

Committee report

Committee	SCHOOLS FORUM
Date	21 MARCH 2024
Title	SCHOOL FUNDING UPDATES 2024/25
Report of	DIRECTOR OF CHILDREN'S SERVICES AND DIRECTOR OF FINANCE

EXECUTIVE SUMMARY

1. This report provides a general update on school funding related matters applicable to the upcoming 2024/25 financial year, including final budget setting outcomes, early years funding rates for 2024/25, Early years central team budget and structure and high needs arrangements.

SCHOOL FUNDING FORMULA 2024/25

2. The mainstream school funding formula communicated to School Forum in January following political ratification, was successfully submitted to the DfE on 22nd January 2024 and subsequently passed the compliance checks. Schools received their formal 2024/25 budget shares on 20th February 2024, in advance of the of the statutory deadline of 29th February 2024. As per Schools Forum request, the post MFG budget cash changes information for individual schools is expressed as % and included in Appendix A.
3. Education Finance Team update session with school business managers took place on 2 February and allowed in-depth discussion about core assumptions around expenditure and income, drawing default conclusions to allow refinement of individual school budgets to continue over the year-end period, with general cost and income assumptions under continued review.
4. Individual maintained school budget plans and outturn balance information themes will be fed back to Schools Forum as part of the summer report update.

EARLY YEARS FORMULA 2024/25

5. Schools Forum endorsed the proposed early years 2024/25 funding rates at the January 2024 meeting. There were no changes to the formula methodology as a result of the consultation with the providers in January and February, as vast majority of respondents supported the proposals which included the following principles:
 - Under two-year-old working parents' entitlement is funded on base rate only and does not attract deprivation supplement. 95% of respondents agreed with this proposal.
 - Single 2-year-old rate includes deprivation supplement for disadvantaged children only. 95% respondents agreed.
 - 3-4-year-old rate includes deprivation and quality supplements and no longer includes flexibility supplement. 73% agreed to remove flexibility supplement.
6. An indicative budget share was released to individual providers on 22 February ahead of the 31 March 2024 deadline to aid provider financial planning going forward.
7. The final 2024/25 provider rates following consultation outcome were presented in the January 2024 Schools forum report and are confirmed as follows:

UNDER 2-YEAR-OLD PROVIDER RATE

Rate	2024/25
Provider funding rate	10.42

2-YEAR-OLD PROVIDER RATE

Rate	2024/25
2-year-old average provider rate	7.63
Base	7.55
Average deprivation supplement	0.08

3-4-YEAR-OLD PROVIDER RATE

Rate	2024/25
3-4-year-old average provider rate	5.31
Base	5.10
Average deprivation supplement	0.19
Average quality supplement	0.02

8. A further adjustment to the DSG is expected in July to incorporate the outcome of the early years January 2024 census for two and three-and-four-year-old entitlements. Additional censuses in the summer and autumn terms for working parents' entitlements will be introduced in 2024/25 financial year to capture actual take-up which will be used as a basis for funding in the first year of rolling out of these entitlements.

EARLY YEARS CENTRAL TEAM

9. Early years operational guidance requires for Local Authority to pass through 95% of the funding from the government to the early years providers. The remaining 5% can be retained centrally for central services.
10. Schools Forum agreed central team budget of £427,000 in January 2024, 4% of the total early years entitlements funding for 2024/25 and within the 5% allowed under the guidance. For 2024/25 financial year this funding will be supporting Early Years central team. The team structure is outlined in the following table.

Team structure	FTE
Teachers	3.00
Early Years Advisors	2.00
Administrator	0.60
Demand and Supply Childcare Development officer	1.00
Finance Officer	0.80
Total	7.40

11. Majority of the budget for 2024/25 (95%), is attributable to the salary costs inclusive of oncosts. Budget also includes Early Years Capita system licence, a small budget on non-salary staff related expenditure that includes staff travel, training, insurance and minor supplies budget that covers cost of postage and office supplies. Budget for 2024/25 and spend for last 3 financial years are included in the table below.

