



Haverling

L O N D O N B O R O U G H

SCHOOLS FUNDING FORUM AGENDA

8.00 am

Thursday
22 September 2022

CEME, Room 233

Members 17: Quorum: 7

MEMBERSHIP:

Representative Groups

LA Maintained School Representatives:

Head Teachers (7): Emma Allen, Special
Garth Tucker, Primary
Kirsten Cooper, Primary
Georgina Delmonte, Primary
Hayley McClenaghan, Primary
David Unwin-Bailey, Primary
Chris Speller, Primary

Governors (1): Dave Waters, Primary

**Academy
Representatives:**

Primary (1): Kate Ridley-Moy

Secondary (4) David Turrell
Neil Frost
Denise Broom
Steve McGuinness
Vacancy x3

Special (1) Vicki Fackler

AP Academy (1) Gary Haines

**Non-School
Representatives:**

Early Years PVI Sector Emma Reynolds
(1)

Post 16 Vacancy

Decision Board Vacancy

Trade Unions (2): John Delaney/John McGill, Teachers
Peter Liddle, Support Staff

**For information about the meeting please contact:
Nick Carter
Nick.carter@haverling.gov.uk**

AGENDA ITEMS

1 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS

2 ELECTION OF CHAIR AND VICE-CHAIR

To elect a Chair and Vice-Chair until the first meeting of the 2023 autumn term.

3 TO AGREE THE NOTES OF THE MEETING HELD ON... (Pages 1 - 4)

To agree the notes of the meeting held on 16th June 2022 as a correct and accurate record.

4 MATTERS ARISING

5 SCHOOLS FUNDING 2023-24 (Pages 5 - 16)

6 HIGH NEEDS FUNDING 2023-24 (Pages 17 - 19)

7 CENTRAL SCHOOLS SERVICES BLOCK (CSSB) 2023-24 (Pages 20 - 24)

8 DE-DELEGATION OF FUNDING FOR CENTRAL SERVICES 2023-24 (Pages 25 - 39)

9 SCHOOL'S BUSINESS RATES 2022-23 & 2023-24 (Pages 40 - 42)

10 GOVERNMENT CONSULTATION - IMPLEMENTING THE DIRECT NATIONAL FUNDING FORMULA (Pages 43 - 52)

11 DELIVERING BETTER VALUE IN SEND PROGRAMME (Pages 53 - 54)

12 COST PRESSURES IN EDUCATION SETTING (Pages 55 - 57)

13 NEXT MEETINGS

Future meetings have been arranged as follows:

20 October 2022
1 December 2022
12 January 2022
9 February 2022
15 June 2022

Meetings to start at 8.00 a.m. at CEME room 233

14 ANY OTHER BUSINESS

Zena Smith
Democratic and Election Services Manager

**MINUTES OF A MEETING OF THE
SCHOOLS FUNDING FORUM
Held at CEME
16 June 2022 (8.00 - 10.30 am)**

Present:

Representative Groups

LA Maintained Primary Schools

Head Teachers: Kirsten Cooper
Emma Allen
Georgina Delmonte
Hayley McClenaghan
Chris Speller
David Unwin-Bailey

**Governor
Representative:**

**Academy
Representatives:**

Primary

Secondary: Keith Williams
Neil Frost

AP Gary Haines

**Early Years PVI
Representative:**

**Trade Union
Representatives:** John McGill

1 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS OR OBSERVERS

Apologies were received from Emma Reynolds, Kate Ridley-Moy and Garth Tucker

2 TO AGREE THE NOTES OF THE MEETING HELD ON 16TH JUNE 2022

The minutes of the previous meeting were agreed as a correct record.

3 MATTERS ARISING

There were no matters arising from the minutes of the previous meeting.

4 LA MAINTAINED SCHOOLS' BALANCES 2021-22

The Forum was presented with the LA Maintained School balances for 2021-22.

Members noted that although the number of schools in deficit had remained at eleven, the total value of the deficit had reduced. Nine schools has been in deficit for three years or more. One school had had a surplus of in excess of 10% for more than five years.

Members noted that the total net surplus had fallen slightly, from £4.7m to £4.5m.

The Forum was presented with a breakdown of income and expenditure by CFR category for 2021-22 and the preceding two years. Members noted that income and expenditure in 2021-22 more closely matched the pattern from prior to the pandemic. Contributions from visits had risen sharply since 2020-21 but remained well below the pre-pandemic level.

The Forum noted the report.

5 DSG OUTTURN 2021-22

The Forum was presented with the DSG Outturn figures for 2021-22.

Members noted the deficit had risen by £1.95m during the year. There was an underspend of £302k in the Early Years block, an underspend of £249k in the Schools block and an underspend of £93k in the Central Schools Support block.

Within de-delegation, maternity leave insurance had overspent by £78k. This could be was offset by an underspend on insurance of £93k

The High Needs block had overspent by £2.65m in year, with the brought forward deficit on the Dedicated Schools Grant of £2.36m attributed to High Needs this resulted in a cumulative deficit of just over £5.0m.

The DSG net deficit, including the overspend brought forward, was £4.3m. Allowing for sums committed for 2022-23 the revised DSG deficit was £4.7m.

Members agreed the recommendations on the allocation of funding balances unanimously.

6 SCHOOL PARTNERSHIPS AND SCHOOLS CASUDING CONCERN FUND 2021-22

The Forum was presented with a breakdown of expenditure for 2021-22. There had been an underspend of £79k.

Members agreed with the proposal for £53k of this to be carried forward to 2022-23 to bring the total budget back up to £200k. This followed a reduction in funding from the DfE to £147k.

7 SECTION 251 BUDGET STATEMENT 2022-23

The Forum was presented with the Section 251 budget statement for 2022-23 as submitted to the DfE. The Forum were advised that if they had any queries on the figures, following further scrutiny, these should be addressed to Nick Carter in the first instance.

The Forum noted the report.

8 DELIVERING BETTER VALUE (DBV) IN SEND PROGRAMME

The Forum was presented with details of this new DfE programme. 55 local authorities had been invited to take part, including Havering. Havering is in the second tranche due to start in the autumn.

The key purpose of the programme was not to address historic deficits but to help LAs provide effective SEND services, improving delivery to children and young people, whilst ensuring this was done within budget.

The Forum noted the report.

9 REFORMS TO THE NATIONAL FUNDING FORMULA – DFE RESPONSE TO CONSULTATION

The Forum was presented with the Government's response to the consultation on reforms to the National Funding Formula.

The response made reference to a second consultation being held. Nick Carter informed the Forum that this had been launched a few days earlier and gave a brief outline of what was included in the new consultation 'Implementing the direct national funding formula'. Members noted that this included a recommendation for the retention of local discretion in the allocation of funding for growth and falling rolls which could be of significance to Havering.

The LA intended to submit a response.

The Forum noted the report.

10 DE-DELEGATION OF FUNDING FOR 2023-24

The Forum was presented with an outline of the LAs proposals for de-delegation for the 2023-24 financial year. Details would be brought to the next meeting. Members were advised that the LA may need to seek an increase in the sum de-delegated for maternity leave following an overspend in 2021-22.

The Forum noted the report.

11 SCHOOL FUNDING FORUM MEETINGS ACADEMIC YEAR 2022-23

The Forum agreed the dates proposed and requested a start time of 8.00am. The preference was for the meetings to be held face to face at CEME rather than virtually.

12 The Forum agreed to hold this item in an exempt meeting under paragraph 3 of schedule 12a of the Local Government Act 1972.

The Forum agreed the recommendations unanimously.



Schools Funding Forum 22nd September 2022

ITEM 5

Subject Heading:

Schools Funding 2023-24

Report Author:

**Nick Carter – Principal Finance Officer
(Schools)**

Eligibility to vote:

All school and academy members

SUMMARY

This report summarises the announcement of indicative DSG Schools Block funding for financial year 2023-24

RECOMMENDATIONS

That the Schools Funding Forum

- (i) notes the announcements on schools funding for 2023-24
- (ii) agrees to apply the national funding formula rates to schools data in calculating schools' funding

REPORT DETAIL

Government Announcement on School Funding

A written statement from the The Minister of State for School Standards to the House of Commons is attached at Appendix A providing an overview of the funding changes for 2023-24

This item considers the Dedicated Schools Grant (DSG) Schools Block funding. Other agenda items consider changes to Havering's High Needs and Central Schools Support DSG Blocks.

1. Operational Guidance

Every year the ESFA publishes Operational Guidance to local authorities to use with their Schools Forums to determine the funding arrangements for the year. The full Operational Guidance for 2023-24 can be found on the DfE website at:

<https://www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2023-to-2024/schools-operational-guide-2023-to-2024>

An extract of the document showing the key changes is attached at Appendix B.

2. Background

Financial year 2018-19 saw the implementation of a “soft” National Funding Formula and for that year and subsequently Havering has used the NFF rates in calculating funding for its schools. For each of those years decisions have been made by the Schools Funding Forum on the minimum funding guarantee (mfg) and the gains caps to be applied. For 2022-23, the mfg was set at +1.2% and there was a gains cap of 2.8%. This was after using £681,000 of the Schools Block to support the Pupil Growth/Falling Rolls Fund and after £1,029,000 was transferred to the High Needs Block.

For 2023-24 it is again recommended that Havering adopts the NFF funding rates and the Forum will again be asked to consider proposals for the level of the minimum funding guarantee, whether to apply a gains cap and if so at what rate. Consideration will again need to be given to any top up that is required to Havering's allocation of funding for pupil growth and falling rolls and to any transfer of funding to support high needs expenditure.

3. DSG Schools Block 2023-24

Key changes for 2023-24

The Schools Supplementary Grant will be rolled onto the National Funding formula by:

- Adding an amount representing what schools receive into the baseline budgets

- Adding the value of the lump sum, basic per pupil rates and FSM Ever 6 parts of the grant into the respective NFF factors. These amounts are shown on Appendix C

NFF factors will be increased (on top of additional sum for Schools Supplementary Grant) by:

- 4.3% for FSM Ever6
- 2.4% for basic entitlement, low prior attainment, FSM, EAL, mobility and the lump sum

Funding for 2023-24

Indicative funding for 2023-24, through the DSG Schools Block, has been announced by the DfE as shown in the table in which it is compared to the baseline data from 2022-23 (i.e. the figures received at the same point in the last funding cycle).

