



Schools Forum

Date: Monday, 15 July 2024
Time: 4.00 pm
Venue: Virtual: To be held over Zoom

This is a **supplementary agenda** containing additional information about the business of the meeting that was not available when the agenda was published

Membership of the Schools Forum

Secondary Sector Headteachers Lee Ormsby

Primary Sector Headteachers Mike Cooke, Hatim Kapacee, Saeeda Ishaq, Gavin Shortall

Primary Sector Governors Tony Daly, Philip Geldard, Lolita Hall, Angela Stansfield, Iram Cheema

Special School Headteachers Anna Mullen

Special School Governor Walid Omara

Academy Representative Joseph Brownridge, Helen Child, Andy Park, Joshua Rowe, Karl Harrison, Jill Usher

Pupil Referral Unit Representative Colin Harvey-Rigby

Nursery School Representative Amy Davenport

Non-School Members Cath Baggaley, John Morgan, Antonio de Paola, Isabelle Qamar

Supplementary Agenda

- | | | |
|----|---|---------|
| 4. | High Needs Block Recovery Update The report of the Director of Education is now enclosed. | 3 - 12 |
| 5. | Analysis of Excessive School Balances 2023/24 & Clawback The report of the Director of Education is now enclosed. | 13 - 20 |
| 6. | Forward Plan The report of the Director of Education is now enclosed. | 21 - 22 |

Further Information

For help, advice and information about this meeting please contact the Committee Officer:

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This supplementary agenda was issued on **Wednesday, 10 July 2024** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 2, Town Hall Extension (Library Walk Elevation), Manchester M60 2LA

Manchester City Council Report for Information

Report to: School Forum Committee – 15 July 2024

Subject: High Needs Block (HNB) Recovery Update

Report of: Amanda Corcoran - Director of Education

Summary

The Dedicated Schools Grant (DSG) is a ringfenced grant, that has four separate funding blocks, of which one is the high needs block (HNB), funding specialist education provision for children and young people up to 25 years old with Special Education Needs and Disabilities (SEND). The HNB is the most financially volatile block of the DSG, which has been recognised nationally as part of the Department of Education (DfE) DfE “SEND and Alternative Provision Improvement Plan”.

Manchester’s DSG 2023/24 in-year outturn position was £6.445m overspend, increasing the cumulative DSG position to an £7.803m overspend, due to pressures in the HNB. The 2023/24 HNB overspend was £9.340m, primarily due to increased growth and cost in Education Health and Care Plan (EHCP), Post-16 and Independent Sector Placements (ISP) areas

Before recovery and assuming the same level of growth, current DSG forecasts shows the DSG overspend increasing to £81.964m by 2025/26. This report provides a progress update on Manchester’s HNB recovery plan and covers:

- Potential funding gap over the next three years, details with and without recovery actions (section 2)
- Benchmarking (section 3)
- Updated on HNB recovery actions for continuing SEND improved outcomes and financial stability (section 4).
- Schools Block transfer consultation for the financial year 2025/26 (section 5)

Recommendations

All Schools Forum members are asked to note and comment:

- 2023/24 HNB £9.340m overspend
- Potential funding gap over the next three year and the impact on DSG position.
- HNB recovery action plan update, trying to address the increasing funding gap.
- Potential financial risk to the Council with DSG ring fencing regulation due to end March 2025.
- 0.5% Schools Block transfer consultation

Financial Consequences

None directly arising from this report

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

| | |
|-------------------|---|
| 19 September 2022 | Schools Forum Agenda Item 4: High Needs Block (HNB) Recovery Plan |
| March 2023 | SEND and Alternative Provision Improvement Plan |
| June 2023 | Post-16 SEND Commissioning Project Plan 2023 |
| May 2023 | Post 16 SEND Strategic Commissioning Report |
| 20 November 2023 | Schools Forum Agenda Item 4: High Needs Block (HNB) SEND Improvement Measures Recovery Plan Update |
| 17 June 2024 | Schools Forum Agenda Item 6: Dedicated Schools Grant (DSG) and School Balances 2023/24 Outturn Report |

