

(BARKING AND DAGENHAM SCHOOLS FORUM)
13 December 2022

Title: Schools' Forum Report	
Open	For Decision / For Information
Wards Affected: All	Key Decision: No
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Accountable Operational Director: Jane Hargreaves – Commissioning Director for Education Youth and Childcare	
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Summary: The purpose of this report is to update the Barking and Dagenham Schools Forum on: <ol style="list-style-type: none">1 Update on High Needs2 ISP & One-off exceptional payments3 National Funding Formula - Indicative Funding 2023/244 Schools Block Funding Formula for 2023/245 Trade Union facility time update6 AOB.	

Recommendation(s)

The Schools' Forum is requested to:

1. Note and comment on the 2022/23 High Needs outturn position.
2. Note and comment on ISPs and One off exceptional payments
3. Note changes to the allocation formula and provisional funding for 2023/24
4. (a) Note and comment consultation response
(b) Approve Model C (Primary secondary ratio of 1:1:35) as the basis for 2023/24
5. Note the update on proposed review of trade union facility time.
6. AOB

Reason(s)

The Schools Forum Regulations 2012 requires that the Schools' Forum meets regularly and is consulted by the local authority concerning the Dedicated Schools Budget and various related matters.

1. 22/23 Update on High Needs Projected Outturn

	2021/22 Outturn	2022/23 Budget	2022/23 Outturn Forecast	Variance +surplus / (deficit)
Alternative Provision	3,150,015	3,437,983	3,437,983	0
ARP Funding	7,679,447	9,168,118	9,168,118	0
DSG – Education Inclusion.	1,332,948	1,801,499	1,801,499	0
Out of Borough & Non Maintained Funding	6,820,436	7,829,579	7,829,579	0
HN Top Ups – Post 16	3,003,921	2,180,000	2,180,000	0
SEN Panel Top Ups	1,762,327	1,500,000	1,500,000	0
LACHES, Lang. Support	317,440	350,234	350,234	0
Initiatives	313,076	688,593	688,593	0
Special School Funding	11,396,094	13,200,725	13,200,725	0
EY Portage & Youth Service	412,798	578,362	578,362	0
Parent Support & Health	200,000	580,000	580,000	0
Total	36,188,502	41,315,093	41,315,093	0
Holding Cost & Gatekeep	2,525,565	3,081,739	3,081,739	0
Total Budget	38,714,076	44,396,832	43,624,525	0

Table – High Needs Outturn

- 1.1 The projected outturn position for the DSG is breakeven. An allocation of £519k and £253k has been set aside for central costs and independent out of borough special schools from the supplementary grant.
 - 1.2 Within the High Needs Block, as in previous years the majority of expenditure occurs towards the end of the financial year, especially Out of Borough (OOB) recharges and costs from other local authorities. This is closely being monitored working in collaboration with the settings and local authorities based upon pupil placements.
2. **ISPs and `One off' exceptional payments**
- 2.1 After the meeting of the High Needs working group 4th October 2022 recent local authority officer meeting 24th November 2022 and feedback from schools, audits are currently being undertaken to confirm the number of SEN children in mainstream schools, and bandings (whether band F, G and H), The draft model discussed at the 4th October meeting was reporting the last school SEN audit 20/21, and schools were advising that some pupils had moved (year 6), were attending an ARP or moved to a special school since the last audit review.

- School audits are currently being undertaken as part of the draft model for further discussion and affordability.
- Upon completion of the school audits, band G and H pupils will be supported as a 'one-off payment' but based upon affordability within the current year's high needs block allocation of funding.
- ISP school payment was administered October 22, so all schools should now have received this.
- Further modelling on the ISP provision to be explored but in conjunction with the ISOS review and census/SEN pupils attending mainstream schools.
- To assist schools in future 2023/24 budget planning it was concluded that current top up applications to panel meetings was extremely time consuming for both schools and the local authority and a model should be further developed to:
 - Move towards a system with fewer applications to panel which would provide an annual secure funding for schools. The amount of funding will be based on needs which is transparent for schools and affordable within the financial envelope.

Recommendation (vii): School Forum are requested to:

- i) Note and comment on the High needs Outturn position for 2022/23
- ii) Note and comment on the updated position on ISP & One-off exceptional payment for 2022/23 .