	Pupil Numbers	Schools Block allocation excluding pupil growth and premises factors £	Allocation through premises factors £	Schools Supplementary Grant £	Total allocation (excluding pupil growth) £	Allocation per pupil £
2023-24	38,061.5	212,548,940	2,440,293	0	214,989,233	5,648.47
2022-23	38,061.5	201,779,795	2,430,762	6,072,320	210,282,877	5,524.82
increase	0	10,769,145	9,531	-6,072,320	4,706,356	123.65
% increase					2.24%	2.24%

The Schools Block funding for 2023-24 shown above will be updated in December using pupil numbers from the October 2022 census and will also include Havering's allocation of funding for pupil growth/falling rolls. Until then the LA models various options based on estimated pupil numbers and data.

The table above shows the comparison of indicative 2023-24 funding against the baseline figure for 2022-23. This is not the final allocation that the LA received in 2022-23. This is shown in the table below together with the indicative Schools Block funding for 2023-24.

	Actual primary unit of funding (PUF) £	Actual secondary unit of funding (SUF) £	Primary pupil numbers	Secondary pupil numbers	Pupil Funding £	Schools Supplementary Grant £	Rates (NNDR) £	Total Funding £
2023-24 (Jul-22)	4,912.04	6,626.62	23,137.0	14,924.5	212,548,940	0	2,440,293	214,989,233
2022-23 (Dec-21)	4,666.87	6,285.13	23,137.0	14,924.5	201,779,794	6,072,320	2,430,762	210,282,876
Diff	245.17	341.49	0.0	0.0	10,769,147	-6,072,320	9,531	4,706,357

As already stated, the final Schools Block allocation for 2023-24 will be provided by the DfE in December based on the October 2022 census.

4. NFF Funding rates

The comparison between NFF funding rates to be used in the 2023-24 formula and those used for 2022-23 is shown in Appendix C

5. Minimum Funding Guarantee and Gains Cap

For 2023-24 the range for the minimum funding guarantee (mfg) percentage that local authorities can apply is 0.0% - 0.5%. Local Authorities can also apply a cap on the percentage gains per pupil that schools will receive in order to ensure that the total amount allocated to schools does not exceed the total Schools Block funding. Last year the range permitted for mfg was 0.5% - 2.0%. In Havering an mfg of 1.2% was applied, with a gains cap set at 2.8%.

6. Pupil Growth and Falling Rolls Fund

In 2019-20 the DfE introduced a formula to allocate growth funding to LAs. For 2023-24 this is based on multiplying the difference between the October data in one year to the previous year and multiplying that difference by £1,650 per primary pupil and £2,470 per secondary pupil. These arrangements, based on lagged data, do not support LAs with a growing number of pupils. Havering's allocation has decreased year on year since the introduction of a formula.

2018-19	£3.3m
2019-20	£2.5m
2020-21	£1.6m
2021-22	£1.6m
2022-23	£1.5m

For 2022-23 the LA had calculated that the cost of funding pupil growth and falling rolls would be £2.2m and the Schools Funding Forum agreed to allocate £681k of the Schools Block to meet the shortfall in funding.

Havering's arrangements are to fund new expansions, increases in PANs as they move through the year groups and commitments to fund bulge classes in which pupil numbers are significantly below the number required to fund the additional teaching costs etc. For 2022-23 the AWPU for 2021-22 was used to allocate funding.

e.g. for a primary school expansion

28 pupils x AWPU £3,381.40 x 7/12 (Sept – March) = £55,230

This budget must also fund schools with falling rolls. To comply with the DfE requirements Havering's arrangements fund good and outstanding schools only and when the capacity is likely to be filled in 3 years. The formula funds schools with a NOR below 85% of its PAN in the first two year groups.

Havering also has local arrangements that support primary schools that have significantly and consistently low numbers in some year groups.

As part of the move to a direct National Funding Formula, the DfE is consulting on changes to the way that LAs are permitted to allocate funding for growth and falling rolls, although in the second stage consultation document they are recommending the continuation of some local discretion.

Written questions, answers and statements

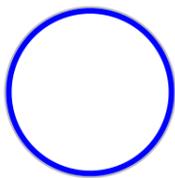
UK Parliament > Business > Written questions, answers and statements > Find written statements > HCWS225

School Funding Update

Statement made on 19 July 2022

Statement UIN HCWS225

Statement made by

	Will Quince The Minister of State for School Standards Conservative	
	Colchester	

Commons

Statement

Today I am confirming provisional funding allocations for 2023-24 through the schools, high needs and central school services national funding formulae (NFF). Overall, core schools funding (including funding for mainstream schools and high needs) is increasing by £1.5bn in 2023-24 compared to the previous year, on top of the £4bn increase in 2022-23.

High needs funding is increasing by a further £570m, or 6.3%, in 2023-24 – following the £2.6 billion increase over the last three years. This brings the total high needs budget to over £9.7bn. All local authorities will receive at least a 5% increase per head of their 2-18 population, compared to their 2022-23 allocations, with some authorities seeing gains of up to 7%. Alongside our continued investment in high needs, the Government remains committed to ensuring a financially sustainable system where resources are effectively targeted to need. The consultation on the SEND and Alternative Provision Green Paper closes on 22 July, and the Government will confirm the next steps in implementing our reform programme later this year.

Funding for mainstream schools through the schools NFF is increasing by 1.9% per pupil compared to 2022-23. Taken together with the funding increases seen in 2022-23, this means that funding through the schools NFF will be 7.9% higher per pupil in 2023-24, compared to 2021-22.

The NFF will distribute this funding based on schools' and pupils' needs and characteristics. The main features in 2023-24 are:

- The core factors in the schools NFF (such as basic per-pupil funding, and the lump sum that all schools attract) will increase by 2.4%.
- Funding for disadvantaged pupils will see greater increases – with funding for two deprivation factors in the NFF increasing by a greater amount than other factors. These two factors (relating to pupils who have been eligible for free school meals at any point over the last six years, and the IDACI factor which relates to relative deprivation between local areas) will increase by 4.3% compared to their 2022-23 values.
- The funding floor will ensure that every school attracts at least 0.5% more pupil-led funding per pupil compared to its 2022-23 NFF allocation.
- The minimum per pupil funding levels (MPPLs) will increase by 0.5% compared to 2022-23. This will mean that, next year, every primary school will receive at least £4,405 per pupil, and every secondary school at least £5,715. Academy trusts continue to have flexibilities over how they allocate funding across academies in their trust. This means, in some cases, an academy could receive a lower per-pupil funding amount than the MPPL value. This means that, for example, activities that are paid for by the

receive a lower per-pupil running amount than the MPPPL value. This may reflect, for example, activities that are paid for by the trust centrally, rather than by individual academies.

- The 2022-23 schools supplementary grant has been rolled into the schools NFF. Adding the grant funding to the NFF ensures that this additional funding forms part of schools' core budgets and will continue to be provided.

We are targeting a greater proportion of schools NFF funding towards deprived pupils than ever before- with 9.8% of the schools NFF allocated to deprivation in 2023-24. This will help schools in their vital work to close attainment gaps and level up educational opportunities. In 2023-24, schools in the highest quartile of deprivation (measured by the percentage of pupils who have been eligible for free school meals over the past 6 years) will, on average, attract larger per-pupil funding increases than less deprived schools.

As previously confirmed in the Government's response to the consultation on completing our reforms to the NFF, 2023-24 will also be our first year of transition to the "direct" schools NFF – with our end point being a system in which, to ensure full fairness and consistency in funding, every mainstream school in England is funded through the same national formula without adjustment through local funding formulae. In 2023-24 local authorities will only be allowed to use NFF factors in their local formulae, and must use all NFF factors, except the locally determined premises factors. Local authorities will also be required to move their local formulae factors 10% closer to the NFF values, compared to where they were in 2022-23, unless their local formulae are already so close to the NFF that they are classed as "mirroring" the NFF. This follows the positive response to these proposals in the consultation last year. Alongside the NFF publications, today we have published an analysis of the impact of this initial move towards the direct NFF in the [National Funding Formula for Schools and High Needs 2023-24 policy document](#).

Central school services funding is provided to local authorities for the ongoing responsibilities they have for all schools. The total provisional funding for ongoing responsibilities is £292 million in 2023-24. In line with the process introduced for 2020-21, to withdraw funding over time for the historic commitments local authorities entered into before 2013-14, funding for historic commitments will decrease by a further 20% in 2023-24.

Confirmed allocations of schools, high needs and central schools services funding for 2023-24 will be published in December. These will be based on the latest pupil data at that point.

Statement from

Department for Education



Linked statements

This statement has also been made in the House of Lords

Department for Education



School Funding Update



[Baroness Barran](#)

The Parliamentary Under Secretary of State for the School System

Conservative, Life peer

Statement made 19 July 2022

HLWS223

Lords



Education & Skills
Funding Agency

Extracts from:

Schools revenue funding 2023 to 2024

**Operational guide
July 2022 Publication**

1 Introduction

1. This guide helps local authorities and their schools forums, to plan the local implementation of the funding system for the 2023 to 2024 financial year.
2. Following last year's consultation on completing our reforms to the national funding formula the department has confirmed that it will move forward with its plans to implement a direct national funding formula (NFF), whereby funding will be allocated directly to schools based on a single, national formula. As set out in the consultation response, we are taking a gradual approach to transition. In 2023 to 2024, each local authority will continue to set a local schools funding formula, in consultation with local schools. To ensure a smooth transition, local authorities will be required to start bringing their own formulae closer to the schools NFF from 2023 to 2024.

2 Expiry or review date

This guidance is current for the 2023 to 2024 funding year.

3 Who is this publication for?

This guidance is for:

- local authorities
- schools forums

4 Changes in 2023 to 2024

The department has published the NFF for 2023 to 2024. A summary of the formula is set out in the [NFF policy document](#), with more detailed information available in the [NFF technical note](#). NFF changes which affect local formulae arrangements are also covered in this guidance.

. Key changes to the schools NFF in 2023 to 2024 are:

- rolling the 2022 to 2023 schools supplementary grant into the NFF by:
 - adding an amount representing what schools receive through the grant into their baselines
 - adding the value of the lump sum, basic per pupil rates and free school meals Ever 6 (FSM6) parts of the grant onto the respective factors in the NFF
 - uplifting the minimum per pupil values by the supplementary grant's basic per-pupil values, and an additional amount which represents the average amount of funding schools receive from the FSM6 and lump sum parts of the grants
- increasing NFF factor values (on top of the amounts we have added for the schools supplementary grant) by:
 - 4.3% to free school meals at any time in the last 6 years (FSM6) and income deprivation affecting children index (IDACI)
 - 2.4% to the basic entitlement, low prior attainment (LPA), FSM, English as an additional language (EAL), mobility, and sparsity factors, and the lump sum.
 - 0.5% to the floor and the minimum per pupil levels (MPPL)
 - 0% on the premises factors, except for Private Finance Initiative (PFI) which has increased by Retail Prices Index excluding mortgage interest payments (RPIX) which is 11.2% for the year to April 2022

Note - The Area Cost Adjustment for Havering has increased from 1.08410 to 1.08553. This has resulted in the NFF factors for Havering rising by slightly more than the increases shown above.