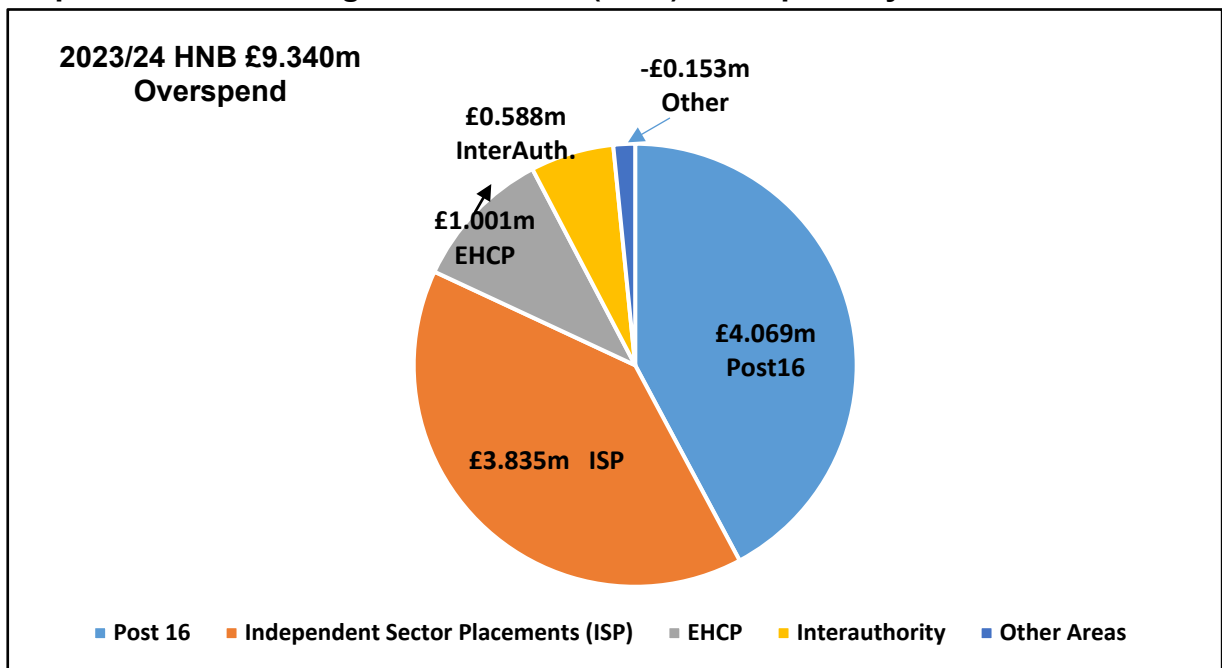
1 Introduction

- 1.1 The DSG is a ring-fenced grant, made up of four blocks: schools, central school services, early years, and high needs. A substantial proportion of it is paid directly to schools and other settings to provide education services. Unlike other parts of the grant the HNB has significant pressures and is the underlying cause of the DSG cumulative overspend of £7.803m. The current projected in-year HNB overspend for 2024/25 is £27.181m pre-recovery actions, which reduces to £19.051m post recovery.
- 1.2 This report for ease of reference is structured as follows:
 Section 2: HNB Forecast
 Section 3: HNB Benchmarking
 Section 4: Update on HNB recovery actions.
 Section 5: Schools Block transfer consultation for 2025/26 Budget Setting

2. High Needs Block (HNB) Forecast

- 2.1 HNB overspend 2023/24 of £9.340m is despite on-going work on recovery actions, as reported to School Forum November 2023. Graph one below, details the 2023/24 HNB overspend, showing the three main areas causing the overspend:
- Post 16 provision
 - Independent Sector Placements (ISP)
 - Education, Health, and Care Plans (EHCPs)

Graph One: 2023/24 High Needs Block (HNB) Overspend by area



- 2.2 Concern is that the HNB structural overspend position will continue to increase. The Council needs to take action to try to mitigate the financial instability of the DSG, as the overall overspend could be £81.964m by 2025/26.

2.3 **Funding gap** - DfE have advised that the HNB element of the DSG budget will increase around 5% each year over the next three financial years, this is a drop of 7% compared to 2023/24. Table 1 below, shows that if the activity and inflationary pressures seen in 203/24 of 18% continues in future years it will increase the gap between expenditure and income.

Table One: Forecast Financial Position Pre-Recovery HNB Next 3 Years

| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|
| HNB Budget After Recoupment £m | 103.155 | 115.409 | 120.025 | 126.221 | 132.838 |
| % Uplift | 14% | 12% | 4% | 5% | 5% |
| Outturn £m | 105.295 | 124.749 | 147.205 | 173.202 | 204.969 |
| % Uplift | 14% | 18% | 18% | 18% | 18% |
| Shortfall in Year HNB £m | 2.141 | 9.340 | 27.180 | 46.981 | 71.858 |
| Cumulative Deficit DSG £m | 1.358 | 7.803 | 34.983 | 81.964 | 153.822 |