Budget breakdown	2021/22 Actual £	2022/23 Actual £	2023/24 Forecast £	2024/25 Budget £
Salary costs inclusive of oncosts	232,495	247,045	286,967	403,719
Staff related expenditure (travel, training, insurance)	2,690	3,715	4,950	6,349
Capita system EY licence	14,324	14,681	15,048	15,801
Supplies	99	246	910	631
Total	249,608	265,687	307,875	426,500

12. Early Years Team supports all 76 Early Years Providers on the Isle of Wight. This includes an annual visit to all Providers where the most recent Ofsted recommendations are re-visited and, action plans are put into place.

13. Currently 93% of Providers who are on a non-domestic property are judged to be Good or Outstanding by Ofsted. 92% of Providers who are on a domestic property are judged to be Good or Outstanding by Ofsted. This is the same as the national picture.
14. Early Years Advisory Teachers (3FTEs) support all Year Reception Teachers within schools on the Isle of Wight. This support can be triggered by the Head of the school, the School Improvement Manager, Leadership and Learning Partners or following a Requires Improvement or Inadequate Ofsted judgment.
15. Schools forum agreed the proposal to increase Early Years Advisor teachers from 2 to 3 FTE in November 2023. The request was driven by the considerable increase in the number of early years approved EHCP's with there being 4 in 2022 to 24 in 2023. The intended impact of the EY SEN advisory teacher is to support in the reduction of this number by early identification and intensive support and guidance.
16. The Early Years SEN Advisory Teachers support Early years children in their transition into primary school ensuring a smooth process. This will ensure the family, child and school are ready for the next step.
17. The EY SEN Advisory Teacher works with Early Years Practitioners, YR Teachers and SENCO's offering advice and strategies to support children to ensure they are accessing the EY provision and curriculum and deliver specialist training to upskill Early Years practitioners to support in the early identification of needs.
18. The Demand & Supply Childcare Development Officer (1FTE) collects and analyses data from both the Providers and national sources such as population predictions and proposed housing developments to ascertain where there are and, are not sufficient Early Years places on the Island. This is presented to elected council members annually.
19. The postholder promotes and encourages growth of providers in areas of low Early Years places as well as provides business support for providers to ensure their private business is financially viable. This support includes cash flows for forecasts and budgets, process of employing staff, salaries and marketing.
20. The Early Years Advisors (2 FTEs) undertake Safeguarding visits to all Early Years Providers on a rolling programme. Approximately fifteen settings receive a safeguarding visit a year. During this visit, policies, training records, suitability checks, accident records and other safeguarding factors are explored. Each Provider who has a visit will receive a written report with recommendations.
21. Additionally, the Early Years Advisors send out a Safeguarding Audit annually that every Early Years Provider has to complete. This audit ensures statutory policies and duties are in place and ensures safeguarding is at the forefront of everyone's minds. The EYAT obtains a 100% response from Providers. The Safeguarding audit and visits allow the EYAT to ascertain any training needs and safeguarding trends. Any trends and recommendations are reported to the Isle of Wight Safeguarding Children's Partnership.

22. Early Years Advisors attend all PEP (personal education plan) meetings for children aged 0-5. The purpose of attending the PEP meetings is to ensure the Children in care are meeting their developmental and educational milestones. Where these children are not reaching them, advice and guidance is given.
23. The Early years advisors quality ensure all Early Years PEPs meet statutory deadlines while ensuring appropriate targets have been set and supports the Designated child in care person to complete PEP paperwork and chair PEPs when necessary as well as giving advice and signposting where necessary.
24. Finance officer (0.8 FTE). The Early Years Funding officer ensures all Providers are receiving the correct funding for their setting. Providers submit to the EY Funding officer three times a year a headcount for their business. This tells the Local Authority how many children and how many hours each child in each setting is accessing. A statement is created detailing the funding and payments authorised.

SPECIAL SCHOOL, PUPIL REFERRAL UNIT, RESOURCED PROVISIONS AND MAINSTREAM EHCP TOP UP FUNDING

25. Local Authority currently commission places in the Resourced units, Special schools, PRU and IOW college. The settings are funded on place plus top up basis. Where the occupancy exceeds commissioned places, overoccupancy funding is provided to eligible settings as per local Schools funding policy. The breakdown of the APN (agreed places numbers) is in the following table.

