



Northumberland

County Council

Your ref:

Our ref: AT

Enquiries to: Andrea Todd

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Tel direct: 01670 622606

Date: 21 September 2023

Dear Sir or Madam,

A virtual meeting of the **SCHOOLS' FORUM** will be held on **Wednesday, 27 September 2023** at **9.30 a.m.** You will be sent a link to the meeting via a Microsoft Teams Meeting invite and I would be grateful if you could accept or decline the invitation accordingly.

I remind you that if you are unable to attend, you should arrange for an appropriate substitute to attend on your behalf.

Alternatively forward any written representations to me in advance.

In the current situation can I ask that Forum members read all papers prior to the meeting and forward any questions or contributions to me in advance of the meeting, however, we will do everything possible to take comments at the meeting too.

Yours faithfully,

Andrea Todd
Clerk to the Forum

To: Members of the Schools' Forum

AGENDA

It is expected that the matters included in this part of the agenda will be dealt with in public.

		Decision/Consultation/ Information/Action
1.	MEMBERSHIP AND MEMBERSHIP UPDATE	Information
2.	APOLOGIES FOR ABSENCE	Information
3.	DISCLOSURES OF INTERESTS (IF ANY)	Information
4.	MINUTES AND MATTERS ARISING (Pages 1 - 8) Minutes of the meeting of the Schools' Forum held on Wednesday, 19 July 2023, as circulated, to be confirmed as a true record, and signed by the Chair.	Action
5.	COMMUNICATION: (Pages 9 - 46) F40 SEND Webinar 7 September 2023 & MP Briefing	Information
6.	SCHOOLS FORUM MEMBERSHIP AND GOVERNANCE - REPORT TO FOLLOW	Information/Action
7.	USE OF 2022/23 DEDICATED SCHOOLS GRANT (DSG) FUNDING BALANCES (Pages 47 - 50)	Information/Action
8.	DSG FINANCIAL MONITORING 2023/24 - REPORT TO FOLLOW	Information
9.	NATIONAL FUNDING FORMULA AND SCHOOL FUNDING UPDATE (Pages 51 - 58)	Information
10.	2023/24 WORK PROGRAMME AND MEETING DATES (Pages 59 - 60)	Information
11.	ANY OTHER BUSINESS	Information/Action
12.	DATE OF NEXT MEETING The next scheduled meeting of the Schools' Forum is Wednesday, 22 November 2023.	Information

NORTHUMBERLAND COUNTY COUNCIL

SCHOOLS' FORUM

At a meeting of the Schools' Forum on Wednesday, 19 July 2023 at 9.30 a.m. at County Hall, Morpeth.

PRESENT

C. Pearson (Chair, in the Chair)
Three Rivers Learning Trust

Headteacher Representatives

A. Brown, Corbridge Middle School

Governor Representatives

B. Mansfield, Newbrough CE Primary
School
K. Faulkner, Collingwood School

B. Watson, St Robert's RC First
School
G. Wilkins, St Wilfrid's RC Primary
School

Academies Representatives

G Atkins, Hadrian Learning Trust

A. Hardie, NCEA Trust

Roman Catholic Diocese – Vacant Post

Pupil Referral Unit Representative – R. Carr

19-19 Provider of Education Representative – W. Stephenson

Trades Union Representative – Vacant Post

Councillor R. Wearmouth (observer)

OFFICERS IN ATTENDANCE

A. Kingham

Executive Director - Children, Young People and
Education

S. Aviston

Head of School Organisation and Resources

Ch.'s Initials.....

M. Finlay	Head of Inclusive Education Services
B. Parvin	Education and Skills Business Manager
C. Ponting	Senior Manager - Schools HR
A. Russell	Principal Accountant – Non-Team Leader
D. Street	Deputy Director of Education
A. Todd	Democratic Services Officer

1 member of the press was also in attendance.

1. MEMBERSHIP AND MEMBERSHIP UPDATE

- 1.1 Members were notified that an expression of interest had been received from Barry Reed to join the Schools' Forum as a Special Academies representative. The Forum agreed to this appointment and looked forward to welcoming Barry at their next meeting.
- 1.2 It was noted that Barbara Mansfield had agreed to remain on the Forum following Newbrough Church of England Primary School's change in status from a maintained school to an academy. This would result in Barbara becoming an Academy Governor representative.
- 1.3 The Chair welcomed Adele Brown to her first meeting of the Schools' Forum as a middle school representative.
- 1.4 As this was Colin Pearson's last meeting before retiring from the Schools' Forum nominations for a new chair had taken place. Following expressions of interest, it was agreed Alan Hardie take up the chairmanship of the Schools' Forum starting from the September meeting. Members congratulated Alan on his appointment.
- 1.5 It was suggested that the September meeting would be a suitable time to re-examine the terms of reference of the Schools' Forum to ensure they were still fit for purpose.