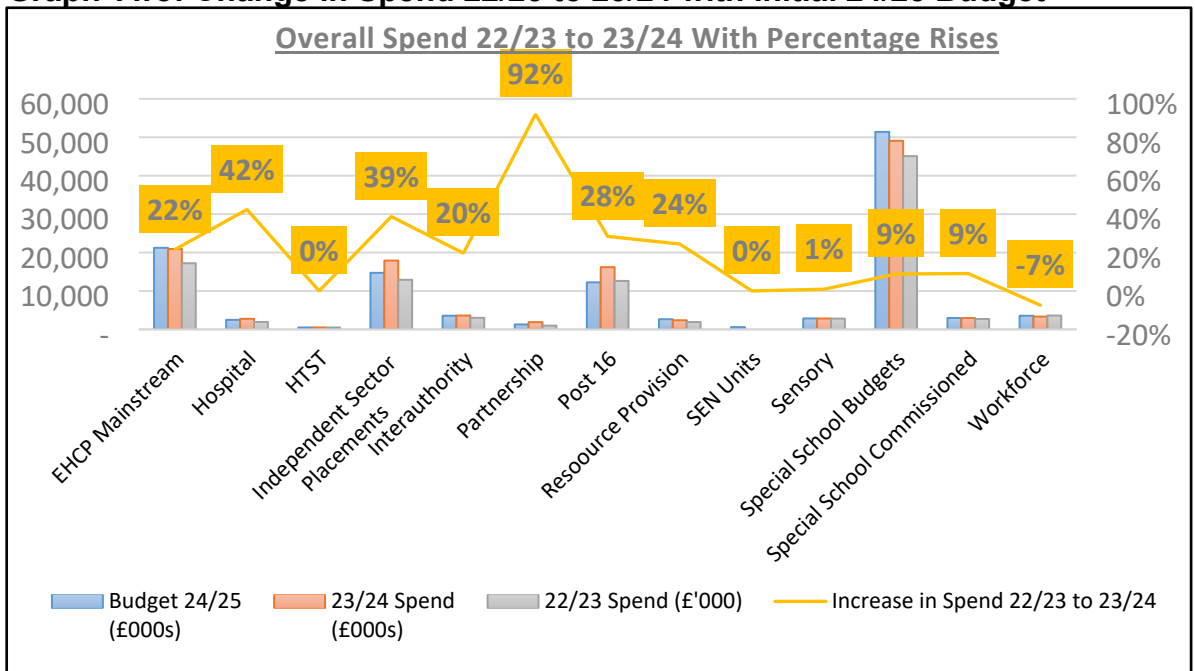
2.4 The HNB gap is forecast to increase to £46.981m in 2025/26 and £71.858m 2026/27. By the end of 2026/27 the cumulative deficit for the DSG, if all other DSG blocks remain within budget will increase to £153.822m.

2.5 **Growth in Demand** - Graph two below, shows the three largest increases in spend (excluding hospital school, which had additional funding 2023/24) are:

1. **Partnership and S5+ 92%.**
2. **ISP 39%.**
3. **Post 16 28%.**

2.6 These areas of spend are already outstripping the budget allocation for 2024/25, prior to any increases for activity or inflation over the next year.

Graph Two: Change in Spend 22/23 to 23/24 with Initial 24/25 Budget



3. Benchmarking

- 3.1 Benchmarking has been undertaken, table two below sets out the rankings against seven councils who are leading on the SEND Change Programme and/or have had a “Good” Ofsted SEND inspection. Within the benchmarking table one is the highest rank in terms of numbers in each of the comparators.
- 3.2 Key observations:
- Manchester has a greater number of EHCP than its comparators, whereby Manchester ranked number 1 in EHCP per 1,000 population between 2-18 years.
 - Manchester is ranked 12th in terms of numbers of all 150 councils, 54.7 EHCP per 1,000 is 28% higher than comparators and 35% nationally.
 - Manchester has the highest proportion of EHCP on DfE advised statistical neighbours based on social deprivation.
- 3.3 Manchester does well in terms of keeping provision with mainstream schools, it has 41% more EHCPs in mainstream schools than comparators. Manchester also ranks highest in the number of pupils at special schools.
- 3.4 Manchester is lower than comparators in the number of placements in SEN units and resource provision. This has been identified in the recovery plan and is being addressed by the opening of more resourced provisions and two SEN units in September 2024.
- 3.5 ISP and Post 16 both rank third, indicating Manchester is more effective of keeping placements in Manchester Local Authority mainstream and special schools rather than the independent sector, which negates some of the expenditure higher ranked comparators receive.
- 3.6 If Manchester’s EHCP was at similar levels to other Local Authorities, so EHCPs were around comparators i.e. 28% lower, it is likely this overspend would not exist.

Table Two: Statistical benchmarking - Number of EHCP plans per 1,000 (2-18yrs population)

| Local Authority | No. of EHCP/Statement up to 25 per 1,000 2 to 18 Population | Rank No. Children EHCP per 1,000 2-18 Population | Rank Mainstream Schools/Academies | Rank Resource Provision/ SEN Units | Rank Special Schools/Academies | Rank ISP | Rank Post 16 |
|-----------------|---|--|-----------------------------------|------------------------------------|--------------------------------|----------|--------------|
| Manchester | 54.7 | 1 | 1 | 5 | 1 | 3 | 3 |
| Leicester | 42 | 4 | 5 | 3 | 4 | 5 | 6 |
| Hartlepool | 41.6 | 5 | 6 | 2 | 2 | 1 | 4 |
| Portsmouth | 45.5 | 2 | 4 | 1 | 3 | 7 | 1 |
| Calderdale | 43.4 | 3 | 2 | 7 | 6 | 2 | 5 |
| Leeds | 31.2 | 7 | 7 | 6 | 5 | 6 | 2 |

| | | | | | | | |
|--|------|----|----|----|----|----|----|
| Wakefield | 41.1 | 6 | 3 | 4 | 7 | 4 | 7 |
| Average 6 LA | 42.8 | | | | | | |
| Average All 150 LA | 40.6 | | | | | | |
| Manchester Rank All Authorities | | 12 | 15 | 80 | 10 | 80 | 62 |

- 3.7 Manchester has agreed measures to help with SEND Improvement and recovery actions, detailed in section four of the report, to help offset the overspend as outlined in table one.