NFF IDACI funding rates are rounded to the nearest £5. This results in some variation in the percentage increase.

4.1 Transition requirements to bring local formulae closer to the NFF

As set out in the [response](#) to the consultation on the direct NFF, local authorities will be required to bring their own formulae closer to the schools NFF from 2023 to 2024. In particular:

- local authorities will only be allowed to use NFF factors in their local formulae. This means that **the looked after children (LAC) factor** will no longer be an allowable factor
- local authorities **must use all NFF factors** – except for the locally determined premises factors which remain optional, and the fringe factor which is compulsory for the 5 local authorities on the fringe. This means that local authorities will have to use all 3 deprivation factors (FSM, FSM6 and IDACI), as well as LPA, EAL, mobility, sparsity and the lump sum
- local authorities must **move their local formula factor values at least 10% closer to the NFF**, except where local formulae are already mirroring the NFF. These criteria do not apply to locally determined factors – notably the premises factors. Details of how we calculate the 10% move are given below
- local authorities must use **the NFF definition for the EAL factor**, although flexibility over the sparsity factor methodology will remain in 2023 to 2024

4.2 Minimum Funding Guarantee (MFG)

Local authorities have the freedom to set the MFG in their local formulae between +0.0% and +0.5% per pupil.

4.3 Dedicated schools grant (DSG) transfers

Local authorities continue to be able to transfer up to 0.5% of their schools block to other blocks of the DSG, with schools forum approval.

4.4 Deficit Management

The department is now running 3 programmes with the aim of securing sustainable management of local authorities' high needs systems. The existing safety valve intervention programme has been expanded this year, targeting those local authorities with the highest historic deficits, while the new delivering better value programme will work with the local authorities with less severe deficits. The continuing EFSA support programme will offer support to those remaining local authorities, tailored to their financial position.

6 Notional SEN budgets

Local authorities are required to identify a notional budget for their mainstream schools which helps them comply with their duty to use their 'best endeavours' to meet the special educational needs (SEN) of their pupils. The notional SEN budget is not a separate budget, but is identified within a maintained school's delegated budget share, or an academy's general annual grant, and is calculated by local authorities using their local mainstream schools funding formula factors.

We've published separate guidance to help local authorities review their notional SEN budget calculations, and to help schools understand what the notional SEN budget is for. All authorities should keep this calculation under review to make sure that their schools' notional SEN budget is a realistic amount for meeting the costs of additional SEN support up to £6,000 per pupil, and that any shortfall in this notional budget can be appropriately met from additional high needs

targeted funding. High needs top-up funding should be allocated in addition to the notional SEN budget for SEN support costs in excess of £6,000 per pupil.

Further guidance can be found in the notional SEN budget for mainstream schools operational guide. Local authorities can also review other authorities' current [notional SEN budget calculations](#).

7 Reviewing and consulting on the pre-16 formula

Local authorities must engage in open and transparent consultation with all maintained schools and academies in their area, as well as with their schools forums, about any proposed changes to their local funding formulae, including the principles adopted and any movement of funds between blocks.

Any consultation should include a demonstration of the effect of modelling such changes on individual maintained schools and academies.

Local authorities also need to set out how their proposals meet the requirements to move the local formulae towards the NFF.

Local authorities should communicate proposed formula changes to all bodies affected by the changes.

The local authority is responsible for making the final decisions on their formula; each local authority's process should ensure that there is sufficient time to gain political approval before the APT deadline in January 2023.

Political approval means approval in line with the local authority's local scheme of delegation, so this may be decisions made by the council cabinet, cabinet member or full council. The schools forum does not decide on the formula.

Local authorities should, as much as is possible, ensure that they allow sufficient time for wider consultation with schools, agreement by their schools forum, and political approval if they wish to transfer funding out of the schools block, or submit a disapplication request.

Further information is included in the 'movement between blocks' section of this guidance.

Schools forums can meet remotely. This includes, but is not limited to, telephone conferencing, video conferencing, live webcast, and live interactive streaming.

NFF rates 2023/24

Area Cost Adjustment

1.08553

Factor

Primary

Secondary

Basic per pupil
<i>excl SSG</i>
Free School Meals
FSM Ever 6
<i>excl SSG</i>
IDACI A
IDACI B
IDACI C
IDACI D
IDACI E
IDACI F
Low Prior Attainment
EAL
Mobility
Lump sum
<i>excl SSG</i>
Minimum per pupil funding level (MPPL)
<i>excl SSG</i>
Minimum Funding Guarantee
Gains cap

2023/24		2022/23 % change	
NFF £	LBH £	LBH £	LBH
3,394.00	3,684.29	3,487.55	5.64
3,294.67	3,576.47	3,487.55	2.55
480.00	521.05	509.53	2.26
705.00	765.30	639.62	19.65
616.35	669.06	639.62	4.60
670.00	727.31	693.82	4.83
510.00	553.62	531.21	4.22
480.00	521.05	498.69	4.49
440.00	477.63	455.32	4.90
280.00	303.95	292.71	3.84
230.00	249.67	238.50	4.68
1,155.00	1,253.79	1,225.03	2.35
580.00	629.61	612.52	2.79
945.00	1,025.83	1,002.79	2.30
128,000.00	138,947.84	131,501.33	5.66
124,231.68	134,857.22	131,501.33	2.55
4,405.00	4,405.00	4,265.00	3.28
4,285.41	4,285.41	4,265.00	0.48
0.0%-0.5%	tba	1.2%	
		2.8%	

2023/24		2022/23 % change	
NFF £	LBH £	LBH £	LBH
KS3 4,785.00	5,194.26	4,917.48	5.63
KS4 5,393.00	5,854.26	5,541.92	5.64
KS3 4,644.71	5,041.97	4,917.48	2.53
KS4 5,234.28	5,681.97	5,541.92	2.53
480.00	521.05	509.53	2.26
1,030.00	1,118.10	937.75	19.23
900.67	977.70	937.75	4.26
930.00	1,009.54	964.85	4.63
730.00	792.44	758.87	4.42
680.00	738.16	704.67	4.75
620.00	673.03	645.04	4.34
445.00	483.06	460.74	4.84
335.00	363.65	346.91	4.83
1,750.00	1,899.68	1,853.81	2.47
1,565.00	1,698.85	1,658.67	2.42
1,360.00	1,476.32	1,441.85	2.39
128,000.00	138,947.84	131,501.33	5.66
124,231.68	134,857.22	131,501.33	2.55
5,715.00	5,715.00	5,525.00	3.44
5,551.99	5,551.99	5,525.00	0.49
0.0%-0.5%	tba	1.2%	
		2.8%	

Supplementary grant sums consolidated into NFF funding rates for 2023-24

	£
Basic per pupil - Primary	97.00
Basic per pupil - KS3	137.00
Basic per pupil - KS4	155.00
Primary FSM6	85.00
Secondary FSM6	124.00
Lump sum	3,680.00

Adjustment to MPPL

	£
Primary	119.00
KS3	155.00
KS4	173.00



Schools Funding Forum 22nd September 2022 ITEM 6

Subject Heading:

High Needs Funding 2023-24

Report Author:

**Nick Carter – Principal Finance Officer
(Schools)**

Eligibility to vote:

All school and academy members

SUMMARY

This report summarises the announcements of indicative DSG High Needs Block funding for financial year 2023-24.

RECOMMENDATIONS

That the Schools Funding Forum notes the High Needs Block funding for financial year 2023-24

REPORT DETAIL

1. Background

In 2018-19 the DfE implemented a National Funding Formula for the allocation to local authorities of high needs funding through the DSG although the funding has not kept pace with the increasing number of children with Education Health and Care Plans or the increased complexity of need.

2. National funding formula allocations for 2023-24

The full operational guidance can be found on the DfE website at:

<https://www.gov.uk/government/publications/high-needs-funding-arrangements-2023-to-2024/high-needs-funding-2023-to-2024-operational-guide>

High needs funding nationally is increasing by £570 million, or 6.3%, compared to the amounts allocated in 2022 to 2023. This follows the increases of £1 billion in 2022-23 to 2023 and of £1.56 billion over the previous 2 years.

The funding floor factor in the high needs NFF for 2023 to 2024 will be 5% per head of 2 to 18 population. This compares to an increase in 2022-23 of 8%.

The limit on gains, before the imposition of a cap, is set at 7%, a decrease from the 2022-23 level of 11%, again calculated on a per head of population basis.

The historic spend factor remains unchanged for 2023-24, to provide every local authority with a set percentage (50%) of their 2017-18 outturn spending on high needs.

3. DSG High Needs Block allocation 2023-24

Indicative funding for 2023-24 through the DSG High Needs Block has been announced by the DfE as shown in the table below, with comparable data from 2022-23.

Funding factor	2023-24 £	2022-23 £	Change £	Change %
(A) Basic entitlement factor	2,174,668	2,109,083	65,585	3.1
(B) Historic spend factor	11,194,567	11,194,567	0	0.0
(C) Population factor	14,827,294	12,581,963	2,245,331	17.8
(D) FSM factor	2,516,005	2,117,116	398,889	18.8
(E) IDACI factor	2,656,963	2,243,173	413,790	18.4
(F) Bad health factor	1,915,753	1,637,830	277,923	17.0
(G) Disability factor	1,865,226	1,562,504	302,722	19.4
(H) KS2 low attainment factor	1,550,097	1,260,458	289,639	23.0
(I) KS4 low attainment factor	1,823,617	1,617,724	205,893	12.7
(J) Funding floor factor	0	0	0	0.0
(K) 2021-22 hospital education, AP teachers pay/pension and supplementary funding factor	140,718	135,746	4,972	3.7
(L1) Import/export adjustment	-1,638,000	-1,374,000	-264,000	19.2
(L2) New and growing special free schools	6,000	24,000	-18,000	-75.0
Total funding	39,032,906	35,110,164	3,922,742	11.2

It should be noted that the figures shown are before DfE recoupment for their direct funding of academies and non maintained special schools.

The anticipated deficit at year end 2022-23 must be taken into account when considering the impact of the additional £3.9m in meeting the costs of ongoing high needs provision in Havering.

