

Report Title:	Finance Update 2023/24
Contains Confidential or Exempt Information	No – Part I
Cabinet Member:	Councillor Amy Tisi
Meeting and Date:	Schools Forum 16 November 2023
Responsible Officer(s):	Lin Ferguson - Executive Director of Children's Services Louise Dutton - Head of Finance Achieving for Children (RBWM)
Wards affected:	All

REPORT SUMMARY

The purpose of this report is to provide the Schools Forum with the financial position for financial year 2023/24 along with a summary of associated material variances, and the projected reserve deficit balance. Details are set out in sections 2 to 4.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That Schools Forum notes the report:

- including the reported variance for the financial year 2023/24, and the projected deficit balance carried forward.

2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

Options

Table 1: Options arising from this report

Option	Comments
Schools Forum to note the contents of the report and impact on the projected reserve deficit balance as at 31 March 2024. This is the recommended option.	Continued monitoring and timely reporting of material variances throughout 2023/24 reported to appropriate stakeholders including Schools Forums and RBWM Cabinet. This would enable up to date and accurate reporting of the projected reserve deficit as at 31 March 2024.
Do nothing. This is not recommended.	The failure to use relevant financial information to understand the position of the Dedicated Schools Grant reserve.

2.1 The recommended option to note the contents of the report and impact on the projected reserve deficit balance as at 31 March 2024 will ensure an

understanding of the Dedicated Schools Grant financial position for 2023/24 and the cumulative deficit.

3. KEY IMPLICATIONS

- 3.1 The thresholds for measuring the effectiveness have been set in table 2. Therefore, the measure has been met.

Table 2: Key Implications

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Schools Forum to note the contents of the report and impact on the projected reserve deficit balance as at 31 March 2024	Greater than 3% movement in reported variance of central schools budget as at 31 March 2024	Less than 3% movement in reported variance of central schools budget as at 31 March 2024	Less than 2% movement in reported variance of central schools budget as at 31 March 2024	Less than 1% movement in reported variance of central schools budget as at 31 March 2024	16 November 2023

4. FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 The settlement for the Royal Borough of Windsor and Maidenhead for 2023/24 (including Academy schools) budget notification is £150.428m with net retained funding of £75.663m.
- 4.2 Table 3 breaks down the grant allocation by agreed application and between the element that will be administered by the local Authority and the proportion that will be recouped by the DfE for academies, non-maintained independent special schools and further education colleges.
- 4.3 **Table 3: DSG Allocation 2023/24**

DSG Block	Total DSG budget (£m)	Academy Recoupment (£m)	LA Retained budget (£m)
Schools Block	109.814	(73.331)	36.483
Central Schools Services Block	0.995	0.000	0.995
High Needs Block	28.352	(1.435)	26.917

Early Years Block	11.267	0.000	11.267
Total DSG	150.428	(74.765)	75.663

4.4 Although not formally part of the DSG, the borough has been successful in the application for £1m through the Delivery Better Value in SEND programme. The programme aims to support local authorities and their local area partners to improve the delivery of SEND services for children and young people whilst working towards financial sustainability. Further details will be provided to Schools Forum at its meeting in December.

4.5 In July 2023 the DfE announced a new supplementary grant for early years providers. Although this does not form part of the Dedicated Schools Grant, it is funding that will be passported directly to early years providers during the year to supplement the hourly funding rates that were recommended by Schools Forum in January 2023. The Local Authority will receive the grant allocation and associated terms and conditions during September 2023 and will work to distribute the funding to providers in November.

4.6 The dedicated schools grant budget for the financial year 2023/24 is projected to overspend by £0.189 representing 0.1% of the total DSG allocation for 2023/24. Table 4 outlines the allocation and projected spend for each of the four blocks.

4.7 **Table 4: Summarised Financial Position 2023/24**

DSG Block	Budget 2023/24 (£m)	Month 6 Projection (£m)	Variance (£m)
Schools Block	36.483	35.878	(605)
Central Schools Services Block	0.995	1.033	39
High Needs Block	26.917	28.029	1,112
Early Years Block	11.267	10.911	(357)
Total DSG	75.663	75.852	189
Balance brought forward DSG general reserve (surplus) / deficit			1.106
Net (surplus) /deficit			1.295

4.8 The main reasons for the Dedicated Schools Grant net overspend of £0.189m are as follows:

- The Schools Block underspend (£0.605m) relates to the release of an uncommitted pupil growth fund as no additional school places have been required this year, the underspend represents 54% of the budget allocation.

- The Early Years Block underspend (£0.357m) reflects the projected funding levels compared to actual levels of provision as reported through census data, the underspend represents 3% of the budget allocation.
- The High Needs Block overspend (£1.112m) is primarily due to provision of Independent Special or Non-Maintained Schools and other associated direct support and increase in top up funding for pupils in mainstream schools. The overspend represents 4% of the budget allocation.