4 High Need Block (HNB) Recovery Update

- 4.1 The recovery plan is made up of four workstreams, which the HNB board have reviewed due to the increased 2023/24 overspend and the potential future funding gap (as detailed in section two above), table three below illustrates the updated expected savings.

Table Three: Recovery Plan Expected Savings

| Workstream | Saving 2024/25 £'000 | Saving 2025/26 £'000 | Saving 2026/27 £'000 | Total Saving (over 3 yrs.) £'000 |
|---|---------------------------------|---------------------------------|---------------------------------|---|
| Workstream 1: Strengthen mainstream schools' graduated response | 1,030 | 1,030 | 1,030 | 3,090 |
| Workstream 2: Reviewing and responding to children with an EHCP | 850 | 2,230 | 3,660 | 6,740 |
| Workstream 3: Commissioning of Specialist provision | 3,940 | 4,490 | 5,550 | 13,980 |
| Workstream 4: Generate income for HNB and review other spend | 2,310 | 5,110 | 5,410 | 12,830 |
| Total | 8,130 | 12,860 | 15,650 | 36,640 |

4.2 Workstream 1 - Strengthen mainstream schools' graduated response

This workstream focuses on strengthening the graduated response to need in mainstream schools.

- Expansion of early years inclusion funding to reception pupils, to allow time to establish if the intervention in place has positive impact on pupils' need.
- Review of the early year's pathways, to identify what works well and any areas that can be improved on in supporting early years SEND needs.
- Evaluation of outreach services, including the development of an enhanced outreach offer.

- Year 6 mentoring scheme to support children with additional needs as they transition to secondary school
- Meeting needs of neurodiverse children in mainstream schools project
- Developing a 3-tier approach to alternative provision

4.3 Workstream 2: Reviewing and responding to children with an EHCP.

Due to the growth in EHCP requests, there are currently over 8,000 EHCP plans across the city, Manchester is looking how best to manage resources to continue to effectively maintain EHCPs.

4.4 Workstream 3: Strengthening commissioning of specialist provision.

The commissioning team are working to ensure high-cost specialist education placements provide value for money. The expansion of the current post-19 offer is underway, and increasing the number of internship available, which should have a positive impact on the Post-16 spend.

4.5 Workstream 4: Generating income for HNB and review other spend.

Income generated to support the HNB so far includes school's excessive clawback mechanism, also reviewing grant conditions to determine where funding can align to support recovery actions.

4.6 DfE school's operational regulations allows for school block transfer to HNB, this is where funds (up to 0.5%) are top sliced from school block and moved to the HNB. The block transfer is prior to mainstream school's budgets being calculated, so the block transfer incorporates both maintained and academy schools.

4.7 Included in workstream 4 as reported to, and approved by School Forum November 2024, included the option for a 0.5% block transfer if the improvement measures in the workstreams did not have the expected positive impact HNB financial stability. Given the increase in the HNB overspend and the future funding gap, this option needs to be consulted on for the 2025/26 budget setting process.

5. Schools Block transfer consultation - 2025/26 Budget Setting

5.1 Manchester have never proposed a school block transfer but have tried other recovery measures to try to mitigate the HNB pressures. Several other councils have actioned a block transfer for a number of years due to their HNB financial pressures. In 2023/24, five of the ten Greater Manchester authorities actioned a block transfer.

5.2 Despite allowing time for recovery actions to embed and make progress, there is an increasing HNB overspend, with lower increases in funding and projected growth, resulting in a projected HNB overspend of £34.816m next financial year. Table four below illustrates the HNB pressure after recovery actions (including a block transfer) over the next three years. The Councils

feels it is now necessary to propose a 0.5% school block transfer for 2025/26 budget setting.

- 5.3 DSG balances are separate from the Council's wider financial position. This ringfencing mechanism was put in place 2020 ending March 2025, which allows DSG deficits to be separated from council's wider accounts. DSG ringfencing rules end at 2024/25, if this is not continued councils will need to demonstrate their ability to cover DSG overspends from their future available reserves from 2025/26. The Council's overall reserves are reducing year on year.
- 5.4 School Forum are asked to note that the 2025/26 DSG forecast overspend is greater than the Council's general reserves balance, which is a financial risk to the Council.

Table Four: HNB Pressures After Recovery Actions.

| | Pressure 2024/25 £'000 | Pressure 2025/26 £'000 | Pressure 2026/27 £'000 |
|-------------------------------|------------------------------|------------------------------|------------------------------|
| HNB Pressure | 27,181 | 47,676 | 72,641 |
| Less Recovery Actions | 8,130 | 12,860 | 15,650 |
| Remaining HNB Pressure | 19,051 | 34,816 | 56,991 |

- 5.5 Along with the block transfer proposal (which is prior to mainstream school's budgets being calculated, so incorporates both maintained and academy schools), the Council is proposing for 2025/269 the suspension of the automatic clawback mechanism for maintained schools. It is deemed unfair to action both, the block transfer, and subject maintained schools to the automatic clawback of excessive balances.
- 5.6 A full consultation will be carried out with all local maintained schools and academies, between 16th July 2024 to 20th September 2024. The Council intends to offer webinars to schools that want to discuss the consultation proposals prior to submitting a response. The consultation is not available at the time of writing this report but will be tabled at July's Schools Forum.
- 5.7 The outcome from the school's consultation will be presented to School Forum September 2024 for approval. After considering the consultation outcome and the financial risk to the Council, if School Forum does not approve the block transfer the Council will have no choice and will need to apply for a disapplication to the Secretary of State for approval of the block transfer.