2. APOLOGIES FOR ABSENCE

- 2.1 Apologies for absence were received from M. Deane-Hall, A. Mead, N. Rodgers, N. Threlfall, K. Dickinson and Councillor G. Renner-Thompson.

3. MINUTES AND MATTERS ARISING

RESOLVED that the minutes of the meeting of the Schools' Forum held on Wednesday, 15 February 2023, as circulated, be confirmed as a true record and signed by the Chair.

4. COMMUNICATIONS

Ch.'s Initials.....

Members received the draft minutes of the HN Committee of the 29 March 2023. (A copy of the HN Committee draft minutes has been filed with the signed minutes).

RESOLVED that the draft minutes of the High Needs Committee be noted.

5. SUPPLEMENTARY GRANT FOR EARLY YEARS FUNDING RATE INCREASE 2023/24

- 5.1 The report sought to inform Schools' Forum of the additional funding made available for the period September 2023 to March 2024, and the associated funding rates. (A copy of the report has been filed with the signed minutes).
- 5.2 It was noted that the DfE had now provided further details on the EY DSG methodology and hourly funding rates from September 2023 for each local authority. Additional information on funding rates could be found using the link provided with in report.
- 5.3 For Northumberland it would result in:
- a 6.8 % increase on the 3- and 4-year-old rate equating to an additional £0.33 per hour. This would be passed on directly to providers meaning an hourly rate of £4.91 from September.
 - a 29.1% increase on the two-year-olds rate equating to an additional £1.64 per hour. This would be passed on directly to providers meaning an hourly rate of £7.27 from September.
- 5.4 Discussions took place regarding how there was a discrepancy between the provision available for two years olds compared to three and four year olds for working parents.
- 5.5 It was felt that funding was not in line with increasing costs and growing numbers of children were needing access to specialist support services.
- 5.6 The higher demand for specialised services in early years was discussed.
- 5.7 It was reported that Northumberland was nationally in the top 5 for take up of two year old provision. However, it was reported that children from less disadvantaged backgrounds were not taking up the early years provision.
- 5.8 It was noted that there was evidence to suggest that those children who did take up the early years provision were better prepared for school.
- 5.9 Members were advised that an officer working group had been established to examine, develop and support transition to school including investment, SEND model and early years passport.

RESOLVED the report be noted.

6. DEDICATED SCHOOLS GRANT (DSG) OUTTURN 2022/23

Ch.'s Initials.....

- 6.1 The report provided details of the Dedicated Schools Grant (DSG) outturn position for 2022/23 to Schools' Forum members, together with the implications of the outturn and upcoming pressures. (A copy of the report has been filed with the signed minutes).
- 6.2 The key points within the report were highlighted.
- 6.3 It was noted that the Schools' Forum meeting in January 2022 set the budgets for each block within the DSG with details for the Early Years and the High Needs blocks being agreed at the meeting in February 2022. The DSG allocation was then updated during the year by the DfE to consider school academy conversions, changes to high needs place funding and early years census data. The budget reflects the latest DSG allocation from the DfE issued in March 2023.
- 6.4 The Early Years block was funded in arrears based upon census returns with a final settlement for Spring term 2023 due in July 2023. In line with the conditions of the grant, the service had estimated the final settlement for 2022-23 and this was reflected in the 2022-23 budget. If the actual settlement was to differ from the estimate this would impact on the 2023-24 budget position.
- 6.5 The overall DSG reserve of surplus balances carried forward from 2021-22 was £4.032 million. £1.063 million was withdrawn from the reserve into the budget position for 2022-23, leaving a balance of £2.969 million in the DSG reserve to meet pressures in future years.
- 6.6 The final position for the 2022/23 financial year was an underspend of £1.532 million, with underspends across each block:
- Central Schools Block underspend of £0.181 million
 - Early Years Block underspend of £0.421 million
 - High Needs Block underspend of £0.205 million
 - Schools Block underspend of £0.725 million
- 6.7 It was noted that reserves had risen slightly across the year, but this could be attributed to factors that were not recurrent and therefore unlikely to occur in future years:
- staff vacancies
 - surplus on historic commitments funding
 - schools contingency sum being unspent in 2022/23
- 6.8 Whilst the High Needs block had underspent by £0.205 million it should be noted that this included the budget of £0.516 million which was transferred from the Schools Block and £0.132 million from the DSG reserve from the previous year. Without this additional funding the High Needs Block would have resulted in an overspend of £0.443 million.
- 6.9 The budgetary pressures that had been building since 2021-22 in relation to demand for SEN places and top-ups (both in-house and the independent sector) and Alternative Provision were predicted to increase significantly for 2023-24. The future rise in numbers and the impact of increasing inflation had indicated that the full High

Ch.'s Initials.....

Needs block reserve of £1.876 million would be required to meet cost pressures for the coming financial year.

