DSG Management Plan- Variances	2024/25 £000	2025/26 £000
Balance b/fd	3,702	-573
Change in surplus / (deficit) from previous year	-4,275	-2,774
As reported in Jan 2025	**-573**	**-3,347**
Additional funding:		
Schools Block		879
Central School Services Block (CSSB)	26	
High Needs Block- Adjustments	-30	
Early Years Block	-995	
Movement in Funding	**-999**	**879**
Additional adjustment to budget requirement :		
Movement in Opening Balance		-793
Schools Block- Distribution of change in funding		879
Schools Block - uspend on growth recommitted for 2025/26	-1,429	1,429
CSSB- Expenditure matches additional Funding	26	
CSSB - increase school licences	21	
Early Years Block- Distribution of change in funding	-995	
Early Years- Adjustment to budget requirement	-157	
High Needs- EHCP's	15	
High Needs- Additional requirement Out Of Borough	657	1,657
High Needs- Special Schools	107	49
High Needs- Resourced	-36	58
Movement in Expenditure	**-1,792**	**3,279**
Movement compared to previous position	**793**	**-2,400**
Revised Surplus	**220**	**-5,747**

2.4 2024/25 Funding has reduced by £0.999m since the January meeting, the majority of the movement (£0.995m) is in relation to funding for Early Years which is adjusted periodically to reflect the actual take up of the various types of provision and is matched with a reduction in forecast expenditure. In addition there have been minor adjustments to the Central Services School Block (CSSB); an increase of £0.026m, again matched by an increase in forecast expenditure and a small reduction of £0.030m in the funding for the High Needs Block.

2.5 In terms of expenditure the single largest movement is an anticipated growth underspend of £1.429m within the Schools Block, a corresponding amount is carried forward into 2025/26 where it is forecast to be fully spent. There is an increase of £0.021m in the cost school licences within the CSSB. The previously forecast pressure of £0.220m in the Early Years provision within schools is now expected to be £0.063m, hence a reduction of £0.157m in forecast expenditure. Expenditure within the High Needs Block continues to increase; £0.743m compared to the position reported to the January meeting. The largest adverse movement is in the cost of Out of Borough placements which has increased by a further £0.657m, there are further increases in the cost of EHCP's (£0.015m) and amounts delegated to Special Schools (£0.107m) offset by a £0.036m reduction in the cost of Resourced Provision.

2.6 For 2025/26 the Schools Block funding has increased by £0.879m, the DfE having confirmed that the Council will initially receive NNDR funding for Academies which it will immediately passport to the recipient schools as evidenced in the table above. There is a further estimated pressure of £1.764m in the High Needs Block: £1.657m in relation to Out of Borough Placements, Special Schools £0.049m and £0.058m for Resource Provision. The cost of Out of Borough is significantly increasing annually, provision is therefore being made for the anticipated increase in 2025/26. It is assumed that funding for early years and central services will be matched with corresponding expenditure and is therefore neutral within the Management Plan. The forecasts clearly rely on a series of assumptions in relation to both income and expenditure which will be kept under review and the next iteration of the Management Plan will be extended out to 2027/28.

2.7 It is an important element of the financial management of the Authority that the DSG, wherever possible is not in a deficit position, notwithstanding which, clearly the financial position of the DSG has worsened. Whilst a surplus of £0.220m is now being forecast for 2024/25 this is due to an underspend in relation to growth funding within the schools block. The deficit at the end of 2025/26 has increased by £2.400m to £4.747m. Implementation of the programme of work funded under the Delivering Better Value in SEND combined with the complimentary work undertaken in the North West Change Partnership Programme (NWCPP) and the Early Language Support for Every Child initiative (ELSEC) will be pivotal in the consolidation and future sustainability of the of the DSG in Oldham and work will continue throughout 2025/26 and beyond to ensure that the current position is mitigated as far as is possible going forward.

3 Growth Funding

3.1 The growth fund is to support pupil growth relating to LA planned basic need for schools where it has already been agreed with the LA that there will be an increase in the planned admission numbers (PAN) by means of the provision of a school extension. Additional funding will be made available in relation to the number of additional pupils taken.

3.2 Reference may be made to the number of classes required and may include consideration of the number of pupils leaving the school in that year.

3.3 Any allocation will be based on the basic per pupil element funding and would be provided only for a maximum of the first academic year that an additional class is created or until the pupils are included on the October census (as additional funding will then flow through to the school based on the October pupil count).