6. Conclusion and Recommendations

- 6.1 The number of children with Education, Health and Care plans (EHCPs) continues to increase more than funding increases year on year. The DSG deficit is growing despite a robust recovery plan being in place. The Council is seeking to transfer 0.5% (c.£2.5m) from the 2025/26 Schools Block to the High Needs Block. This is subject to schools' consultation and approval by the

Schools Forum. If any transfers exceed 0.5% or occur without approval, a disapplication to the DfE is required.

6.2 All Schools Forum members are asked for note and comment:

- 2023/24 HNB £9.340m overspend
- Potential funding gap over the next three year and the impact on DSG position.
- HNB recovery action plan update trying to address the increasing funding gap.
- Potential financial risk to the Council with DSG ring fencing regulation due to end March 2025.
- 0.5% Schools Block transfer consultation with schools.

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Manchester City Council Report for Resolution

Report to: School Forum Committee – 15 July 2024

Subject: Analysis of Excessive School Balances 2023/24 & Clawback

Report of: Directorate Finance Lead – Children’s and Schools

Summary

All maintained schools deemed to have an excessive balance as reported at year end must complete an analysis of reserves, to account for the control and use of the excessive balances. In 2023/24, Manchester schools’ excessive balances have decreased by £0.752m when comparing to 2022/23 balances.

The Scheme for Financing schools includes a clawback mechanism (section 4), where schools who have held an excessive surplus balance above the allowable threshold for more than two years will be subject to a clawback, with a right to appeal.

This report seeks School Forum’s decision on the percentage rate of the automatic clawback mechanism for balances held as at 31st March 2024.

Recommendations

All Schools Forum members are asked to note and comment on:

- The level of maintained school excessive balances 2023/24
- The excessive clawback to be actioned for excessive balances, held as at 31st March 2024 for maintained schools

All maintained Schools Forum members are asked to comment and vote on the option and use of the school’s automatic clawback for excessive balances held up to 31st March 2024:

- Option One: 50% of all excessive surplus balances held for two years (£117k).
 - Option Two: 100% of all excessive surplus balances held for two years (£235k).
 - Any funds clawed back to be used against the high needs block deficit on Dedicated School Grant (DSG)
-

Financial Consequences

None directly arising from this report.

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

| | |
|--------------------------------|---|
| 17 th June 2024 | Schools Forum Agenda Item 6: Dedicated Schools Grant (DSG) and School Balances 2023/24 Outturn Report |
| 16 th January 2023 | Schools Forum Agenda Item 4: Consultation Outcome – Updates to Scheme for Financing Schools (Excessive Balance mechanism) |
| 14 th November 2022 | Schools Forum Agenda Item 5: Review of Excessive Balance Clawback |

1. Introduction

- 1.1 Annually an analysis of reserves review is completed for each maintained school that has an excessive revenue balance, identifying the planned use of the excessive reserves. Schools' balances are deemed excessive if the surplus is higher than the allowable balance, whereby the allowable balance is deemed to be 8% of the budget share for nursery, primary and special schools, and 5% of the budget share for secondary schools.
- 1.2 Within the Scheme for Financing schools where a maintained school has held an excessive surplus balance above the allowable threshold for two years will be subject to the clawback mechanism, with the right to an appeal. It is proposed that these funds are set against the DSG cumulative deficit.
- 1.3 The clawback mechanism was updated to consider excess balances held over a period of two, rather than five, years following consultation with schools (December 2022) and with Schools Forum in November 2022 and January 2023. This change is effective for balances from 31st March 2024.

2. Excessive Surplus Balances

- 2.1 Table one outlines the excessive balances for 2023/24 by phase, on all schools above the allowable balance, a total of £1.217m which is a decrease of £0.752m compared to 2022/23 excess balances.
- 2.2 The table shows that the number of schools with excessive balances has decreased by 12% (3 schools) compared to the last financial year. The primary sector has seen an increase of 2 schools, compared to special sector that have reduced by 5 schools.

Table one: Schools' Excess Balances

| Sector | 2023/24 | | 2022/23 | |
|--------------|-----------|--------------|-----------|--------------|
| | No. | £000's | No. | £000's |
| Nursery | 0 | 0 | 0 | 0 |
| Primary | 21 | 843 | 19 | 751 |
| Secondary | 1 | 287 | 1 | 5 |
| Special | 1 | 87 | 6 | 1,214 |
| Total | 23 | 1,217 | 26 | 1,970 |

- 2.3 Schools, via analysis of reserves, have provided commitments for their 2023/24 excess balances, as shown in table two below. Most of the commitments relate to:
- Offsetting future year budget reductions resulting from falling rolls £0.794m, across eight primary schools and one secondary school.
 - Planned works primarily for building and grounds repairs and improvements, as well as electrical works and extensions, £0.632m across twelve primary, one secondary and one special school.
 - Planned asset purchases, £116k across seven primary schools.