3. National Funding Formula (NFF) - Indicative Funding 2023/24

- 3.1 The DFE has confirmed that it will move forward with the implementation of the NFF, whereby funding will be allocated directly to schools based on a single, national formula. 2023/24 is a transitional year and local authorities can continue to set a local schools funding formula. However, to ensure a smooth transition, LA's will be required to bring their formula closer to the NFF from 2023/24.
- 3.2 Provisional funding allocations announced in July 2022 indicates an increase in the total core school budget nationally by £7bn increasing to £56.8bn by 2024-25. Funding through the schools NFF is increasing by 1.9% overall in 2023-24, and 1.9% per pupil compared to 2022-23.
- 3.3 The main features in 2023-24 are:
 - a) The schools supplementary grant which was introduced in 2022-23 to meet the cost of the Health and Social Care Levy will now be rolled into the schools NFF from 2023-24.
 - b) There will be additional support directed at disadvantaged pupils by the increase of the deprivation factors namely FSM6 and IDACI. These factors will increase by 4.3% compared to 2022-23 values. 9.8% of the schools NFF will be allocated via the deprivation factors in 2023-24.

- c) The core factors in the schools NFF (basic entitlement & lump sum) will increase by 2.4%
- d) The minimum per pupil funding levels is set so every primary school pupil will receive at least £4,405 and every secondary school pupil at least £5,715.
- e) The funding floor is set at 0.5%. This is to ensure that all schools attract at least 0.5% more pupil led funding per pupil compared to 2022-23 NFF allocation. The funding floor baselines have also been increased to take account of the rolling in of the school's supplementary grant.
- f) Local authorities must use all the NFF factors except the locally determined premises factors.

3.4 LBBB has mirrored the NFF funding for all but one of the mandatory factors. The LA does not mirror the NFF basic entitlement. The guidance for 2023-24 is however to tighten the formula and move 10% or more closer to the NFF values. To ensure this happens the DfE have specified a range within which the local value must fall. This will impact on the primary secondary ratio which in 2022-23 was kept as 1 to 1.35

3.5 The provisional NFF allocation for LBBB -Schools block is shown in the table below.

	2022-23	2023-24
Pupil Nos*	39,882	39,882
Primary Unit of Funding (PUF)	£5,314	£5,492
Secondary Unit of Funding (SUF)	£7,012	£7,402
LA Allocation excluding growth & premises factors	£238,080,426	£248,425,369
LA Allocation through premises funding	£9,461,893	£9,463,966
LA supplementary grant (pupils 5-16)	£6,972,638	-
Total SB baseline (excluding growth)	£254,514,957	£257,889,335
Baseline per pupil (excluding growth)	£6,382	£6,466
Provisional % change in 2023-24		1.33%

Table – DfE provisional NFF allocation

*2023-24 Pupil numbers will be updated in Dec- 22 following the autumn census

4. Schools Block Funding Formula

4.1 As discussed at the October school's forum Local Authorities will have the flexibility to use local factors to set school budgets for the coming year, whilst waiting for the implementation of the hard funding formula. The national funding factor rates have been adopted across all the mandatory factors except for the basic entitlement.

The AWPU rates applied to the 2023-24 schools block funding models fall within the 10% tolerance allowed by the ESFA for 2023-24(Appendix A).

4.2 In line with Schools forum recommendation, the local authority consulted all schools on the proposed model to be adopted for 2023/24 funding formula.

4.3 The models under consideration are as follows:

(a) Model A – Replicates the NFF using the full rates for all mandatory factors

- As per this model, secondary schools will be funded 42% more than primaries. (1:1.42).
- Although a significant number of primary schools are being supported through the minimum funding guarantee (MFG), they will be adversely affected due to this funding model.
- Previous years ratio approved by Schools Forum is 1: 1.35.
- Any unallocated cash after fully applying the formula cannot be distributed through the funding factors as this will adversely impact the NFF set rates.
- Secondary schools gain on average 8% under this model whilst the average across primaries will be 0%.

(b) Model B – Sets the AWPU rates so that secondary schools are funded 40% more than primary schools (1:1.40).