- 6.10 It was the intention to ring-fence the year end position on each block this year to ensure that funds carried forward could be utilised effectively and to provide services with additional resource to meet the emerging priorities within the specific areas of the Dedicated School Grant.
- 6.11 Schools' Forum was asked to support the proposal to carry forward the budget surplus of £81,280.08 to 2023/24 for the use of the English as an Additional Language (EAL) team.
- 6.12 Schools' Forum was also asked to support the proposal to carry forward the budget surplus of £130,015 as at the 31 March 2023 to 2023/24, in relation to the Trade Union Facility Time service.
- 6.13 Members discussed SEN top ups and the increase in demand being seen in schools. The banding associated with funding had not been altered in many years although the complexity and number of SEN children continued to increase with schools having to bear the brunt of this. The average top up had now increased to £900. Schools were facing more and more challenges and were financially struggling. It was hoped that banding would be one of the areas that could possibly be increased to help schools.
- 6.14 Members acknowledged that the high needs block continued to be one of the biggest challenges when managing budgets.
- 6.15 It was stated that everyone was aware of the current struggles regarding SEN provision and the predicted worsening year on year. Therefore, contingency planning for the future was essential otherwise demand would not be met going forward.
- 6.16 The frustration felt by schools regarding having to subsidise SEN support from their own budgets. Schools felt that they should not be penalised for managing to keep their budgets balanced if SEN provision was inadequate to meet need.
- 6.17 It was suggested that the High Needs Committee could examine the banding criteria and the impact this had on schools. Schools felt that there was inadequate funding and a re-examination of the reserves and carry forward policies in the DSG could be needed. Schools Forum were reminded of the decision for 2022/23 to target additional HN funding to this most inclusive school using the Notional SEN calculations, but this meant funding was distributed at a school level not via individual bandings. Similarly special schools had received additional funding through the introduction of a lump sum rather than specific banding increases.
- 6.18 The need to continue to lobby at a national level to raise awareness of the funding issues, particularly SEN was emphasised. Assurance was given to Schools' Forum on the amount of lobbying that continues to be carried out on their behalf. The voice of Schools' Forum was strong and continued to be a valuable source of engagement used to ensure the views and concerns of schools were passed to central government.

Ch.'s Initials.....

6.19 Members discussed alternative provision and associated transport costs. It was thought that if there was a way to provide more internal provision a reduction would be made seen in travel costs and pupils could be educated more locally. Members were informed that officers were reviewing the home to school transport model. There was already an Inclusion Panel established and the framework for alternative provision was out to tender. The Councils overall aim was to always to meet a child's needs as close to home as possible.

RESOLVED that School's Forum:

- (a) Approve the carry forward of the 2022/23 Trade Union Facility surplus of £130,016 in line with the request attached at Appendix A.
- b) Approve the carry forward of the 2022/23 English as an Additional Language (EAL) surplus of £73,717 in line with the report attached at Appendix A
- c) Note the intention to carry forward the respective DSG blocks (Central Services Schools) Early Years, High Needs and Schools Block) on a ringfenced basis into 2023/24.

7. MAINTAINED SCHOOL BALANCES AS AT 31 MARCH 2023

- 7.1 The report informed Schools' Forum of the position regarding Maintained School Balances as at 31 March 2023. (A copy of the report has been filed with the signed minutes).
- 7.2 It was reported that the original aggregated balances figure brought forward into 2022/23 was £8.967m (as at 1 April 2022), as reported to Schools Forum in July 2022. This represented 108 schools. However, this figure has been reduced by £0.285m to reflect the school that academised during the period. The adjusted balances therefore reflect those 105 schools reflected in both the 2022/23 opening and closing balances.
- 7.3 It was noted that overall balances have improved across all phases, in simple terms income exceeded expenditure during 2021/22, and in general schools had managed their finances effectively during the year. This was against a backdrop of significant rises in pay and price inflation costs, which has had a significant impact on all schools.
- 7.4 It was reiterated that Schools' Forum no longer received a report detailing individual school balances, but it was anticipated that individual school balances for 2022/23 would be published via the Schools Financial Benchmarking service in late 2023.
- 7.5 Members were advised that a revised appendix A of the report would be circulated following the meeting.

RESOLVED that the report be noted.

8. SCHEME FOR FINANCING MAINTAINED SCHOOLS 2023/24

Ch.'s Initials.....

- 8.1 The purpose of the report was to review and approve the revised Scheme for Financing Maintained Schools for the period commencing 1 September 2023 (a copy of which has been filed with the signed minutes).
- 8.2 A copy of the proposed Scheme for the academic year 2023/24 had been circulated with the report and proposed changes highlighted in yellow, with the exception of those schools which the Scheme was no longer applicable due to academisation shown as a strikethrough.
- 8.3 It was noted that there were no major changes proposed by the ESFA to the Scheme. NCC had proposed changes to introduce a “de minimis” figure cash figure of £50,000 in relation to maximum uncommitted balances figure, in order to provide greater certainty to very small schools re this.
RESOLVED that Schools’ Forum approve the attached draft Scheme for Financing Maintained schools.