- Unspent grants, £170k across four primary school.

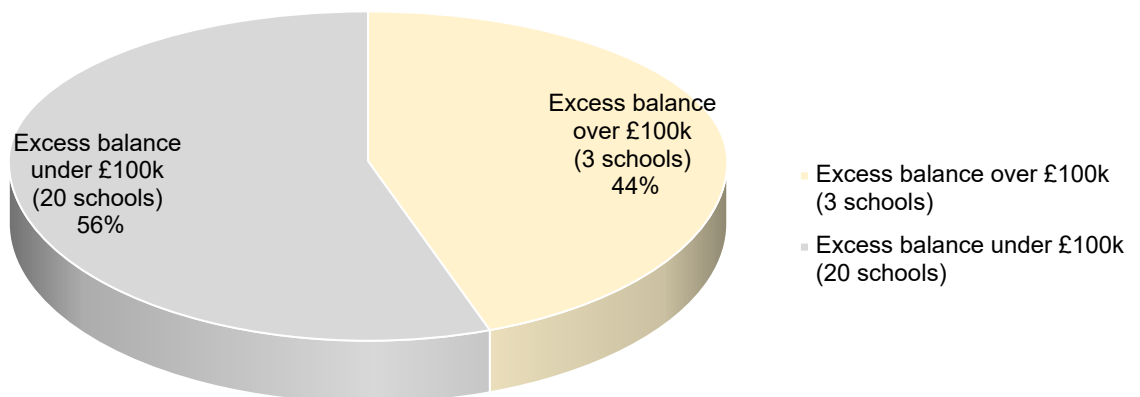
Table two: Analysis of Reserves - Committed Spend

| Sector | Excess Balance | Planned Work, not yet began or completed | Planned asset purchases | To offset future year budget reductions (falling rolls) | Unspent Grants | Total Committed |
|--------------|----------------|--|-------------------------|---|----------------|-----------------|
| | £000's | | | | | |
| Nursery | 0 | 0 | 0 | 0 | 0 | 0 |
| Primary | 843 | 384 | 116 | 495 | 170 | 1,166 |
| Sec. | 287 | 50 | 0 | 299 | 0 | 349 |
| Special | 87 | 198 | 0 | 0 | 0 | 198 |
| Total | 1,217 | 632 | 116 | 794 | 170 | 1,713 |

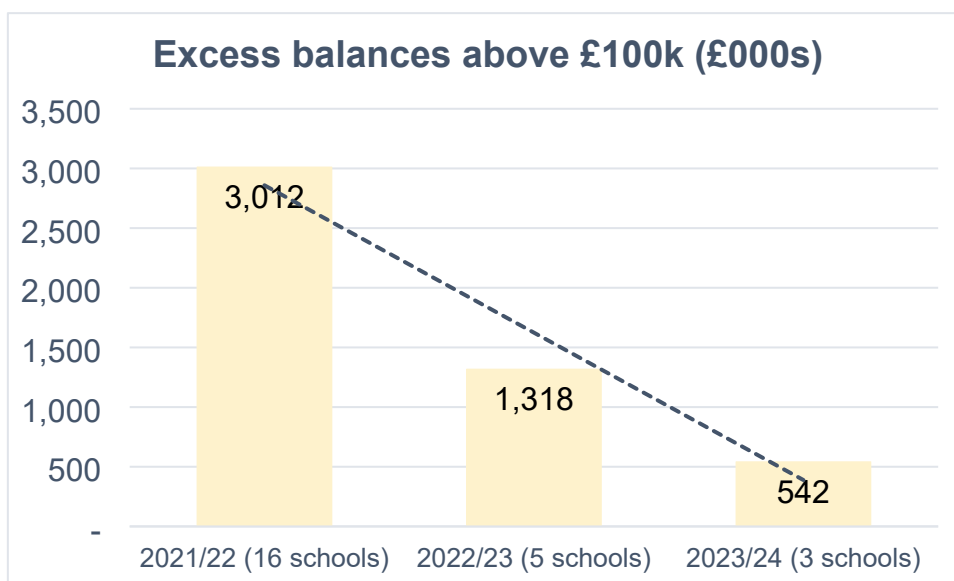
2.4 Table two sets out that some schools have outlined committed plans above and beyond their excess balances. Whereby, schools have committed spend of £1.713m compared to their total £1.217m excessive balances.

2.5 There are twenty-three schools with excessive balances, totalling £1.217m, of these **three** are above £100k, totalling £0.542m, this equates to 44%, illustrated on the chart below.

Excess balances 2023/24 £1.217m



2.6 Schools holding excessive balances above £100k in 2023/24 has reduced compared to 2022/23. Last year there were five schools reporting excess balances above £100k in 2022/23, totalling £1.318m. This is a reduction of 59%. The chart below shows how the amounts of excess balances over £100k held by schools has reduced over the last three years.