- There is a risk that the DFE Funding allocation will be exceeded under this model.
- All factors at NFF rates except AWPU which falls within the value range specified.
- Fewer schools will be supported through MFG.
- Primary to secondary ratio will be 1:1.40 which will adversely impact primary schools.
- Secondary schools gain on average 6% under this model whilst the average across primaries will be 1%.

(c) Model C – Adjusting AWPU rates so that the existing primary secondary ratio of 1.1:35 is maintained.

- Achieves faster convergence towards NFF.
- Option effective in distributing all the funding through the formula.
- All factors at NFF rates except AWPU.
- AWPU rates is in line with DFE maximum and minimum threshold. (See Table below)
- Primary-Secondary ratio of 1:1.35 is comparable to other benchmarked LA's (see Table 1 below)
- This model is fairer to both primary and secondary schools
- Secondary schools gain on average 5.6% under this model whilst the average across primaries will be 2%.

- 4.4 A total of 29 schools responded, 23 primaries, 3 secondaries, 3 all-through schools. The summary of responses is attached as Appendix B.
The main findings are as follows:

- 86% preferred model C primary secondary ratio of 1:1.35.
- 93% preferred growth and falling rolls fund to be met from DSG reserves in 2023/24 financial year.
- 96% preferred using DSG reserves to support the reduction in school improvement brokerage grant in 2023-24 only as a one-off (£84k)

4.5 Comments were made in response to the consultation as below:

“I cannot see the justification for increasing the disparity between primary and secondary school funding when it is so vital to tackle the disadvantage gap at a younger age. Primary schools are not being profligate with their resources: many primaries have already been through painful restructuring exercises and further cuts (which are exacerbated by unfunded teacher pay rises, increasing energy prices and falling rolls) will result in additional restructuring of support staff. What this restructuring does is impact on the most vulnerable SEND children in need of additional adult support and intervention, and Pupil Premium children who benefit from subsidised activities which boost their cultural capital. Removing this additional support increases the demands and stresses on class teachers.”

- from primary headteacher

“With regards to the central issue of which funding model to adopt in 2023/24 there is no clear agreement. A few heads are in favour of Model A, as it is clearly a more beneficial model for secondary schools. However, other heads worry about the impact this model will have on primary schools’ finances if it is adopted. Their view is that ultimately, it is not in secondary schools’ interests for primary schools to be short of cash as this will have a negative impact on the students and will ultimately impact on secondaries further down the line. We also need to bear in mind that there are a number of all through schools, who contain primary and secondary phases, who again are not strongly in favour of Model A”

- from secondary headteacher

Recommendation (vii): School Forum are requested to:

- i) Note and comment on the consultation response
- ii) Approve the primary secondary ratio of 1:35 for 2023-24 funding formula.
- iii) Approve to fund the 2023-24 growth and falling roll fund from DSG reserve.
- iv) Approve one off funding of £84k school improvement brokerage grant from DSG reserve.

5. Review of Trade Union Facility time

5.1 The local authority HR team have commissioned a review of trade union facility time, de-delegation rates, and contributions by academy schools. The report is in a draft state and not yet finalised. This needs to be discussed with HR and Unions before sharing with School forum. However, it is likely to result in a slight reduction in the de-delegation rate which will be discussed at the January SF meeting.

13. AOB

14 Financial implications

As presented in this document.

15 Legal implications

The schools forums (England) regulations 2012 govern the constitution and conduct of meetings of the forum. The schools finance (England) regulations 2012 determine those matters on which the local authority must or may consult the schools forum and those in respect of which the schools forum can make decisions. These regulations make provision for the financial arrangements of local authorities in relation to the funding of maintained schools and providers of prescribed Early Years provision in England.

16 Other implications

- a. **Risk management** - None
- b. **Contractual issues** - None
- c. **Staffing issues** – None
- d. **Customer impact** – None
- e. **Safeguarding children** - None
- f. **Health Issues** - None
- g. **Crime and Disorder Issues** – None
- h. **Property / Asset Issues** – None

Background papers used in the preparation of the report:

None.

List of appendices:

Appendix A _NFF & LFF funding factor rates 2023-24.

Appendix B_ Summary of Consultation responses

Appendix C_ Schools Reserves with Quarter 2 outturn projection