3.4 Members will recall that the January meeting approved an agreement in principle to carry forward the growth underspend in the current financial year to be fully committed against the schools block in 2025/26. As outlined earlier in the report, the estimated growth underspend for 2024/25 is now confirmed as £1.429m

4 Actions/ Recommendations

4.1 Schools Forum is requested to note:

1) The current and forecast position in relation to the Dedicated Schools Grant

2) That the previously approved in principle 2024/25 Schools Block Growth Funding to be carried forward and deployed in 2025/26 is now confirmed as £1.429m

Schools Forum

Subject:
Early years funding 2025/26: Outcome of provider consultation and recommendations

Report of:
Director of Education Skills and Early Years and Director of Finance

Date: 26 March 2025

1. Purpose of the Report

1.1 The purpose of the report is to summarise responses to the 2025/26 Early Years Funding Consultation and update Schools Forum on the recommended Early Years funding rates for 2025/26.

2. Background

2.1 The Early Years National Funding Formula (EYNFF) was introduced in 2017/18. Since then, the Council has been responsible for setting the hourly funding rates paid to providers to deliver the free entitlements for 2, 3 and 4-year-olds.

2.2 Local authorities are required to consult providers on annual changes to their local Early Years Funding Formula.

2.3 Early Years Statutory guidance (1) states that a minimum of 96% of funding must be passed to providers, an increase from the mandate 95% in 2024/25. This means that centrally retained funding (for central services or services in-kind) combined with any funding movement out of the Early Years Block is now limited to a maximum of 4%.

3. Department for Education (DfE) Funding rates from April 2025

3.1 Following a national consultation with regards to introducing the working parent entitlement and the formula to be used, in December 2024 the DfE announced funding rates payable to local authorities from April 2025 (2025/26).

Table 1: Oldham's EYNFF Funding Rates from Government

	2025/26
Under 2-year-olds (9 month upwards)	£11.50
2-year-olds	£8.43
3 and 4-year-olds	£5.92

1 Early Education and Childcare Statutory guidance for local authorities – Jan 24 (Department for Education)

4. Current Local Funding Formula

4.1 The table below shows the hourly rates paid to providers in 2024/25 and the relevant SENIF contribution rates and SENIF contributions.

Table 2: Hourly rates paid to providers in Oldham 2024/25

	Base rate	Deprivation supplement	EYPP	Maximum hourly rate	SEN Inclusion Fund
Under 2-Year-Olds	£10.65	N/A	68p	£11.33	£14,000
2-Year-Old – Disadvantaged Families	£7.89	N/A	68p	£8.57	£90,000
2-Year-Old – Working Families	£7.60	N/A	68p	£8.28	
3 and 4-year-olds*	£5.29	20p	68p	£6.17	£171,000

*The locally applied formula for all entitlements must adhere to the following:

- 96% of funding must be passed to providers (including the base rate, supplements, and the SEN Inclusion Fund). In 2024/25 95% of funding was required to be passed to providers
- There must be a universal base rate for all providers.
- There must be a deprivation supplement for 3-and-4-year olds.
- There must be a Special Education Needs Inclusion Fund (SENIF) for all entitlements.

5. Consultation

5.1 We consulted providers on proposals for the 2025/26 funding rates and the SENIF contribution which must be applied to all entitlements.

5.2 The Consultation was launched by way of an online survey on Wednesday 29th January 2025 and closed on Wednesday 12th February 2025.

6. Consultation proposals

6.1 Funding for 3 and 4 year-old children.

6.1.1 The LA consulted on two options for the 3 and 4-year-old funding rates. This included the mandatory deprivation supplement.

Table 3: 3 and 4 year old funding options

	Proposed Base rate 2025/26	Deprivation supplement	Proposed Maximum hourly rate 2025/26	Proposed SEN Inclusion Fund 2025/26
Option 1	£5.53	20p	£5.73	£177,672
Option 2	£5.56	20p	£5.76	£88,836

Consultation question 1: Which option for 3 and 4-year-olds funding do you prefer?

6.2 Funding for 2-year-old working families and disadvantaged families.

6.2.1 The Local Authority (LA) consulted on four options for the 2-year-old funding rates. Whereas there is a compulsory deprivation supplement in the formula for 3 and 4-year-old funding, this is not mandatory for the 2-year-olds, in order to provide the LA with flexibility.