Agenda Item 7



Schools Funding Forum 22nd September 2022 ITEM 7

Subject Heading:

**Central Schools Services Block (CSSB)
2023-24**

Report Author:

**Nick Carter Principal Finance Officer
(Schools)**

Eligibility to vote:

All school and academy members

SUMMARY

This report summarises the announcement of indicative DSG Central Schools Services Block (CSSB) funding for financial year 2023-24 and seeks approval for the retention of funding to maintain central statutory services.

RECOMMENDATIONS

That the Schools Funding Forum:

- (i) notes the allocation of CSSB for 2023-24
- (ii) considers the request to retain funding for central statutory services

REPORT DETAIL

1. Background

As part of the introduction of a Schools and High Needs National Funding Formula in 2018-19 the DfE also introduced a fourth funding block, the CSSB, which

brought together funding for services previously funded through the Schools Block and through an Education Services Grant. The allocation for 2023-24 is shown below.

The ESFA Operational Guidance requires Schools Forum approval for the central retention of this funding as shown at section 3 below.

2. CSSB allocation 2023-24

Indicative funding for 2023-24 through the DSG Central Service Block has been announced by the DfE as shown in the table below with comparable data from 2022-23.

	Ongoing responsibilities			Historical commitments	Total CSSB
	Pupil nos.	Per pupil £	£	£	£
2022-23	38,062	40.57	1,544,238	117,757	1,661,995
2021-22	38,062	39.69	1,510,661	147,196	1,657,857
Difference	0	0.88	33,577	-29,439	4,138

3. Services to be funded

The services that LAs can fund from the CSSB are set out in the extract from the Operational Guidance at Appendix A. For Havering, these services are as follows:

Ongoing responsibilities	2023-24 £
Copyright licences	185,679
Admissions	511,590
Schools Forum	44,548
LA responsibilities to all schools	742,457
Pension funding	59,964
Total	1,544,238

Historical commitments	2023-24 £
Schools Partnerships/Schools Causing Concern	117,757

Total	1,661,995
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The copyright licence costs tend to increase each year but LAs are not notified of the increase until later in the year. It is suggested that should the licence cost be different from the £185,697 above, the allocation for LA responsibilities to all schools is adjusted to balance to the CSSB.

Schools Funding Forum approval is requested for this use of the CSSB.

Extract from the Schools operational guide: 2023-24

33. Central school services block (CSSB)

The CSSB continues to provide funding for local authorities to carry out central functions on behalf of maintained schools and academies, comprising 2 distinct elements:

- ongoing responsibilities
-
- historic commitments

Further details on the methodology used for the CSSB are set out in the NFF technical note.

The total funding for ongoing responsibilities is £292m in 2023 to 2024. This funds all local authorities for the functions they have a statutory duty to deliver for all pupils in maintained schools and academies.

Local authorities will continue to be protected so that the maximum per-pupil year-on-year reduction in funding for ongoing responsibilities is -2.5%, while the year-on-year gains cap will be set at the highest affordable rate of 5.86%.

As previously stated, the department has reduced the element of funding within CSSB that some local authorities receive for historic commitments made prior to 2013 to 2014.

In 2023 to 2024, for those local authorities that receive it, historic commitments funding has been reduced by 20%.

The department has protected any local authority from having a reduction that takes their total historic commitments funding below the total value of their ongoing prudential borrowing and termination of employment costs, in recognition of the time required for such costs to unwind. For example, if a local authority had historic commitments funding of £800,000 in 2022 to 2023, this would reduce to £640,000 in 2023 to 2024 (a £160,000, or 20% reduction). However, if that local authority had historic commitments and prudential borrowing costs of a value £675,000 that value would be protected, and the reduction to the historic commitments would only be £125,000.

The department will continue to consider evidence from local authorities which are in this position. We invite local authorities affected to contact the department at FundingPolicy.QUERIES@education.gov.uk. In order to reflect this in the December DSG allocation, we request evidence by Friday 28 October 2022; and to reflect this in the March DSG publication, we request evidence by Friday 3 February 2023; we will not receive evidence after this date for 2023 to 2024 DSG adjustments.

The department has made the necessary adjustments for 2022 to 2023 in the DSG allocations. The department is not proposing any changes to the regulations, which require local authorities to have the approval of the schools forum for such expenditures, nor is the department changing the requirement in regulations that local authorities spend no more on these commitments than they did in the previous year. With the approval of the schools forum, a local authority can maintain spending in this area using other funding sources if they wish to.

The duties included in the CSSB are set out in annex 3, which also includes maintained school only functions.

Where local authorities hold duties in relation to all schools (as set out in schedule 2, parts 1 to 5 of the School and Early Years Finance (England) Regulations 2022, all schools must be treated on an equivalent basis.

Local authorities should not treat voluntary aided schools, foundation schools or academies differently from maintained schools in the services they provide to them. This is set out in the DSG conditions of grant.

Schools such as voluntary aided schools, foundation schools and academies cannot therefore be charged for services that are provided free of charge to community and voluntary controlled schools and paid for out of the centrally held DSG.

For example, although admissions appeals are not a duty that the local authority holds in relation to all schools, the department would still expect all schools to be treated fairly and equitably by the local authority.

This does not include funding that has been retained centrally from maintained school budgets only (as set out in schedule 2, parts 6 and 7), where some statutory duties relate to community and voluntary controlled schools only.

However, in these situations, local authorities should not charge voluntary aided and foundation schools if requested to provide services to these schools and where there is no charge to community and voluntary controlled schools for the same service.

47. Annex 3 – central services that may be funded with agreement of schools forum

The split of services between responsibilities that local authorities hold for all schools, and those that relate to maintained schools only are shown below.

Responsibilities held by local authorities for all schools are funded from the central school services block, with the agreement of schools forums.

Responsibilities held by local authorities for maintained schools only are funded from maintained schools budgets only, with agreement of the maintained schools members of schools forums.

The department has included references to the relevant schedules in the School and Early Years Finance (England) Regulations 2022.

48. Responsibilities held for all schools

Statutory and regulatory duties

- Director of children's services and personal staff for director (Schedule 2, 15a)
- planning for the education service as a whole (Schedule 2, 15b)
- revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Schedule 2, 22)
- authorisation and monitoring of expenditure not met from schools' budget shares (Schedule 2, 15c)
- formulation and review of local authority schools funding formula (Schedule 2, 15d)
- internal audit and other tasks related to the local authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Schedule 2, 15e)
- consultation costs relating to non-staffing issues (Schedule 2, 19)

- plans involving collaboration with other local authority services or public or voluntary bodies (Schedule 2, 15f)
- standing Advisory Committees for Religious Education (SACREs) (Schedule 2, 17)
- provision of information to or at the request of the Crown other than relating specifically to maintained schools (Schedule 2, 21)

48.1 Education welfare

- functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Schedule 2, 20)
- school attendance (Schedule 2, 16)
- responsibilities regarding the employment of children (Schedule 2, 18)

48.2 Asset management

- management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Schedule 2, 14a)
- general landlord duties for all buildings owned by the local authority, including those leased to academies (Schedule 2, 14b)

48.3 Other ongoing duties

- licences negotiated centrally by the Secretary of State for all publicly funded schools (Schedule 2, 8); this does not require schools forum approval
- admissions (Schedule 2, 9)
- places in independent schools for non-SEN pupils (Schedule 2, 10)
- remission of boarding fees at maintained schools and academies (Schedule 2, 11)
- servicing of schools forums (Schedule 2, 12)
- back-pay for equal pay claims (Schedule 2, 13)
- writing to parents of year 9 pupils about schools with an atypical age of admission, such as UTCs and studio schools, within a reasonable travelling distance (Schedule 2, 23)

48.4 Historic commitments

- capital expenditure funded from revenue (Schedule 2, 1)
- prudential borrowing costs (Schedule 2, 2(a))
- termination of employment costs (Schedule 2, 2(b))
- contribution to combined budgets (Schedule 2, 2(c))



Schools Funding Forum 22nd September 2022 ITEM 8

Subject Heading:

De-delegation of funding for central services 2023-24

Report Author:

Nick Carter – Principal Finance Officer (Schools)

Eligibility to vote:

LA maintained school representatives

SUMMARY

This item details those services for which the LA will be seeking the approval of the Schools Funding Forum for the de-delegation of funding to maintain the provision of a range of services provided centrally and for statutory and regulatory duties.

RECOMMENDATIONS

1. For LA maintained primary school representatives to consider the de-delegation of funding for the following services:
 - (i) Contingency to support schools in financial difficulty
 - (ii) Insurance
 - (iii) Free school meals eligibility checking
 - (iv) Maternity leave insurance
 - (v) Trade Union Facility Time
 - (vi) EAL service
 - (vii) Behaviour support service

2. For LA maintained primary and special school representatives to consider the de-delegation of funding for the following:
 - (i) Statutory and regulatory duties
 - (ii) Core school improvement activities

REPORT DETAIL

Funding for de-delegated services must be allocated to schools through the formula but can be passed back, or 'de-delegated', for maintained mainstream primary and secondary schools with schools forum approval. De-delegation for centrally provided services is not an option for academies, special schools, nursery schools and PRUs. De-delegation for education functions can be applied to special schools.

Where de-delegation has been agreed for maintained primary and secondary schools the local authority will offer the service on a buy-back basis to those schools and academies in their area which are not covered by the de-delegation.

Any decisions made to de-delegate in 2023-24 relate to that year only, so new decisions will be required for any service to be de-delegated in 2024-25.

Schools forum members decide separately for each phase whether the service should be provided centrally and the decision will apply to all maintained mainstream schools in that phase. Funding for these services will then be subtracted from the formula allocation before school budgets are issued.

The services which may be de-delegated are:

- contingencies (including schools in financial difficulties and deficits of closing schools)
- behaviour support services
- support to underperforming ethnic groups and bilingual learners (EAL)
- free school meals eligibility
- insurance
- museum and library services
- licences/subscriptions
- staff costs supply cover (for example, long-term sickness, maternity, trade union and public duties)

For each service de-delegated, local authorities will need to make a clear statement of how the funding is being taken out of the formula (for example, primary insurance £20 per pupil, FSM eligibility £9.50 per FSM pupil). There should be a clear statement of how contingencies and other resources will be allocated.

Where there has been agreement that a school is entitled to receive an allocation from a de-delegated contingency fund, that agreement should be honoured if the school converts to an academy at any point in the year. Where a school converts to an academy in the period 2nd April to 1st September 2023, local authorities will have an opportunity to present an evidence based case to the EFA to request a recoupment adjustment for the period 2nd September 2023 to 31st March 2024.