- 2.7 Appendix one provides a list of the schools with excessive balances at end of 2023/24, detailing their total 2023/24 year-end balance and the excess balances. The final column illustrates the schools' 2023/24 year-end balance as a proportion of their current year's budget share.

3. Clawback of Excessive Surplus Balances

- 3.1 As per Section 4.2 of the Scheme for Financing Schools maintained schools are subject to a clawback of any excessive surplus balances held by the school for more than two years. An example of how the excessive clawback mechanism works is illustrated in Appendix two. Schools have the right to challenge this clawback via appeal to a panel, made up of Schools Forum members.
- 3.2 In 2024/25, seven schools have been identified (5 primary, 1 secondary, and 1 special) for the automatic excessive balance's clawback. Their collective excessive balance over the allowable threshold totals £0.557m as at 31 March 2024, of which £235k has been held for more than two years. Appendix three outlines the excessive balances held by the seven schools over the past two years, and the potential clawback. The clawback at 100% rate totals £235k (at 50% £117k). Last financial year, five schools (which included three of the seven schools listed in appendix three), were subject to the excessive balances clawback, at the rate of 100% as agreed by Schools Forum.
- 3.3 The range of the excessive clawback if at 100%, would be from £5k to £87k, with three of the seven schools receiving a clawback of under £10k, two between £15k - £40k, and the remaining two between £70k - £87k.
- 3.4 In June 2024 Schools Forum, the Council reported that the Dedicated School grant (DSG) cumulative deficit as 31st March 2024 is £7.803m. This deficit is due to on-going pressures within the high needs block (HNB). The Council are actively working on recovery to address the structural deficit, an update on the recovery position is included in agenda item 4. It is intended that the excess balances clawback from schools will be used to offset the HNB deficit.

- 3.5 This report seeks agreement from the maintained Schools Forum members regarding the rate of the clawback for schools' excessive surplus balances held for two years as at 31 March 2024, option one: 50% or option two: 100%.

4. Conclusion and Recommendations

- 4.1. **All** Schools Forum members are asked to note and comment on:
- The level of maintained school excessive balances 2023/24
 - The excessive clawback to be actioned for excessive balances, held as at 31st March 2024 for maintained schools
- 4.2. **All maintained** Schools Forum members are asked to comment and vote on the option and use of the school's automatic clawback for excessive balances held up to 31st March 2024:
- Option One: 50% of all excessive surplus balances held for two years (£117k).
 - Option Two: 100% of all excessive surplus balances held for two years (£235k).
 - Any funds clawed back to be used against the high needs block deficit on Dedicated School Grant (DSG)

Appendix One: Schools with Excess Balances as at 31st March 2024
(twenty-three schools)

| DFE NO | School | YEAR END BALANCES (Revenue & Capital) | EXCESS BALANCES | BUDGET SHARE INCOME (Early Years, Schools Block, High Needs, DFC) | YEAR END BALANCE as % of BUDGET SHARE |
|------------------|----------------------------------|--|------------------|--|---------------------------------------|
| | | 2023-24 £ | 2023-24 £ | 2024-25 £ | % |
| Primary | | | | | |
| 2001 | Abbott Primary | 123,770 | 18,280 | 1,318,636 | 9% |
| 2321 | All Saints Primary (Gorton) | 123,147 | 5,374 | 1,472,163 | 8% |
| 3043 | Armitage CofE Primary | 240,068 | 20,564 | 2,743,801 | 9% |
| 2010 | Ashbury Meadow Primary | 269,631 | 25,021 | 3,057,634 | 9% |
| 2341 | Benchill Primary | 406,770 | 145,737 | 3,262,915 | 12% |
| 2328 | Birchfields Primary | 293,215 | 10,881 | 3,529,172 | 8% |
| 2296 | Crab Lane Primary | 206,725 | 5,051 | 2,520,913 | 8% |
| 2327 | Crumpsall Lane Primary | 201,598 | 15,532 | 2,325,820 | 9% |
| 2129 | Heald Place Primary | 349,314 | 55,246 | 3,675,853 | 10% |
| 3005 | Holy Trinity CofE Primary | 266,215 | 41,805 | 2,805,127 | 9% |
| 2161 | Mauldeth Road Primary | 237,503 | 48,882 | 2,357,768 | 10% |
| 3475 | Our Lady's RC Primary | 106,426 | 10,960 | 1,193,325 | 9% |
| 2302 | Pike Fold Primary | 257,622 | 43,806 | 2,672,696 | 10% |
| 2008 | Ringway Primary | 241,468 | 36,851 | 2,557,711 | 9% |
| 3491 | Saviour CofE Primary | 156,138 | 72,513 | 1,045,316 | 15% |
| 3473 | St Bernard's RC Primary | 101,839 | 8,795 | 1,163,047 | 9% |
| 3015 | St Chrysostom's CofE Primary | 277,693 | 72,358 | 2,566,695 | 11% |
| 3045 | St John's CofE Primary Longsight | 329,412 | 109,291 | 2,751,506 | 12% |
| 3452 | St Malachy's RC Primary | 125,284 | 15,352 | 1,374,147 | 9% |
| 3325 | St Philip's CofE Primary | 173,915 | 71,697 | 1,277,726 | 14% |
| 2278 | Varna Street Primary | 223,729 | 9,297 | 2,680,402 | 8% |
| | Primary Total (21 sch.) | 4,711,483 | 843,293 | 48,352,374 | 10% |
| Secondary | | | | | |
| 4770 | St Peter's RC High | 697,074 | 286,661 | 8,208,251 | 8% |
| | Secondary Total (1sch.) | 697,074 | 286,661 | 8,208,251 | 8% |
| Special | | | | | |
| 7007 | Manchester Hospital School | 432,393 | 87,402 | 4,312,383 | 10% |
| | Special Total (1 sch.) | 432,393 | 87,402 | 4,312,383 | 10% |
| | Total Excessive Balances | 5,840,949 | 1,217,356 | 60,873,008 | 10% |

