



## NORTH YORKSHIRE SCHOOLS FORUM

<b>Date of meeting:</b>	Thursday 23 November 2023
<b>Title of report:</b>	<b>DfE Additional Funding – Schools in Financial Difficulty</b>
<b>Type of report:</b> Delete as required	For Information
<b>Executive summary:</b> Including reason for submission	The report provides Schools Forum with an overview of the additional funding announced by the DfE to be provided to local authorities to support individual schools in financial difficulties.
<b>Budget / Risk implications:</b>	The provision of additional financial support to a number of LA maintained schools within North Yorkshire that are facing financial difficulties.
<b>Recommendations:</b>	The Schools' Forum is asked to note the content of the report.
<b>Voting requirements:</b>	N/A
<b>Appendices:</b>	N/A
<b>Report originator and contact details:</b>	Howard Emmett, Assistant Director – Resources <a href="mailto:Howard.Emmett@northyorks.gov.uk">Howard.Emmett@northyorks.gov.uk</a> 01609 532118
<b>Presenting officer:</b> If not the originator	Howard Emmett <a href="mailto:Howard.Emmett@northyorks.gov.uk">Howard.Emmett@northyorks.gov.uk</a>

**1.0 PURPOSE OF THE REPORT**

- 1.1 The report provides an overview of the additional funding announced by the Department for Education (DfE) for the provision of support to individual schools that find themselves in financial difficulty in the 2023-24 financial year.

**2.0 BACKGROUND**

- 2.1 In July 2023, the DfE announced the provision of up to £40 million of additional funding in 2023/2024, to support individual schools which find themselves in particular financial difficulties. Of the £40 million, £20 million has been provided to local authorities which have the most significant maintained school deficits. The distribution of the £20 million is targeted and not every local authority will receive additional funding. The DfE have allocated the £20 million between local authorities who have aggregated school-level deficits as a proportion of their total maintained schools' income above 1%. North Yorkshire Council has received a funding allocation of £972k. The DfE have stated that is one-off for the 2023-24 financial only and there are no plans for the funding to continue for 2024-25.

**3.0 SUPPORT FOR LOCAL AUTHORITY MAINTAINED SCHOOLS IN FINANCIAL DIFFICULTY**

- 3.1 The DfE want local authorities to use this funding to best support their schools in the individual circumstances in which they find themselves and are giving local authorities flexibility over how this funding can be used.
- 3.2 The conditions of the grant allow the funding to be utilised as the provision of a cash sum to a school for the purposes of funding towards the elimination of a deficit balance. This does not mean that every school with a deficit within that local authority will be given additional funding. The DfE expect funding to be allocated on a case-by-case basis, taking into account the severity of the school's position and prioritising those in greatest need. The DfE expect local authorities to report to their schools' forum on how they are using the money.
- 3.3 This funding can be used to support maintained primary, middle, secondary and all-through schools, maintained special schools, pupil referral units, and maintained nursery schools.
- 3.4 Local authorities are expected to demonstrate transparency in the use of this additional funding.
- 3.5 The local authority will develop eligibility criteria and an associated funding allocation methodology for the distribution of the funding to schools in financial difficulty. The grant funding will be fully allocated within the 2023-24 financial year. The Schools' Forum will be updated on the utilisation of the funding.

#### **4.0 RECOMMENDATIONS**

- 4.1 The Schools' Forum is asked to note the content of the report.

STUART CARLTON  
Corporate Director – Children and Young People's Service