9. 2023/24 WORK PROGRAMME AND MEETING DATES

The schedule of dates had been circulated with the agenda papers and a copy filed with the signed minutes.

RESOLVED that the information be noted.

10. ANY OTHER BUSINESS

10.1 National Funding Formula Values 24/25

It was noted that the funding formula tables for 2024/25 were available online to view. A report on this subject would be prepared for the next meeting of Schools’ Forum.

10.2 Pay awards

It was reported that there was presently no further detail on this issue.

RESOLVED that the information be noted.

11. DATE OF NEXT MEETING

RESOLVED that the next scheduled meeting of the Schools’ Forum will be Wednesday, 27 September 2023. Meetings would continue to be held virtually apart from the July meeting which would be in person.

A small presentation took place following the closure of the meeting to thank Colin Pearson for his exemplary leadership and dedication to the work of the Schools’ Forum over the years. Members wished him well in his retirement.

Ch.’s Initials.....

CHAIR_____

DATE_____

Ch.'s Initials.....

Campaigning to halt the crisis in SEND and achieve fairer funding

Fair funding for education

Councillor Alex Dale

Chair of f40

Cabinet Member for Education
Derbyshire County Council



Welcome

Thank you for joining us today.

We will be presenting the f40 campaign to you during the next 30 minutes and will then respond to any comments and questions. If you wish to ask questions or share your experiences, please use the comments panel at the side of the screen.

We will also be asking you to respond to three different polls during the webinar. They are simple and should only take a minute or so. One is about your cumulative DSG forecast position and one relates to EHCP numbers.

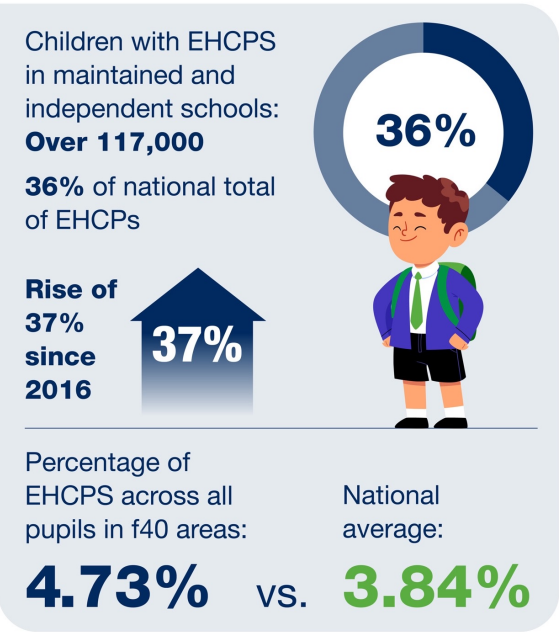
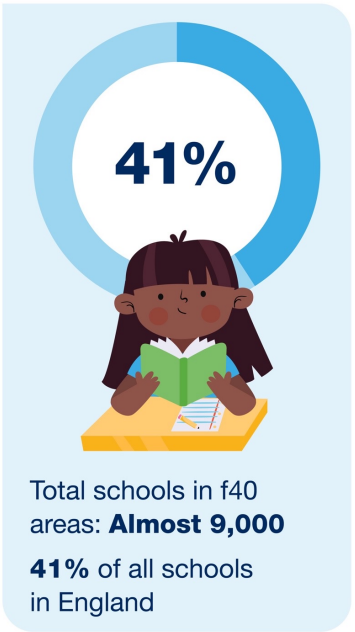
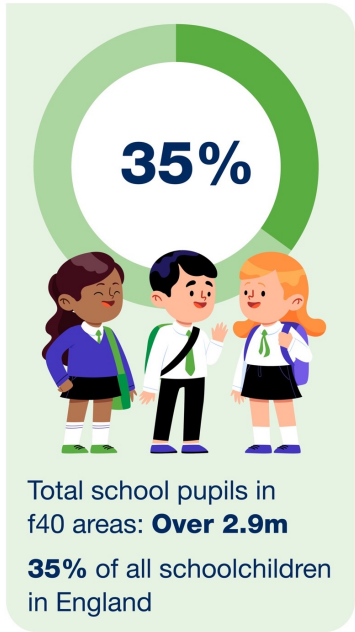
We will explain them to you when we get to them.



f40 has 42 local authority members

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How the f40 figures stack up



* Stats correct as of 2022

Mainstream funding

- Historically, difficult for councils to understand why the education of some children received greater funding than others
- Introduction of the NFF was a positive step, but it.....
 - Still locks in historic inequalities
 - Does not give enough as a basic entitlement
 - Allows too much for “add-ons”
- Government has acknowledged unfairness but levelling up is slow
- f40 priority has always been fair funding
- Now also concerned about the crisis in SEND and quantum of mainstream funding
- Increased funding packages in recent years have been welcome, but still fall short of what is needed in real terms
- Unfairness continues