Note: Three schools with excessive balances £100k or more are highlighted.

Appendix Two: Illustration of excessive clawback mechanism.

Example below, all three schools have:

- demonstrated robust plans to spend the excess balance.
- the same excessive balance of £250k at the end of the current financial year.

However, each school is subject to a different clawback due to the lowest excessive balance held over two years.

Excessive Clawback over two years

| | School A Excessive Balance (above 5% or 8% threshold) | School B Excessive Balance (above 5% or 8% threshold) | School C Excessive Balance (above 5% or 8% threshold) |
|--|--|--|--|
| Year one: 2023/24 | £250,000 | £250,000 | £250,000 |
| Year two: 2022/23 | £0 | £150,000 | £780,000 |
| Excess Balance held for 2 years | £0 | £150,000 | £250,000 |
| | | | |
| Clawback at 50% | £0 | £75,000 | £125,000 |
| Clawback at 100% | £0 | £150,000 | £250,000 |

Illustrated above: School A is not subject to a clawback and has demonstrated robust plans for the current excessive balance (via Analysis of Reserves). However, if School A has not demonstrated sufficient plans, a clawback will be applied prior to the lapse of the allowable balance retention period. In this example, the school would be subject to a maximum clawback of £250k. Appeals panel will give schools an opportunity to present evidence of their extenuating circumstances which have led to individual schools holding excessive balances over retention period.

Appendix Three: Clawback - Excess Balances held for two years (seven schools)

| DfE no | Name of School | Excess Balance (£ Above Allowable Balance) | | Excess Balance held for 2 years | Clawback at 50% |
|-----------|----------------------------|--|----------------|--|--------------------|
| | | 2023/24 | 2022/23 | | |
| | | | | 100% | 50% |
| 2161 | Mauldeth Road Primary | 48,882 | 15,302 | 15,302 | 7,651 |
| 2302 | Pike Fold Primary | 43,806 | 37,682 | 37,682 | 18,841 |
| 3473 | St Bernard's RC Primary | 8,795 | 78,478 | 8,795 | 4,398 |
| 3325 | St Philip's CofE Primary | 71,697 | 103,087 | 71,697 | 35,849 |
| 2278 | Varna Street Primary | 9,297 | 44,699 | 9,297 | 4,648 |
| 4770 | St Peter's RC High | 286,661 | 4,739 | 4,739 | 2,370 |
| 7007 | Manchester Hospital School | 87,402 | 201,405 | 87,402 | 43,701 |
| | Totals | 556,541 | 485,392 | 234,915 | 117,457 |

Note: Highlighted schools identify those subjects to clawback last financial year.

**Manchester City Council
Report for Information**

Report to: School Forum Committee – 15 July 2024

Subject: Forward Plan 2024/25

Report of: Amanda Corcoran - Director of Education

Summary

Forward plan of Schools Forum business for the forthcoming academic year

Recommendations

Schools Forum Members are asked to note the report

Financial Consequences

None directly arising from this report

Contact Officers:

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

1 Introduction

- 1.1 The following report provides a forward plan for essential approvals and reports that will be brought to the School Forum by officers throughout the 2024/25 academic year. Further reports will be added to the Forum agenda as and when required.

2 Forward Plan

| Meeting | Reports |
|---------------------------------|---|
| 30 th September 2024 | <ul style="list-style-type: none"> ● National Funding Formula updates ● Consultation outcomes ● Dedicated Schools Grant monitoring ● Annual Review of Scheme for Financing Schools and School Financial regulations |
| 18 th November 2024 | <ul style="list-style-type: none"> ● National Funding Formula updates ● High Needs Block (HNB) Recovery plan update ● De-Delegation 2024/25 ● Benchmarking ● Early Years Supplements review |
| 20 th January 2025 | <ul style="list-style-type: none"> ● DSG settlement and budget for forthcoming year |
| 17 th March 2025 | <ul style="list-style-type: none"> ● Funding updates |
| 16 th June 2025 | <ul style="list-style-type: none"> ● Outturn report – School Balances and centrally retained DSG |
| 21 st July 2025 | <ul style="list-style-type: none"> ● National Funding Formula updates ● Review of Analysis of Reserves & Excessive Balances ● HNB Recovery update ● Early Years Block review ● School Forum Forward Plan 2023/24 |

3 Recommendations

- 3.1 School Forum members are asked to note the report.