5. DEFICIT MANAGEMENT PLANS

5.1 The Deficit Management Plan themes continue to significantly improve the budget position. The main Deficit Management Plan themes being implemented which have contributed towards the improved position include:

- The robust challenge process for agreeing inflationary rate increases and stronger commissioning arrangements
- The impact of the Social, Emotional & Mental Health (SEMH) programme reducing the volume of pupils at risk of exclusion. Additionally, interventions by coach monitors supporting pupils have in many cases resulted in no further Education and Health Care Plan (EHCP) support being required
- Reduction in the Special School placement costs through adding new resources bases/units within RBWM schools resulting in increased cost avoidance of more costly placements
- The EHCP funding panels now have headteachers on the board which has resulted in headteachers in our school having a greater understanding of SEND financial matrix
- More schools have been awarded the Quality Inclusion Mark resulting in more pupils with an EHCP being educated within Borough Schools that are attached to these units reducing Out of Borough costs

6. LEGAL IMPLICATIONS

6.1 There are no legal implications directly arising from this report.

7. RISK MANAGEMENT

7.1 There are no potential risks directly arising from this report, however, the requirement from the DfE is RBWM/AfC will update and agree a Deficit Management Plan to address the cumulative deficit position in the short to medium term.

8. POTENTIAL IMPACTS

- 8.1 Equalities. Equality Impact Assessments are published on the [council's website](#). The Equality Act 2010 places a statutory duty on the council to ensure that when considering any new or reviewed strategy, policy, plan, project, service or procedure the impacts on particular groups, including those within the workforce and customer/public groups, have been considered. It has been assessed that there are no Equality Impact risks arising from this report. Link to Equality Impact Assessments. <https://www.rbwm.gov.uk/home/council-and-democracy/equalities-and-diversity/equality-impact-assessments>
- 8.2 Climate change/sustainability. There are no climate change/ sustainability risks arising from this report.
- 8.3 Data Protection/GDPR. There are no data protection/ GDPR risks arising from this report.

9. CONSULTATION

- 9.1 There is no requirement for stakeholder consultation arising from this report.

10. TIMETABLE FOR IMPLEMENTATION

- 10.1 There is no timetable for implementation of any actions arising from this report.

11. BACKGROUND DOCUMENTS

- 11.1 This report is supported by one background document:
- Schools revenue funding 2023/24 Operational guide [Schools operational guide: 2023 to 2024 - GOV.UK \(www.gov.uk\)](#)

12. CONSULTATION

Name of consultee	Post held	Date sent	Date returned
<i>Mandatory: Statutory Officer (or deputy)</i>			
Elizabeth Griffiths	Executive Director of Resources & S151 Officer		
Elaine Browne	Deputy Director of Law & Governance & Monitoring Officer		
<i>Deputies:</i>			
Andrew Vallance	Deputy Director of Finance & Deputy S151 Officer		
Jane Cryer	Principal Lawyer & Deputy Monitoring Officer		
<i>Mandatory: Procurement Manager (or deputy) - if report requests approval to go to tender or award a contract</i>			
Lyn Hitchinson	Procurement Manager		
<i>Mandatory: Data Protection Officer (or deputy) - if decision will result in processing of personal data; to advise on DPIA</i>			
Samantha Wootton	Data Protection Officer		
<i>Mandatory: Equalities Officer – to advise on EQiA, or agree an EQiA is not required</i>			
Ellen McManus-Fry	Equalities & Engagement Officer		
<i>Other consultees:</i>			
<i>Directors (where relevant)</i>			
Stephen Evans	Chief Executive		
Andrew Durrant	Executive Director of Place		
Kevin McDaniel	Executive Director of Adult Social Care & Health		
Lin Ferguson	Executive Director of Children's Services & Education		
<i>Assistant Directors (where relevant)</i>			
Clive Haines	Deputy Director of Education		
<i>External (where relevant)</i>			
N/A			

Confirmation relevant Cabinet	Cabinet Member for	
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Member(s) consulted		
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REPORT HISTORY

Decision type:	Urgency item?	To follow item?
For information	No	No
Report Author: Louise Dutton, Head of Finance – Achieving for Children		

Equality Impact Assessment

For support in completing this EQIA, please consult the EQIA Guidance Document or contact equality@rbwm.gov.uk

www.rbwm.gov.uk



Royal Borough
of Windsor &
Maidenhead

1. Background Information

Title of policy/strategy/plan:	Finance Update 2023/24
Service area:	Schools
Directorate:	Children's Services

Provide a brief explanation of the proposal:

- What are its intended outcomes?
- Who will deliver it?
- Is it a new proposal or a change to an existing one?