Any unspent de-delegated funding remaining at the year-end should be reported to Schools Forum. Funding may be carried forward to the following funding year as with any other centrally retained budget, and local authorities can choose to use it specifically for de-delegated services.

Services for which de-delegation is requested – applicable to LA maintained primary schools only

1. Contingency for schools in financial difficulty

Each year a small budget is held centrally to support schools who are in financial difficulty. In the 2022-23 financial year, eight schools were supported through this fund receiving amounts that ranged from £13,289 to £36,618. The criteria for distributing funding for 2022-23 was agreed by the Schools Funding Forum at the meeting held on 16th June 2022.

The proposed funding through de-delegation from LA maintained primary schools is as follows:

2023-24	Primary
Formula factor	AWPU
Amount	£11.00
Total	£193,000

2022-23 rate	£11.00
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The allocations agreed for 2022-23 represented 18% of the budget deficit brought forward by each school qualifying for support. Increasing the funding available to distribute would require an increase in the amount per pupil de-delegated. An increase of £1.00 (9.1%) would yield an additional £17,600 for distribution to schools in financial difficulty.

2. Insurance

Insurance for maintained schools is arranged as part of the Borough's main insurance contract and funded through de-delegation.

2022-23	Primary
Formula factor	AWPU
Amount	£20.00
Total	£351,000

2021-22	£19.00
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It should be noted that the cost of participating in the Risk Protection Arrangement, managed by the Department for Education, has been set at £21.00 per pupil for 2023-24.

3. Free school meals eligibility checking

This service checks the eligibility of children for free school meals and pupil premium grant by accessing a central government hub. Without this service schools would need to make their own arrangements to determine eligibility.

The proposed funding through de-delegation from LA maintained primary schools is as follows:

2023-24	Primary
Formula factor	FSM eligible pupils
Amount	£9.50
Total	£30,305

2022-23 rate	£9.50
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4. Maternity leave insurance

The LA administers an insurance scheme that meets the costs of teachers and support staff who are on maternity leave. The benefit of de-delegating the budget, rather than operating a traded service, is that schools do not have to pay premiums or make claims.

If the funding is not de-delegated, schools would need to make individual choices to buy into the scheme which, if some schools decided not to, may make it unviable to run. This service is not offered to academies.

At the meeting held on 16th June 2022, members of the Forum were informed that in the 2021-22 financial year the total payments to schools exceeded the total de-delegated by £78k. The shortfall was caused by an increase in the number of staff taking maternity leave. The LA were able to offset this against a surplus in the de-delegated fund for insurance.

Projections for the current financial year indicate that the de-delegated maternity leave fund will overspend by around £140k. Assuming that maternity leave continues at current levels in 2023-24 an increase of £8.07 per pupil, which equals 30%, is required to ensure that de-delegated funding matches the payments to schools

The proposed funding through de-delegation from LA maintained primary schools is as follows:

2023-24	Primary
Formula factor	AWPU
Amount	£34.87
Total	£612,000

2022-23	£26.80
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An alternative approach would be to increase the de-delegated sum by a lower amount and to reimburse a percentage of the maternity costs rather than the full cost. For example if the de-delegated sum was to increase by 5% to £28.14, then it would be possible to reimburse 80% of maternity costs.

To add some context, the total cost of maternity leave for a UPS1 teacher is around £12,600. The total sum de-delegated for a 420 pupil primary school at the proposed (full reimbursement) rate is £14,600.

5. Trade Union Facility Time

A working group of the Schools Funding Forum has previously considered issues raised in a DFE advice and guidance document and made comparisons of costs with other LAs. Decisions were made to reduce the amount of facility time and therefore the costs to schools and academies.

The pooled arrangements continue to benefit schools through the provision of support from locally based and accredited trade union officials.

The cost per pupil to schools has been £2.50 for four years having been reduced gradually each year from an original £5.70 in 2014-15. Shown below are the figures if the price remains at £2.50.

2023-24	Primary
Formula factor	AWPU
Amount	£2.50
Total	£43,900

2022-23	£2.50
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Shown below are the figures if the sum per pupil were increased by 5% in line with the proposed rise in teachers' pay. This would bring the per pupil sum to £2.63.

Funding required through de-delegation from LA maintained primary schools

2023-24	Primary
Formula factor	AWPU
Amount	£2.63
Total	£46,000

2022-23	£2.50
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6. EAL service

An explanation of the service offered through de-delegation is attached at Appendix A.

Funding required through de-delegation from LA maintained primary schools is as follows:

2023-24	Primary
Formula factor	EAL 3
Amount	£38.00
Total	£99,000

2022-23 rate	£38.00
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The range in sums de-delegated from each school is shown below. The majority of schools would benefit financially from de-delegation compared to the cost of buying a similar level of service.

	De-delegated from individual schools
Lowest	£350
Median	£2,263
Highest	£5,331

7. Behaviour support service

In previous years, the Schools Forum has been asked to approve the de-delegation of funding for the Behaviour and Attendance services. Schools sought greater clarity on what services were provided from sums de-delegated. In response to this, and following a re-alignment of the services, for 2023-24 the LA is seeking de-delegation for behaviour support services only. The service now forms part of CAD.

De-delegated funding will be used to pay for the work of the school support family practitioners, meaning that this will be provided to schools without an additional charge. This element of the service would, from April 2023, otherwise be chargeable.

Details of the service to be provided are attached at Appendix B.

The proposal is that for 2023-24 the sums de-delegated remain unaltered:

Funding required through de-delegation from LA maintained primary schools is as follows:

Formula factor	AWPU	FSM Ever 6	IDACI E	IDACI D	IDACI C	IDACI B	IDACI A	Low attainment	
Amount	£5.00	£2.00	£14.08	£22.08	£12.05	£7.71	£10.07	£5.00	
Total	£87,780	£6,836	£31,075	£26,082	£6,710	£4,671	£1,300	£24,859	£189,314
2022-23 rates	£5.00	£2.00	£14.08	£22.08	£12.05	£7.71	£10.07	£5.00	

Education functions – applicable to LA maintained primary and special schools only

1. Statutory and regulatory duties

The Schools Funding Forum has previously received reports on the withdrawal of the Education Services Grant (ESG) which was previously allocated to local authorities by the Government for the provision of statutory services in relation to schools. Academies had also been allocated ESG. This too has ceased.

The reports advised that from an original allocation of £2.3m, £589k had been transferred to the DSG leaving no funding source to meet the remaining costs. After reducing its operational costs by £590k this left a shortfall of £1.2m.

In reducing the funding to local authorities, the DFE introduced a provision within the School Funding Regulations for local authorities to agree a contribution from LA maintained schools towards the cost of statutory services and specific tasks that are carried out for them that are not for academies. This principle reflects the charge that most Multi Academy Trusts place on their partner academies for central services.

The contribution from LA maintained schools budgets' was introduced for the 2018-19 financial year and was set at £19.89 per pupil for primary schools and £44.00 per place for special schools. The primary school rate was reduced to £17.90 for 2019-20. For 2023-24 the rate was increased by 3% to £18.44 in line with the rise in NFF factor values.

For 2023-24 the LA is proposing that the rate for LA maintained primary schools is again increased in line with the rise in NFF factor values. This is a rise of 2.4%, bringing it to £18.88. Using the minimum per pupil funding level of £4,405 this equates to a central services charge of 0.4%. No increase is proposed for special schools.

The cost of providing the services supported by this funding is comprised largely of staff salaries which are likely to rise by more than 2.4%.

The new rate would produce a total contribution of £338,000.

2023-24	Primary	Special
Formula factor	AWPU	Place
Amount	£18.88	£44.00
Total	£331,000	£7,000

2022-23	£18.44	£44.00
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A list of LA responsibilities for maintained schools only is attached at Appendix C.

2 Core school improvement activities

In January 2022 the DfE announced that the School Improvement, Monitoring and Brokerage Grant paid to local authorities would be reduced by 50% for financial year 2022-23 and then removed completely from 2023-24.

At the same time, local authorities were given the power to fund all improvement activity, including core activity, via de-delegation with the agreement of schools forums or the Secretary of State.

Havering received £178k in the 2021-22 financial year. Making up the 50% shortfall for 2022-23 required £89k of de-delegated funds, which equated to £5.11 for each pupil Year R -11. At the February 2022 meeting of the Schools Funding Forum, the members representing LA maintained primary schools agreed the de-delegation of £5.11 per pupil for core school improvement activities for the financial year 2022-23.

However, schools had expressed concern at the late inclusion of this proposal in the annual funding cycle due to the DfE not confirming their intention to remove the School Improvement, Monitoring and Brokerage Grant until January 2022.

Forum members stressed the need for any funding raised through de-delegation to be equitably shared, and that it needed a clear demarcation of what is funded from de-delegation, with openness in the use of the funding.

During the Summer term, the LA worked with a group of school and academy leaders to refresh its Quality Assurance (QA) Framework. A key objective of the LA is that all children will attend a school this is judged to be Good or Outstanding by Ofsted. To support the maintenance of high standards, all LA maintained schools will be included in the QA cycle.

Schools which are stand-alone academies, or schools that are part of an academy trust are welcome to participate in all aspects of the cycle in the same way as maintained schools, however they are not required to participate in the way that LA schools are.

Following the pattern set by Ofsted of inspecting Good or Outstanding schools every five years, the LA proposes a five-year cycle of QA where schools retain a judgement of unreservedly Good or Outstanding.

If graded Requires Improvement following a Graded Inspection, or the evidence gathered during an Ungraded Inspection suggests that the grade may be lower than Good if a Graded Inspection was to be carried out, then the school will become subject to 'Additional Support and Intervention' by the LA in the case of maintained schools.

For maintained schools (and academies by election), where a school is considered vulnerable and 'Requiring Additional Intervention & Support', the school relevant LA officers will discuss the situation fully with the Headteacher/Executive Headteacher/Principal and the Chair of Governors.

Where a school is judged to be 'Requiring Additional Intervention & Support':

- Progress Review Meetings (PRMs) will be implemented following an Ofsted grading less than good, or suggestion that it will be less than good following an Ungraded inspection.
- If significant risk is identified, this will lead to a full school or area review, and the school will be subject to regular PRMs.

The purpose of PRMs is for the LA to:

- oversee the implementation of action plans to secure rapid and sustained improvements, so are likely to be 'front-loaded' with more frequent meetings at the outset.
- monitor progress of actions taken to ensure they have maximum impact
- commission additional resources when needed to support rapid improvement
- monitor the impact of brokered support, including partnership support
- where possible, gather direct evidence of progress for LA monitoring and reporting to Schools' Funding Forum' and for Ofsted

PRMs will be resourced for maintained schools by the LA as part of their statutory QA offer and funded from Core Council funding.