6.2.2 For 2025/26 the proposal was simply to calculate an hourly rate based on the indicative figure of eligible children provided by the DfE thus maximising pass through of the base rate to the sector. In addition, the LA was given the flexibility to have different local formulas for the two cohorts of 2-year-old entitlement to ensure it meets local need.

6.2.3 There was, however, a requirement that LA's must have a SENIF fund for the 2year old entitlement and this should form part of the pass through to providers under the same guidance as that for the 3 and 4 year old children.

6.2.4 The LA gave two additional options as part of the consultation which included the same hourly rate for both cohorts. Option 1 and 2 have base rates that are the same for both cohorts with options 3 and 4 having higher base rates for the disadvantaged 2 Year Olds.

Table 4 – 2-year-old funding options

Option		Proposed Base Rate 2025/26	SEN Inclusion Fund
1	Disadvantaged Family	£8.10	£109,833
	Working Family	£8.10	
2	Disadvantaged Family	£8.14	£54,916
	Working Family	£8.14	
3	Disadvantaged Family	£8.22	£109,977
	Working Family	£8.01	
4	Disadvantaged Family	£8.26	£54,988
	Working Family	£8.05	

<u>Consultation Question 2</u>: Which option for 2-year-old funding do you prefer?

6.3 Funding for working families with under 2's (from the term after child turns 9 months old)

6.3.1 Whereas there is a compulsory deprivation supplement in the formula for 3 and 4-year-old funding, this is not mandatory for the under 2-year-olds, in order to provide the LA with flexibility. As with the 2 Year Old choices, the proposal was simply to calculate an hourly rate based on the indicative figure of eligible children provided by the DfE thus maximizing pass through of the base rate to the sector.

6.3.2 There was, however, a requirement that LA's must have a SENIF fund for the under 2's and this should form part of the pass through to providers under the same guidance as the 3 & 4 year-old funding.

Table 5 - Funding proposal for under 2's

	Proposed Base Rate 2025/26	SEN Inclusion Fund
Option 1	£11.04	£89,635
Option 2	£11.10	£44,817

<u>Consultation Question 3</u>: Which option for under 2's working families funding do you prefer?

7. Consultation Response

7.1 As evidenced in table 6 below, 27% of eligible providers responded to the survey. Table 7 summarises the responses, the preferred option is highlighted in green.

Table 6: Overall response rates by provider type

	Schools	PVI Group settings	Child-minders	Total
Number of eligible settings	63	82	88	233
Number of responses received	10	32	20	62
Response rate by provider type	16%	39%	23%	28%

Table 7- Summary of Consultation responses.

	Question 1 (3 to 4- year olds)		Question 2 (2- year olds)		Question 3 (Under 2's)	
	No.	%	No.	%	No.	%
Option 1	29	47%	19	32%	22	37%
Option 2	33	53%	26	43%	38	63%
Option 3			9	15%		
Option 4			6	10%		
Total	**62**	**100%**	**60**	**100%**	**60**	**100%**

8. Preferred Options

8.1 **3-and 4-year-old funding rate**
53% of respondents opted for **Option 2**. This option added 27p onto the base rate of 24/25

8.2 **2-year-old funding rate**
43% of respondents opted for **Option 2**. This option added 25p onto the disadvantaged families base rate compared with 2024/25 and added 54p onto the working family rate compared with 2024/25.

8.3 **Under 2 funding for working parents**
63% of respondents opted for **Option 2**. This option added 45p onto the base rate compared with 2024/25

8.4 Further comments were received from the EY sector as part of the consultation:

- I feel that the options that bring in the most hourly rate per child will benefit us more.
- Too much paperwork expected from settings around SEND to warrant applications for extra funding

- Providers, who work closely with the children, should have a more significant role in determining which children need funding. They are best positioned to assess when funding is necessary and how it will directly support each child's development.

9. Conclusion

9.1 That based on the outcome of the consultation, the following early years funding rates for 2025/26 are approved.

Table 8- Early Years recommended Funding Rates for 2024/25

	Base rate	Deprivation supplement	Maximum hourly rate	SENIF
3 and 4-year-olds	£5.56	20p	£5.76	£88,836
2-year-olds disadvantaged families	£8.14	N/A	£8.14	£54,916
2-year-olds working families				
Under 2 -year- old's	£11.10	N/A	£11.10	£44,817

9.1 The SENIF will now be consulted on separately and the total that will be allocated for 25/26 is £188,569.

10. Recommendation

10.1 That Schools Forum note the outcome of the Provider Early Years Funding consultation 2025/26, as summarized in Section 9 above.

This page is intentionally left blank