The deepening SEND crisis

- Nowhere is the issue of quantum more important than in **SEND**
- A clear national crisis
- Insufficient funding and capacity
- Demand and expectation outweigh funding and capacity
- Running the risk of failing our most vulnerable children
- We need bold action and significant funding now

Significant extra baseline funding needed



f40

and other educational organisations believe

£4.6bn

SEND funding is required

- Based on demand and inflation since 2015
- Does not allow for further increased demand and inflation beyond 2023

SEND deficits continue to rise

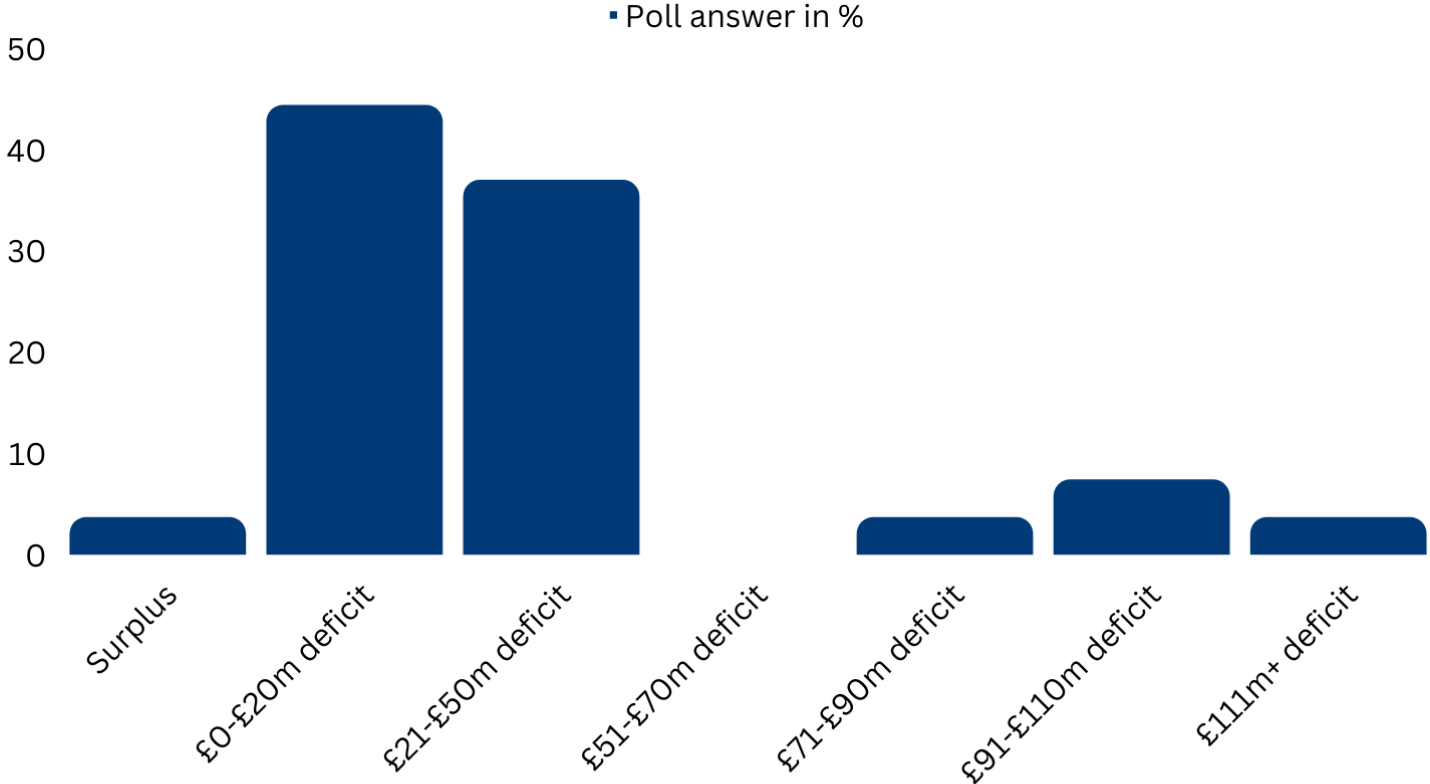


High Needs deficit
expected to be
£2.5bn
by March 2025

- Some authorities up to £100m deficit.
- Do you know what your LA deficits are?