However, further in-school support such as a full school review, or review of an area of the school's practice, would be chargeable if deemed that the school is a vulnerable school, and it is proposed that this would be charged to the de-delegated 'School Improvement Monitoring and Brokering Grant' (subject to Schools' Funding Forum approval). If this proposal is approved, spend will be reported to Schools' Funding

Forum in the same way as the Schools Partnership and Schools Causing Concern Fund. Any underspends at year end can be carried forward, or re-distributed, subject to Funding Forum approval.

PRMs are not mandatory for academies but can be offered if requested, but would be chargeable to cover direct costs of LA officer resource, as would any in-school support, such as a full school review or review of an area of the school's practice.

For 2023-24 the LA is proposing that de-delegation remains at £5.11 per pupil as this will be the first year of the new QA framework. This means that the LAis seeking to de-delegate only 50% of the total grant funding removed for the year.

2023-24	Primary	Special
Formula factor	AWPU	Place
Amount	£5.11	£15.33
Total	£90,000	£2,400

2022-23	£5.11	£15.33
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An analysis of expenditure will be presented to the Schools Forum after the year end.

English as an Additional Language - Proposal to maintain a central EAL team

To retain a central EAL Team to maintain the high levels of support and response to Havering's maintained primary schools, it is proposed that £38 per EAL pupil be de-delegated in the financial year 2023-24. This would provide funding of £99,000 towards the costs of the team which would otherwise be put at risk should an insufficient number of schools decide not to buy into the service. The level of funding requested in 2022-23 remains unchanged from 2022-23 despite an increase in the numbers of pupils with EAL.

Through the national funding formula, primary schools receive £629.61 per EAL3 pupil so would retain 94% of their funding to provide support to their EAL pupils.

Rationale for maintaining a central team with EAL expertise in Havering

- Havering's demographic is continuing to change at an accelerated rate. The % EAL in primary schools has risen to 26.7%, resulting in the percentage EAL increase over the period 2019-2022 (4.1%) being higher than the increase over the period 2018 to 2021 (3.4%). Increasing numbers of vulnerable children, including those displaced from areas of conflict, continue to enter mid-phase with little or no English.
- The service continues to be well-used by schools. From April to March 2021-2022, 37 LA-maintained primaries accessed the service for consultancy support and/or CPD whilst 18 academies accessed the service.
- Unlike other service areas which generate a more consistent level of need, EAL needs fluctuate across schools making it more difficult for the EAL team to project a guaranteed income to fund salaries. Without collective buy-in from schools, EAL support could cease to exist within Havering and schools would have to source support from elsewhere.
- The central team plays a crucial role in managing school-to-school support networks and ensuring the sharing of best practice, both within and beyond Havering.
- The team also carries out important back office work, liaising with a range of LA services to ensure effective transitions, to facilitate SEND diagnoses and to safeguard children with EAL.
- Liaison with a number of commercial providers ensures that the EAL team is able to negotiate resources at a reduced rate for schools.

The offer for LA-maintained primaries:

- Termly consultancy visits (more available on request, depending on the needs of individual schools – may be virtual or face-to-face)
- Full-day EAL reviews, on request
- Twice-termly networks for EAL co-ordinators and EAL TAs (may be virtual or face-to-face)
- Unlimited access to centrally-held EAL CPD (may be virtual or face-to-face)
- Telephone, email support and resources

Impact of the EAL team:

The targeted work of the EAL team with EAL co-ordinators, class teachers and TAs helps schools tailor their provision to ensure EAL learners make rapid progress. As a result, pupils that start with limited English across all phases make accelerated progress in order to reach ARE or close the gap towards this. Many EAL learners are likely to have been disproportionately affected by the Covid-19 crisis due to lack of access to models of spoken English during lockdowns; central EAL funding will ensure ongoing support continues into the next financial year to help schools close these gaps.

The Behaviour Support service

Following a realignment, this service now operates as part of the CAD SEMH Team.

Introduction

For the 2023-24 financial year the LA is proposing that support provided by the School Support Family Practitioners is financed from de-delegated funds for LA maintained primary schools.

The allocation of practitioner time is determined by reference to the schools' Vulnerability Table. This is produced by statistical analysis of the volume of SEN, LAC, mobility and EAL in each school.

The work of the School Support Family Practitioners (SSFP)

SSFPs provide tailored support and interventions based on the identified needs of the family. This can include intensive work with those in care, on the cusp of care or stepping down from statutory services. In partnership with families and other agencies, specifically Education provisions, they carry out a comprehensive assessment, address identified needs and ensure sustainable long term change is achieved. They have a thorough understanding of local need and available resources enabling them to engage partner agencies effectively to ensure that families achieve optimum outcomes.

The work of the SSFPs includes:

- Managing a caseload with an emphasis on encouraging participation, effective and meaningful involvement from families with an aim to improving outcomes for families.
- Planning, delivering and reviewing individual and family Support Plans to assist families with proposed actions set to ensure desired changes are achieved.
- Coordinating the planning of services, taking account of the needs of families and issues they face when caring for their child / children.
- Identifying families who meet the troubled family criteria and informing the appropriate trouble families lead to ensure payment by results are applied for.
- Providing direct support to individuals as well as groups in order to raise awareness of difficulties faced by families.
- Providing comprehensive family assessments and analysis based on information gathered to agreed timescales.
- Putting in place suitable intervention, prevention and enforcement measures that seek to reduce negative behaviour effecting the ability to achieve positive family change.
- Negotiating and coordinating support for families through the development of effective outreach services, including one-to-one support and group work

At the end of the year, the Schools Funding Forum will be provided with an analysis of work undertaken under the de-delegated arrangement.

Responsibilities held for maintained schools only

Statutory and regulatory duties

- Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services (Sch 2, 59)
- Budgeting and accounting functions relating to maintained schools (Sch 2, 75)
- Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration (Sch 2, 60)
- Monitoring of compliance with requirements in relation to the scheme for financing schools and the provision of community facilities by governing bodies (Sch 2, 61)
- Internal audit and other tasks related to the local authority's chief finance officer's responsibilities under Section 151 of LGA 1972 for maintained schools (Sch 2, 62)
- Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting) (Sch 2, 63)
- Investigations of employees or potential employees, with or without remuneration to work at or for schools under the direct management of the headteacher or governing body (Sch 2, 64)
- Functions related to local government pensions and administration of teachers' pensions in relation to staff working at maintained schools under the direct management of the headteacher or governing body (Sch 2, 65)
- Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost (Sch 2, 78)
- HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition or organisation of staff (Sch 2, 67); determination of conditions of service for non-teaching staff (Sch 2, 67); appointment or dismissal of employee functions (Sch 2, 67)
- Consultation costs relating to staffing (Sch 2, 69)
- Compliance with duties under Health and Safety at Work Act (Sch 2, 70)
- Provision of information to or at the request of the Crown relating to schools (Sch 2, 71)
- School companies (Sch 2, 72)
- Functions under the Equality Act 2010 (Sch 2, 73)
- Establish and maintaining computer systems, including data storage (Sch 2, 74)
- Appointment of governors and payment of governor expenses (Sch 2, 75)

Education welfare

- Inspection of attendance registers (Sch 2, 81)

Asset management

- General landlord duties for all maintained schools (Sch 2, 79a & b (section 542(2)) Education Act 1996; School Premises Regulations 2012) to ensure that school buildings have:
- appropriate facilities for pupils and staff (including medical and accommodation)
- the ability to sustain appropriate loads
- reasonable weather resistance
- safe escape routes
- appropriate acoustic levels
- lighting, heating and ventilation which meets the required standards
- adequate water supplies and drainage
- playing fields of the appropriate standards
- general health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc. Act 1974)
- management of the risk from asbestos in community school buildings (Control of Asbestos Regulations 2012)

Central support services

- Clothing grants (Sch 2, 55)
- Provision of tuition in music, or on other music-related activities (Sch 2, 56)
- Visual, creative and performing arts (Sch 2, 57)
- Outdoor education centres (but not centres mainly for the provision of organised games, swimming or athletics) (Sch 2, 58)

Premature retirement and redundancy

- Dismissal or premature retirement when costs cannot be charged to maintained schools (Sch 2, 78)

Monitoring national curriculum assessment

- Monitoring of National Curriculum assessments (Sch 2, 77)

Therapies

- This is now covered in the high needs section of the regulations and does not require schools forum approval

Additional note on central services

Services set out above will also include administrative costs and overheads relating to these services (regulation 1(4)) for:

- expenditure related to functions imposed by or under chapter 4 of part 2 of the 1998 Act (financing of maintained schools), the administration of grants to the local authority (including preparation of applications) and, where it's the local

authority's duty to do so, ensuring payments are made in respect of taxation, national insurance and superannuation contributions

- expenditure on recruitment, training, continuing professional development, performance management and personnel management of staff who are funded by expenditure not met from schools' budget shares and who are paid for services
- expenditure in relation to the investigation and resolution of complaints
- expenditure on legal services

Agenda Item 9



Schools Funding Forum 22nd September 2022 ITEM 9

Subject Heading:

Schools' Business Rates 2022-23 and 2023-24

Report Author:

Nick Carter Principal Finance Officer (Schools)

Eligibility to vote:

All school and academy members

SUMMARY

This report provides details of changes made to the payment of business rates for state-funded schools.

RECOMMENDATIONS

That the Schools Funding Forum notes the changes to the arrangements for the payment of business rates.

REPORT DETAIL

Member of the Schools Funding Forum were notified at the meeting held in September 2021 that the DfE were centralising the payment of business rates for state-funded schools for the 2022-23 financial year onward. This would involve the ESFA paying Havering directly on behalf of schools and academies from April 2022.

In March 2022, local authorities were informed that the new system was not being introduced in all areas for 2022-23. In Havering, along with around half of LAs, payment of rates would continue as previously. The DfE intend to move schools

and academies in more LA areas over to the new system for 2023-24. They will be approaching LAs in the autumn term. They have not committed to moving them all.

For 2022-23, the LA had advised LA maintained schools not to budget for rates, and had reduced budget allocations accordingly, before notification from the DfE that the new procedures were not being introduced here. The LA took the decision that it would be simpler to reflect this by means of an accounting adjustment rather than reissuing budget statements to schools and requiring a revised budget back from schools.