The intended outcome of the proposal is to provide Schools Forum with an updated financial position in respect of the Dedicated Schools Grants reported variance, deficit balance as of 31 March 2024.

This is not a new proposal and is a requirement to inform Schools Forum of the financial position of the Dedicated Schools Grant.

2. Relevance Check

Is this proposal likely to directly impact people, communities or RBWM employees?

- If No, please explain why not, including how you've considered equality issues.
- Will this proposal need a EQIA at a later stage? (for example, for a forthcoming action plan)

Yes.

The Deficit Management Plan developed may impact on the current range of services provided for pupils within this characteristic. The impact will be continually reviewed and reassessed. The expectation is more appropriate provision will be provided to pupils within this characteristic.

If 'No', proceed to 'Sign off'. If unsure, please contact equality@rbwm.gov.uk

3. Evidence Gathering and Stakeholder Engagement

Who will be affected by this proposal?

For example, users of a particular service, residents of a geographical area, staff

Stakeholders including pupils with disabilities will be directly affected by the proposals included within this report.

Among those affected by the proposal, are protected characteristics (age, sex, disability, race, religion, sexual orientation, gender reassignment, pregnancy/maternity, marriage/civil partnership) disproportionately represented?

For example, compared to the general population do a higher proportion have disabilities?

Stakeholders including pupils with disabilities will be directly affected by the proposals included within this report.

What engagement/consultation has been undertaken or planned?

- How has/will equality considerations be taken into account?
- Where known, what were the outcomes of this engagement?

Schools Forum is actively engaged throughout the Schools Formula budget setting. Within the Deficit Management Plan strategy there was a series of stakeholder surveys and engagement sessions undertaken with key groups.

What sources of data and evidence have been used in this assessment?

Please consult the Equalities Evidence Grid for relevant data. Examples of other possible sources of information are in the Guidance document.

Not Applicable

4. Equality Analysis

Please detail, **using supporting evidence**:

- How the protected characteristics below might influence the needs and experiences of individuals, in relation to this proposal.
- How these characteristics might affect the impact of this proposal.

Tick positive/negative impact as appropriate. If there is no impact, or a neutral impact, state 'Not Applicable'

More information on each protected characteristic is provided in the Guidance document.

	Details and supporting evidence	Potential positive impact	Potential negative impact
Age	This report does impact on pupils within this protected characteristic; however, as school funding is on a formula basis impact has already been considered within previous reports and decision-making processes	Yes	Not Applicable
Disability	The Deficit Management Plan developed may impact on the current range of services provided for pupils within this characteristic. The impact will be continually reviewed and reassessed. The expectation is more appropriate provision will be provided to pupils within this characteristic.	Yes	Yes
Sex	There is nothing in the report which is considered to impact on this protected characteristic	Not Applicable	Not Applicable
Race, ethnicity and religion	There is nothing in the report which is considered to impact on this protected characteristic	Not Applicable	Not Applicable
Sexual orientation and gender reassignment	There is nothing in the report which is considered to impact on this protected characteristic	Not Applicable	Not Applicable
Pregnancy and maternity	There is nothing in the report which is considered to impact on this protected characteristic	Not Applicable	Not Applicable
Marriage and civil partnership	There is nothing in the report which is considered to impact on this protected characteristic	Not Applicable	Not Applicable
Armed forces community	There is nothing in the report which is considered to impact on this protected characteristic	Not Applicable	Not Applicable

Socio-economic considerations e.g. low income, poverty	There is nothing in the report which is considered to impact on this protected characteristic	Not Applicable	Not Applicable
Children in care/Care leavers	There is nothing in the report which is considered to impact on this protected characteristic	Not Applicable	Not Applicable

5. Impact Assessment and Monitoring

If you have not identified any disproportionate impacts and the questions below are not applicable, leave them blank and proceed to Sign Off.

<p>What measures have been taken to ensure that groups with protected characteristics are able to benefit from this change, or are not disadvantaged by it?</p> <p>For example, adjustments needed to accommodate the needs of a particular group</p> <p>Not Applicable</p>
<p>Where a potential negative impact cannot be avoided, what measures have been put in place to mitigate or minimise this?</p> <ul style="list-style-type: none"> For planned future actions, provide the name of the responsible individual and the target date for implementation. <p>Not Applicable</p>
<p>How will the equality impacts identified here be monitored and reviewed in the future?</p> <p>See guidance document for examples of appropriate stages to review an EQIA.</p> <p>Not Applicable</p>

6. Sign Off

Completed by: Louise Dutton	Date: 25-10-23
Approved by:	Date:

If this version of the EQIA has been reviewed and/or updated:

Reviewed by:	Date:
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