Setting type	Base	Places commissioned
Resourced provision	Brading unit	8
Resourced provision	Greenmount unit	6
Resourced provision	Hunnyhill unit	8
Resourced provision	St Francis unit	8
Resourced provision	The Bay unit	15
Resourced provision	Medina College unit	15
Resourced provision	Carisbrooke College unit	12
Special school	St Georges	188
Special school	Medina House	104
PRU	Island Learning Centre	60
College	IOW College	170

26. Following the confirmation of high needs funding arrangements for 2024/25 in the December 2023 allocations and increase in funding of the High Needs Block of the DSG, top up rates for Special schools, PRU, Resourced provisions and mainstream EHCP have been increased by 2%. The Special Schools, PRU and Resourced Provision units received their 2024/25 budget shares by the deadline of the 29th of February 2024 which included estimated top up funding based on the 2024/25 rates.

27. Local authority is developing an Education strategy for the Island, all aspects related to education are being reviewed including the funding for Resourced Provisions in mainstream schools which is expected to conclude for the new academic year.
28. The following top up rates are effective from April 2024.

Special School - Pre & Post 16	2023/24 Existing	2024/25	Change
A1	£4,240	£4,525	£285
A2	£6,702	£7,036	£334
A3	£7,687	£8,041	£354
B1	£8,180	£8,544	£364
B2	£11,626	£12,059	£433
B3	£16,548	£17,079	£531

Special School - Nursery Places	2023/24 Existing	2024/25	Change
All bands	£19,317	£19,703	£386

Pupil Referral Unit	2023/24 Existing	2024/25	Change
Standard place	£8,655	£9,028	£373
EV/Unwell	£18,655	£19,028	£373

Resourced Provision	2023/24 Existing	2024/25	Change
Primary			
ASD	£8,293	£8,579	£286
SLCN	£4,074	£4,275	£201
SEMH	£3,700	£3,894	£194
Secondary			
ASD	£9,308	£9,614	£306
SLCN	£4,074	£4,275	£201
SEMH	£3,700	£3,894	£194

Mainstream EHCP Top Up Funding	2023/24 Existing	2024/25	Total
LSA Hours (historic)	£7.45	£7.60	£0.15
Targeted A	£886	£904	£18.00
Targeted B	£1,665	£1,698	£33.00
Enhanced A	£3,342	£3,409	£67.00
Enhanced B	£5,120	£5,222	£102.00
Exceptional	£7,999	£8,159	£160.00

29. In addition to the top up rates, special schools and PRU will continue to receive historic teacher's pay and pension funding and additional funding in 2024/25 as per DSG grant conditions.

RECOMMENDATIONS

1. That Schools Forum notes the general updates in relation to 2024/25 schools and early years related funding.
2. That Schools Forum endorse the 2024/25 top up funding rates for special schools, pupil referral units, resourced provisions and mainstream EHCP.

APPENDICES ATTACHED

Appendix A – Post MFG budget cash changes

BACKGROUND PAPERS

No background papers.

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POST MFG BUDGET CASH CHANGES