Existing Arrangements

i. Local Authority maintained schools

Havering receives funding for schools' business rates within the DSG. The budgets sent to schools in February include an allocation for business rates. The Council's business rates team charge the total rates bill for all LA maintained schools to Learning and Achievement, usually in July. In September Education Finance pass on the cost to individual schools by means of direct debit. On the same day that the direct debit is made, schools receive a cash release for the business rates element of their budget allocation.

ii Academies

Academies receive a bill from the Council for their business rates. Academies then pay their business rates directly to the Council.

Individual academies submit claims to the EFSA to recoup the cost of their business rates via the NNDR portal. Once validated the EFSA reimburses academies the exact cost of business rates within two months of receiving the claim. The payment is funded outside of GAG payments.

The cost of academies' business rates is included within the DSG, in order to be allocated according to the LA's formula. The EFSA, however, recoups this sum from the LA.

It was felt that these arrangements are largely circular involving substantial bureaucracy.

New arrangements

The EFSA will essentially pay the Council directly on behalf of state-funded schools.

The proposed changes do **not** represent a change in funding levels, but instead represent a more streamlined system which restructures the payment process of existing funding. The funding available to cover the cost of local authority maintained schools' and academies' business rates will remain unchanged. This approach to top slicing dedicated schools grant (DSG) and general annual grant (GAG) funding to streamline cash management is already in place for other payments.

Billing authorities are expected to provide a single bulk upload of bill data every year to the EFSA. Schools and LAs will have access to the on-line business rates

portal so that they can see schools' rates bill amounts and when bills have been paid. Any penalties for late payment will be met by the EFSA.

The EFSA will cover the cost of historic adjustments that relate to bills paid prior to that date, for example where there is revaluation following new build on the school site. Where there are backdated adjustments downward, academies, or the LA in the case of community schools, would be responsible for reclaiming overpayment.

Where schools are in receipt of discretionary relief this will be applied prior to billing.



Schools Funding Forum 22nd September 2022

ITEM 10

Subject Heading:

**Government consultation -
Implementing the Direct National
Funding Formula**

Report Author:

**Nick Carter – Principal Finance Officer
Schools**

Eligibility to vote:

All representatives

SUMMARY

This report provides a summary of the Government's Consultation 'Implementing the Direct National Funding Formula' and includes the response submitted by the Local Authority

RECOMMENDATIONS

That the Schools Funding Forum notes the report and the possible implications for future funding.

REPORT DETAIL

Introduction

Following the publication of the Government's response to the consultation 'Fair school funding for all: completing our reforms to the National Funding Formula' a follow up consultation was launched in June 2022. This was just prior to the meeting of the Schools Funding Forum held on 16th June 2022 and a summary of the contents of the consultation were circulated at the meeting. This summary is included at Appendix A.

The full consultation can be found at:

https://consult.education.gov.uk/funding-policy-unit/implementing-the-direct-national-funding-formula/supporting_documents/Implementing%20the%20direct%20national%20funding%20formula%20%20government%20consultation.pdf

The response submitted by the LA can be found at Appendix B.

Funding for growth and falling rolls

The consultation includes proposed changes in the way that LAs are funded for growth and falling rolls and on the way that funding can be allocated to schools and academies. This part of the consultation is likely to have the biggest impact in Havering.

In 2019-20 the DfE introduced a formula for the allocation of funding to LAs. This reduced the funding received by Havering from £3.3m to £2.5m. Funding has since reduced to £1.5m. Each year since 2019-20, the Schools Funding Forum has agreed to the use of additional funds from the DSG Schools Block to support growth and falling rolls. For 2022-23, £681k additional funding was used. It is not clear from the consultation document whether such a transfer will be permitted when reforms are implemented.

Greater DfE direction on the mechanism for allocating funding for falling rolls looks likely to reduce the sums received by schools and academies in Havering. The precise impact will not be known until details are provided on how LAs are permitted to allocate funding. These may be included in the Government's response to the consultation but this is more likely to simply outline the general approach, with details provided at a later date.

Implementing the direct National Funding Formula – Government consultation

Closes 9th September 2022

Key points that may impact on schools and academies in Havering

Flexibility to transfer funding to high needs

The DfE are proposing that this remains and that LA are provided with a menu from which to select options on how to adjust NFF and a menu to select which schools to include in the transfer of funds out of NFF.

Question 1

1. Do you agree that local authorities' applications for transfers from mainstream schools to local education budgets should identify their preferred form of adjustment to NFF allocations, from a standard short menu of options?
2. Do you have any other comments on the proposals for the operation of transfers of funding from mainstream schools to high needs?

Indicative SEND budget

Question 2

Do you agree that the direct NFF should include an indicative SEND budget, set nationally rather than locally?

Growth and falling rolls

Two options for the allocation of funding to schools were put forward. One retaining some local input (DfE preferred option) and one a fully national formula.

Local option. LAs would be funded by a formula looking at growth and falling numbers in Medium Super Output Areas. This would effectively be another 'Block', or ring-fenced grant..

There would be a requirement for consistency, predictability and a standardised procedure. There would be additional requirements set by the DfE around the operation of falling rolls funding. In addition to support schools with growth and falling rolls, LAs would be able to spend this funding on repurposing spare capacity.

Local growth criteria would remain subject to EFSA scrutiny.

There would be a minimum threshold for a decline in roll funding and a standard calculation for funding based on expected future increases in roll.

Question 3

Do you have any comments on the proposals to place further requirements on how local authorities can operate their growth and falling rolls funding?

Question 4

Do you believe that the restriction that falling rolls funding can only be provided to schools judged "Good" or "Outstanding" by Ofsted should be removed?

Question 5

Do you have any comments on how we propose to allocate growth and falling rolls funding to local authorities?

Question 6

Do you agree that we should explicitly expand the use of growth and falling rolls funding to include supporting local authorities in repurposing and removing space?

Question 7

Do you agree that the Government should favour a local, flexible approach over the national, standardised system for allocating growth and falling rolls funding; and that we should implement the changes for 2024-25?

Popular growth

Academies have been able to have funding based on estimated numbers where growth was anticipated. The DfE are considering whether this should be extended to LA maintained schools too with a case by case application.

Question 8

Do you have any comments on the proposed approach to popular growth?

Premises funding

Question 9

Do you agree we should allocate split site funding on the basis of both a schools' 'basic eligibility' and 'distance eligibility'?

Question 10

Do you agree with our proposed criteria for split site 'basic eligibility'?

Question 11

Do you agree with our proposed split site distance criterion of 500m?

Question 12

Do you agree with total available split sites funding being 60% of the NFF lump sum factor?

Question 13

Do you agree that distance eligibility should be funded at twice the rate of basic eligibility?

Question 14

Do you agree with our proposed approach to data collection on split sites?

Question 15

Do you have any comments on our proposed approach to split sites funding?

Question 16

Do you agree with our proposed approach to the exceptional circumstances factor?

Question 17

Do you have any comments on the proposed approach to exceptional circumstances?

Minimum Funding Guarantee

Question 18

Do you agree that we should use local formulae baselines (actual GAG allocations, for academies) for the minimum funding guarantee (MFG) in the year that we transition to the direct NFF?

Question 19

Do you agree that we should move to using a simplified pupil-led funding protection for the MFG under the direct NFF?

Question 20

Do you have any comments on our proposals for the operation of the minimum funding guarantee under the direct NFF?

The annual funding cycle

Proposed transfers to the High Needs Block would need to be submitted to DfE in the autumn.

Question 21

What do you think would be most useful for schools to plan their budgets before they receive confirmation of their final allocations: (i) notional allocations, or (ii) a calculator tool?

Question 22

Do you have any comments on our proposals for the funding cycle in the direct NFF, including how we could provide early information to schools to help their budget planning?

Question 23

Do you have any comments on the two options presented for data collections in regards to school reorganisations and pupil numbers? When would this information be available to local authorities to submit to DfE?

De-delegation

Question 24

Regarding de-delegation, would you prefer the Department to undertake one single data collection in March covering all local authorities, or several smaller bespoke data collections for mid-year converters?

Question 25

Do you have any other comments on our proposals regarding the timing and nature of data collections to be carried out under a direct NFF?

Developing the schools NFF - timeline

- Split sites: Subject to the outcome of this consultation, the DfE plan to make changes to the split sites factor in the 2024-25.
- Exceptional circumstances: Depending on the outcome of this consultation, the DfE would propose to implement changes to the exceptional circumstances factor at the time of the introduction of the direct NFF.
- Growth funding: Depending on the outcome of this consultation, the DfE could implement changes to the growth factor in 2024-25
- Area cost adjustment: the DfE plan to update the Area Cost Adjustment (ACA) methodology in light of the updated GLM data published by DLUHC, with changes coming into force in 2024-25.
- Private Finance Initiative (PFI): the DfE plan to consult on options for reform to the PFI factor in advance of the introduction of the direct NFF.

Response ID ANON-VMYX-T5BP-F

Submitted to Implementing the direct national funding formula
Submitted on 2022-09-08 14:47:33

Introduction

What is your name?

Name:

Nick Carter

What is your email address?

Email:

nick.carter@haverling.gov.uk

Are you responding as an individual or on behalf of an organisation?

Organisation

What is the name of your organisation?

Organisation:

London Borough of Havering

What type of organisation is this?

Please pick the organisation you belong to.:

Local Authority

What local authority area are you or your organisation based in?

Please select:

Havering

Would you like us to keep your responses confidential?

No

Reason for confidentiality (optional):

Interaction between the direct NFF and funding for high needs (1)

1 Do you agree that local authorities' applications for transfers from mainstream schools to local education budgets should identify their preferred form of adjustment to NFF allocations, from a standard short menu of options?

Yes

If you have any comments on this question or on other aspects of the operation of transfers of funding from mainstream schools to local authorities' high needs budgets, please give these below. Please limit your answer to 200 words.:

Yes, we agree there should be a menu of options. We would like to see the option of making the transfer prior to the allocation of the formula as per the current arrangements.

We would like to see the threshold for transfer requiring Secretary of State approval to be increased to 1% to assist LA in meeting High Needs pressures.

The increased threshold could be restricted to LAs with DBV support. As at present any transfer would require the approval of the Schools Forum.

If the transfer is to be incorporated in the formula then MPPL, MFG and Cap should be applied to the sum the school is actually receiving post transfer.

Interaction between the direct NFF and funding for high needs (2)

2 Do you agree that the direct NFF should include an indicative SEND budget, set nationally rather than locally?

Yes

Following the split of DSG in 2012-13 into the blocks, LAs have different levels of notional SEND within the formula, and this raises the question of how the DfE will be able to bring all LAs to the same level.