Poll 1 – the results

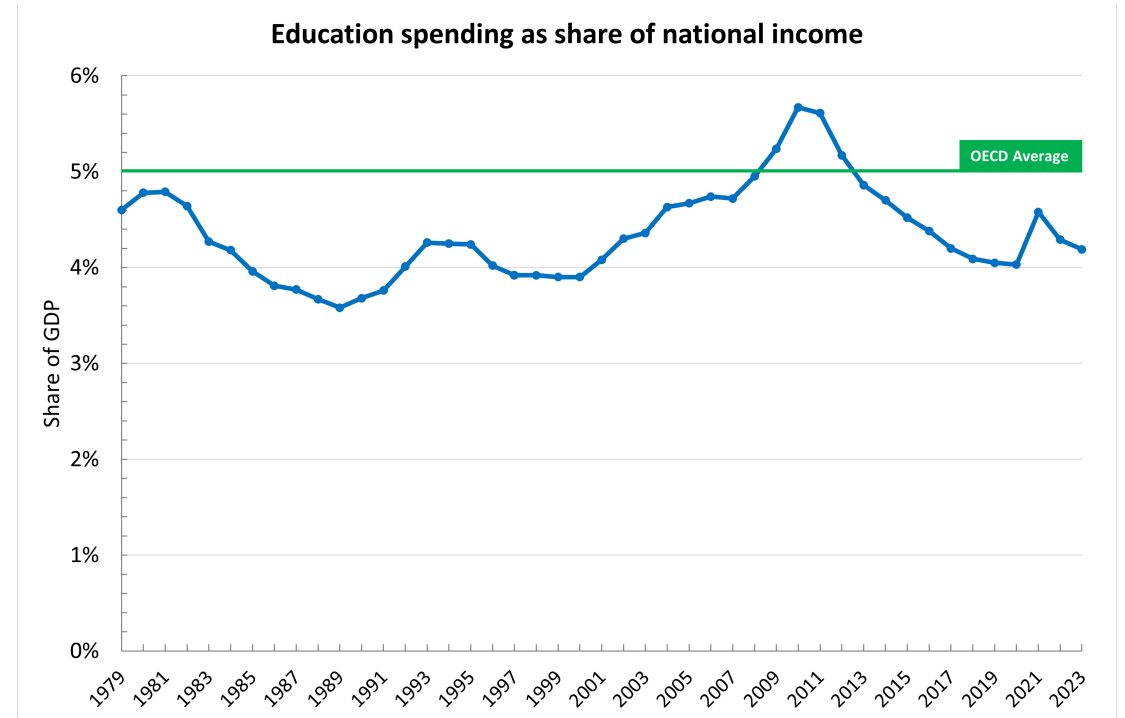
What is your cumulative DSG position forecast for March 2024?



SEND is under-resourced

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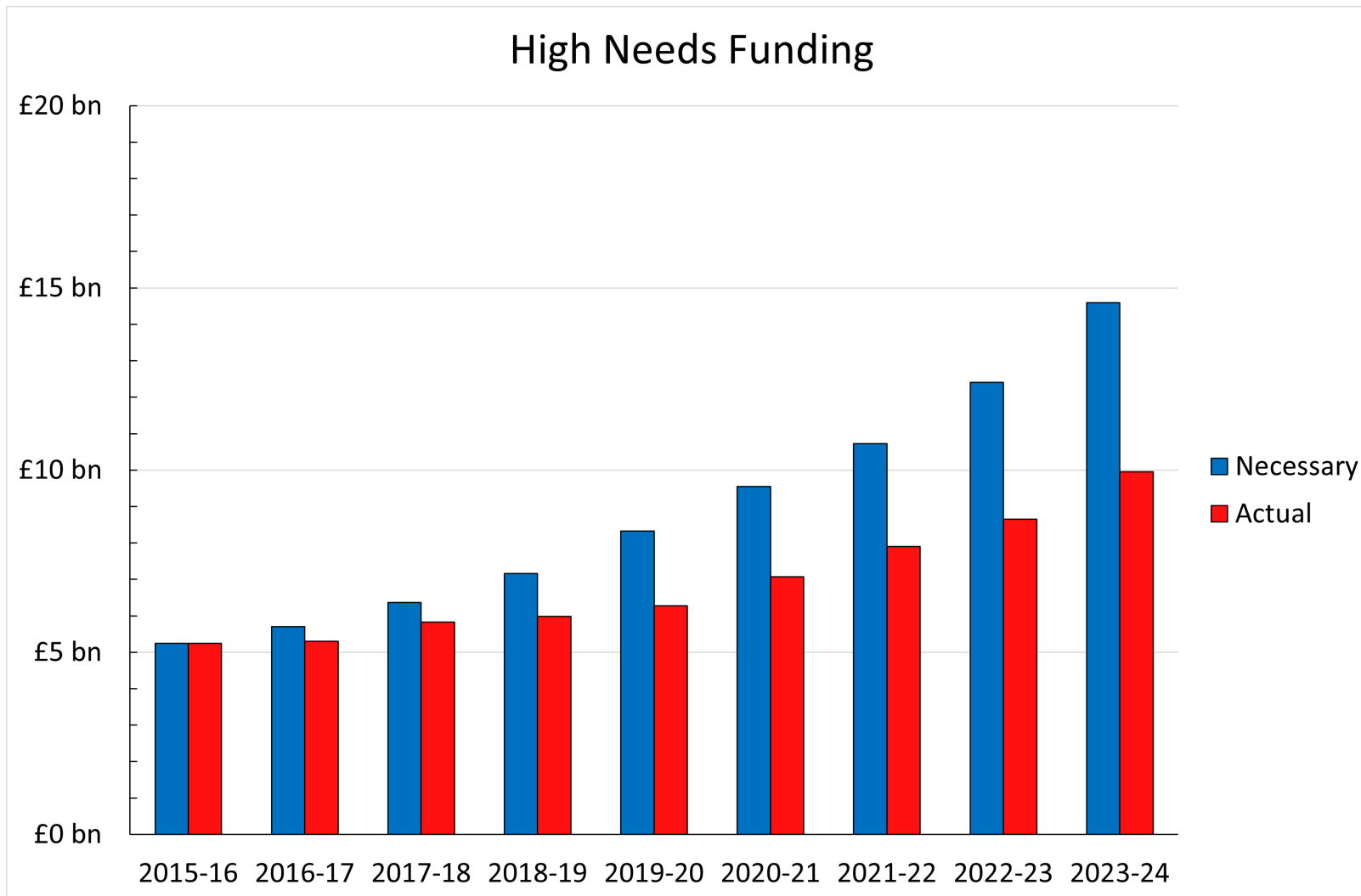
- £4.6bn added to baseline = 0.2% of national income
- England behind competitor nations on education funding
- For 2023-24, we spend 4.2% of our national income on education
- Average OECD is 5%
- Levelling up is on the national agenda
- Recovering from global pandemic
- Counter-productive to poorly resource SEND