APPENDIX A

LAESTAB	School	Sector	2023/24 Post MFG budget incl MSAG	2024/25 Final post MFG Budget	Cash change between 2023/24 and 2024/25	Cash change %	NOR change %
9212002	Cowes Primary School	Primary	£908,757	£778,494	£-130,262	-16.7%	-19.6%
9212005	Gatten and Lake Primary School	Primary	£1,095,527	£1,116,197	£20,669	1.8%	0.0%
9212006	Godshill Primary School	Primary	£749,672	£806,540	£56,868	7.0%	5.6%
9212007	Gurnard Primary School	Primary	£1,871,541	£2,007,492	£135,951	6.8%	5.0%
9212009	Nettlestone Primary School	Primary	£948,720	£1,021,234	£72,514	7.1%	5.6%
9212010	Newchurch Primary School	Primary	£1,017,612	£1,025,953	£8,341	0.8%	-0.9%
9212012	Barton Primary School	Primary	£1,545,049	£1,512,264	£-32,785	-2.2%	-4.5%
9212014	Nine Acres Primary School	Primary	£1,952,855	£2,064,775	£111,919	5.4%	4.6%
9212015	Niton Primary School	Primary	£942,960	£1,011,496	£68,536	6.7%	4.5%
9212018	Hunnyhill Primary School	Primary	£1,848,763	£1,843,333	£-5,430	-0.3%	-2.1%
9212021	Haylands Primary School	Primary	£1,881,296	£1,898,701	£17,405	0.9%	-0.5%
9212024	St Helens Primary School	Primary	£568,392	£556,364	£-12,028	-2.2%	-6.1%
9212029	Wootton Community Primary School	Primary	£953,869	£1,016,945	£63,075	6.2%	6.7%
9212030	Wroxall Primary School	Primary	£768,567	£733,447	£-35,120	-4.8%	-8.3%
9212033	Broadlea Primary School	Primary	£1,414,571	£1,288,303	£-126,268	-9.8%	-10.9%
9212038	Binstead Primary School	Primary	£995,101	£1,015,657	£20,555	2.0%	-0.5%
9212039	Greenmount Primary School	Primary	£1,899,116	£1,759,849	£-139,268	-7.9%	-8.6%
9212041	Summerfields Primary School	Primary	£1,010,953	£1,076,232	£65,280	6.0%	4.3%
9212042	Dover Park Primary School	Primary	£1,128,626	£1,114,022	£-14,604	-1.3%	-1.9%
9212043	Queensgate Foundation Primary	Primary	£2,007,284	£2,039,630	£32,346	1.6%	-0.3%
9213000	Arreton St George's Church of England (Aided)	Primary	£859,405	£738,012	£-121,392	-16.4%	-19.8%
9213001	Bembridge Church of England Primary School	Primary	£959,643	£986,727	£27,085	2.7%	-0.5%
9213003	Brading Church of England Controlled Primary	Primary	£980,800	£944,968	£-35,831	-3.8%	-7.7%
9213004	Carisbrooke Church of England Controlled P	Primary	£1,888,980	£1,893,764	£4,783	0.3%	-3.1%
9213011	Shalfleet Church of England Primary School	Primary	£912,230	£910,519	£-1,711	-0.2%	-1.1%
9213300	Brighstone Church of England Aided Primary	Primary	£555,107	£531,093	£-24,013	-4.5%	-10.2%
9213303	Oakfield Church of England Aided Primary S	Primary	£1,221,090	£1,263,534	£42,444	3.3%	0.9%
9213304	Freshwater & Yarmouth Church of England	Primary	£734,711	£866,874	£132,164	15.2%	17.5%
9213310	St Mary's Catholic Primary School	Primary	£957,259	£948,185	£-9,074	-1.0%	-3.7%
9213311	St Saviour's Catholic Primary School	Primary	£767,551	£745,322	£-22,229	-3.0%	-6.8%
9213313	Holy Cross Catholic Primary School	Primary	£782,594	£808,301	£25,707	3.2%	3.5%
9213314	St Thomas of Canterbury Catholic Primary S	Primary	£1,036,228	£1,049,792	£13,563	1.3%	1.0%
9213315	Newport Church of England Aided Primary S	Primary	£1,470,442	£1,463,616	£-6,825	-0.5%	-2.3%
9214030	Medina College	Secondary	£5,755,823	£5,609,039	£-146,784	-2.6%	-3.2%
9214032	Carisbrooke College	Secondary	£3,933,532	£4,068,044	£134,511	3.3%	2.7%
9214604	Christ The King College	Secondary	£5,919,538	£6,034,162	£114,625	1.9%	-0.7%
9212044	The Bay Church of England School	All-through	£8,085,868	£8,298,469	£212,601	2.6%	0.9%
9212000	St Blasius Shanklin CofE Primary Academy	Primary	£1,038,491	£1,033,988	£-4,503	-0.4%	-1.0%
9212003	St Francis Catholic and Church of England P	Primary	£1,139,164	£988,435	£-150,730	-15.3%	-15.6%
9212016	Northwood Primary School	Primary	£984,578	£984,636	£59	0.0%	-3.0%
9212032	Lanesend Primary School	Primary	£2,201,287	£2,124,744	£-76,543	-3.6%	-5.8%
9214001	Ryde Academy	Secondary	£9,059,657	£9,117,806	£58,149	0.6%	-0.5%
9214002	The Island Free School	Secondary	£4,033,507	£4,142,692	£109,185	2.6%	0.5%
9214004	Cowes Enterprise College, An Ormiston Aca	Secondary	£7,028,073	£7,287,885	£259,812	3.6%	1.7%
			£87,814,788	£88,527,537	£712,749		-1.2%