If the notional SEN is set at a higher level than at present in an LA, this could reduce pressure on the High Needs Block but pass that pressure onto the Schools Block. Schools would appear to have more funding for High Needs in their formula allocation and thus require less in the form of top-ups from the High Needs Block. Schools total formula funding will, however, have remained unchanged.

Growth and falling rolls funding

3 Do you have any comments on the proposals to place further requirements on how local authorities can operate their growth and falling rolls funding?

We would like to retain the current flexibility with the funding mechanism determined locally with Schools Forum agreement. Alternatively, again with Schools Forum agreement to have the ability to allocate funding above a prescribed DfE minimum.

4 Do you believe that the restriction that falling rolls funding can only be provided to schools judged “Good” or “Outstanding” by Ofsted should be removed?

Yes

5 Do you have any comments on how we propose to allocate growth and falling rolls funding to local authorities?

We would like to retain the ability to increase the allocation of funding for Growth and Falling Rolls from the overall Schools Block allocation. This would be a pre formula deduction and require Schools Forum approval. To ensure consistency the deduction from the Schools Block should be on the same basis as any deduction for High Needs.

6 Do you agree that we should explicitly expand the use of growth and falling rolls funding to supporting local authorities in repurposing and removing space?

Yes

7 Do you agree that the Government should favour a local, flexible approach over the national, standardised system for allocating growth and falling rolls funding; and that we should implement the changes for 2024-25?

Yes

8 Do you have any comments on the proposed approach to popular growth?

For consistency the same approach should be adopted for maintained and academy schools. Schools may gain on popularity for a numbers of reasons unrelated to whether or not they are part of a MAT. Detail is needed from the DfE on how this will operate in practice and if and when any additional funding will be provided for such growth.

Premises funding

9 Do you agree we should allocate split site funding on the basis of both a schools’ ‘basic eligibility’ and ‘distance eligibility’?

Not Answered

10 Do you agree with our proposed criteria for split site 'basic eligibility'?

Not Answered

11 Do you agree with our proposed split site distance criterion of 500m?

Not Answered

12 Do you agree with total available split sites funding being 60% of the NFF lump sum factor?

Not Answered

13 Do you agree that distance eligibility should be funded at twice the rate of basic eligibility?

Not Answered

14 Do you agree with our proposed approach to data collection on split sites?

Not Answered

15 Do you have any comments on our proposed approach to split sites funding?

We have no view on questions 9 - 15 as there are no split site schools in the LA.

16 Do you agree with our proposed approach to the exceptional circumstances factor?

Yes

17 Do you have any comments on the proposed approach to exceptional circumstances?

We agree that funding for amalgamating schools being taken out of "Exceptional Circumstances". We would like the 70% protection for year 3 to be standard and not require DfE approval. The inability to guarantee funding for the third year provides uncertainty in forecasting funding for future years.

Currently, the LA is not able to guarantee the 70% protection to schools where amalgamation is being considered.

Other than amalgamation, we do not have any schools with exceptional circumstances.

The minimum funding guarantee (MFG) under the direct NFF

18 Do you agree that we should use local formulae baselines (actual GAG allocations, for academies) for the minimum funding guarantee (MFG) in the year that we transition to the direct NFF?

Yes

19 Do you agree that we should move to using a simplified pupil-led funding protection for the MFG under the direct NFF?

No

20 Do you have any comments on our proposals for the operation of the minimum funding guarantee under the direct NFF?

We believe the figures from the last APT submission, pre direct NFF allocation, should be used as the basis for calculation of MFG. This reflects the actual allocation schools received and leads to the least turbulence.

We agree with the proposal for the removal of disapplication for new all-through schools in the calculation of MFG.

The annual funding cycle

21 What do you think would be most useful for schools to plan their budgets before they receive confirmation of their final allocations: (i) notional allocations, or (ii) a calculator tool?

Unsure

22 Do you have any comments on our proposals for the funding cycle in the direct NFF, including how we could provide early information to schools to help their budget planning?

We think it would be helpful for both notional allocations and a calculator tool to be made available. Any earlier announcements would be welcomed, in particular the current final allocation currently scheduled for mid-December release. We are aware of the Government's funding cycle, and the possible impact of the autumn financial statement but an earlier release, even in a provisional basis would be welcome.

23 Do you have any comments on the two options presented for data collections in regards to school reorganisations and pupil numbers?

When would this information be available to local authorities to submit to DfE?

Our response to this is dependent on the outcome to this consultation. Further details of the chosen pathway are needed before forming a view.

24 Regarding de-delegation, would you prefer the Department to undertake one single data collection in March covering all local authorities, or several smaller bespoke data collections for mid-year converters?

One single data collection

25 Do you have any other comments on our proposals regarding the timing and nature of data collections to be carried out under a direct NFF?

As for Q23, further details of the chosen pathway are needed before forming a view.



Schools Funding Forum 22nd September 2022

ITEM 11

Subject Heading:

Delivering Better Value (DBV) in SEND programme

Report Author:

Nick Carter – Principal Finance Officer Schools

Eligibility to vote:

All members

SUMMARY

Representatives of the company appointed to enact the Delivering Better Value (DBV) programme on behalf of the Department for Education have met with the Director for Children's Services and the Assistant Director for Education to discuss the launch of the programme in Havering in the new year. A verbal report on the meeting will be given to the Schools Funding Forum.

RECOMMENDATIONS

That the Schools Funding Forum notes the report.

REPORT DETAIL

Introduction

The Department for Education introduced a 'Safety Value' programme in 2020-21 for the 17 local authorities with the highest deficits. They are now introducing a 'Delivering Better Value' (DBV) programme in which they will work with a further 55 authorities with less severe deficit issues. Havering has been invited to take part in the DBV programme. Havering is due to join the programme in the new year.

Addressing historic deficits is not the key purpose of the DBV programme, rather it is to support LAs to return to in-year balance whilst delivering high quality services. Efficiencies

that flow from this may allow LAs to release funds to address historic deficits. A total of £85m is available for the programme across 55 local authorities.

An overview of the programme was included on the agenda for the meeting of the Schools Funding Forum on 16th June 2022.

Implementation of the programme

Newton Europe have been appointed by the DfE to help deliver the programme. Representatives from the company have met with Robert South, Director for Children's Services and Trevor Cook, Assistant Director for Education, for an initial discussion ahead of Havering joining the programme in January. A verbal report on the meeting will be given to the Forum.



Schools Funding Forum 22nd September 2022 ITEM 12

Subject Heading:

Cost pressures in education settings

Report Author:

**Nick Carter Principal Finance Officer
(Schools)**

Eligibility to vote:

All representatives

SUMMARY

This report considers some of the cost pressures facing education settings at the current time.

RECOMMENDATIONS

That the Schools Funding Forum notes the report.

REPORT DETAIL

Introduction

Education settings are facing increases in cost unprecedented since the delegation of funding to schools in 1990. Whilst most of the focus has been on the impact of the proposed rise in teachers' pay and the cost of energy, school budgets will also be impacted by a rise in support staff pay. Meanwhile, schools are reporting substantial increases in the price of certain resources such as paper.

For 2022-23 the DfE introduced the Schools Supplementary Grant for primary and secondary schools stating that this was intended to meet the cost of the 1.25% increase in employers' national insurance and 'other cost pressures'. Allocations

for schools were calculated using a formula that referenced pupil numbers in Years R – 11 and FSM Ever 6 numbers as well as containing a lump sum element. It should be noted that no such additional funding has been provided for Early Years.

In 2022-23 a 2FE primary school will have received a School Supplementary Grant allocation of around £50k - £55k whilst an 11-16 secondary school with 1,000 pupils will have received around £180k - £220k. For 2023-24 the Schools Standard Grant is being rolled into the main NFF.

Teaching Staff Pay

The recommendations made by the School Teacher’s Review Body (STRB) have been accepted by the Government and there is now a period of consultation. Pay on the Leadership Scale, the Upper Pay Scale, the Unqualified Teacher Scale and for Main Scale Point 6 is proposed to rise by 5% from September 2022. This is 2% more than the DfE submission to the STRB and likely to be 2.0% - 2.5% higher than the sum budgeted by schools. It should be remembered that at 5% the proposed increase is still well below the current rate of inflation.

Proposed increases for Main Scale points 1-5 are shown below, the higher increase being due to the Government’s pledge for a starting salary of £30k, £34k in outer London, from September 2023.

Main Scale point	September 2021 £	September 2022 (proposed) £	% rise
1	29,915	32,407	8.3
2	31,604	34,103	7.9
3	33,383	35,886	7.5
4	35,264	37,763	7.1
5	38,052	40,050	5.3

For a two form entry primary school teaching staff costs are likely to be around £25k more than budgeted. For a 1,000 pupil secondary the figure could be around £90k.

Support Staff Pay

The employers association have made an offer of a flat rate £1,925 on all spinal points. This has not been accepted by the trade unions so can be viewed as the minimum likely increase. This translates to a percentage rise as follows:

Spinal point	April 2021 £	April 2022 (offered) £	% rise
5	22,575	24,500	8.5
9	24,243	26,168	7.9
15	26,985	28,910	7.1
24	31,590	33,515	6.1
29	35,496	37,421	5.4
39	45,576	47,501	4.2

The spinal points shown are some of the most frequently occurring in schools.

At £1,925 the increase in pay is likely to be around 5% higher than the sum budgeted by schools. The impact of this, in terms of cash, will vary. Schools with a higher number of pupils with an EHCP are likely to face a larger increase as they will employ a greater number of teaching assistants. Looking at LA maintained, 2FE primary schools the figure ranges from £29k to £79k with a median of £38k. Looking at secondary schools with around 1,000 pupils the figure ranges from £18k to £76k with a median of £43k.

Energy

The impact of the increase in energy prices will depend on type of contract the school has. LA maintained schools in the Council's corporate energy contract should see no rise in price between April 2022 and March 2023. Outside of this, increases of 150% are not unheard of, which means a secondary school having paid £100k more for energy in 2021-22 than in the previous year.

The Government has announced that the cost of energy for schools will be frozen for six months. Details of how this freeze will operate are awaited. If costs are frozen at the current rate this will still see schools on a variable tariff paying considerably more than they were a year ago.

The impact on budgets

Cost pressures will see more schools facing financial difficulty if additional funding is not forthcoming. There has been no indication of additional funding from the DfE. Prior to the summer break the Government were still citing the additional funding schools had received from the School Standards Grant and the rise in total funding for schools in the current three year spending round.