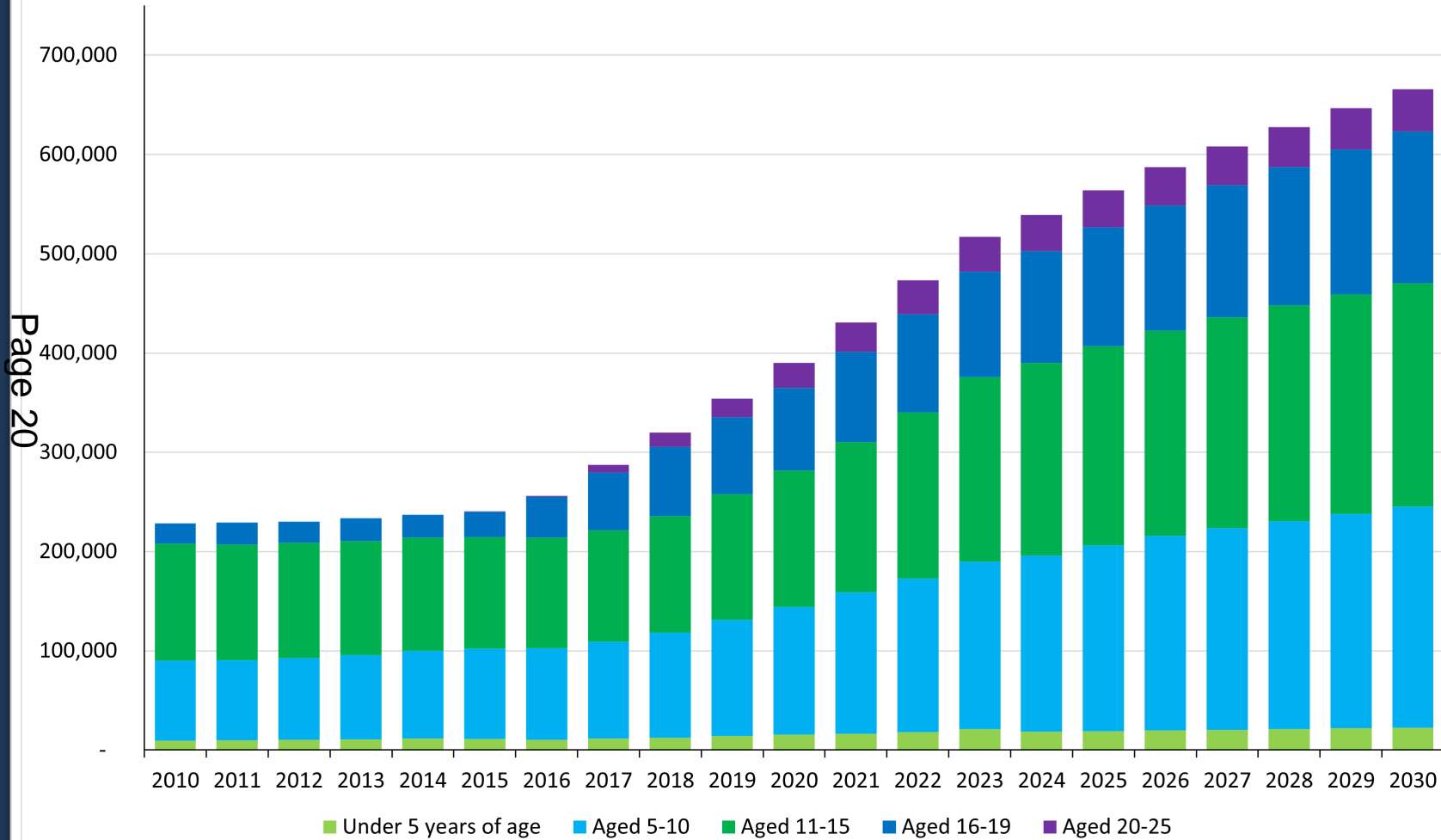
High Needs funding – actual v necessary

Graph supplied by NEU

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Education, Health and Care plans projection



**Growth in
EHCPs is
expected
to
continue**

Graph supplied by NEU

SEND in mainstream

- Rise in SEND-need also impacting on mainstream education
- Reduction in real terms mainstream funding for many schools
- Current support in mainstream is insufficient to meet pupil-needs
- Schools having to provide raft of extra support due to reductions in other areas, mental health, youth services, speech & language
- Mainstream schools need more funding to be inclusive
- SEND training required for every teacher
- Without funding / improved support, pupils will continue to leave mainstream for specialist provision

Capital funding

- Insufficient locally-provided SEND places
- Results in children being placed in expensive independent provision
- Too many local authorities not successful in latest funding bids
- Substantial extra capital funding required
- Distribution should be fair
- Capital funding should be available flexibly and quickly
- Free School programme should be more responsive to need for places
- Under investment has led to backlog in repairs and improvements in all schools

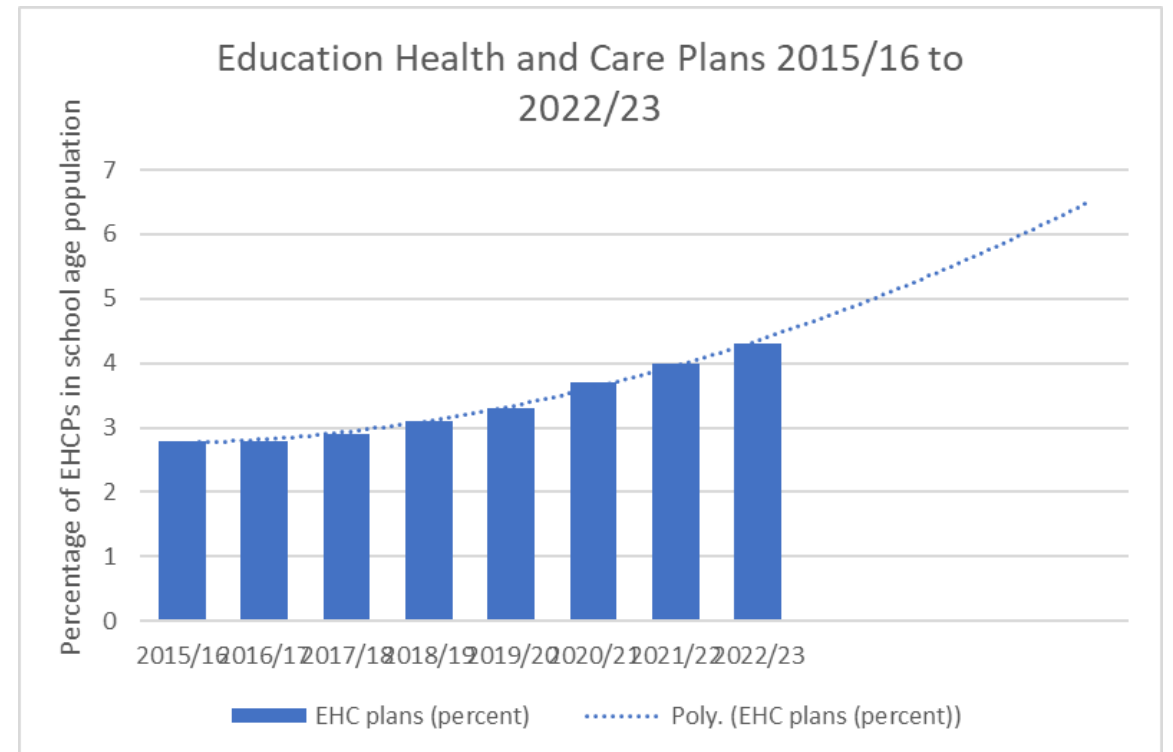
Margaret Judd
SEND Funding Manager
Dorset Council



SEND: The perfect storm

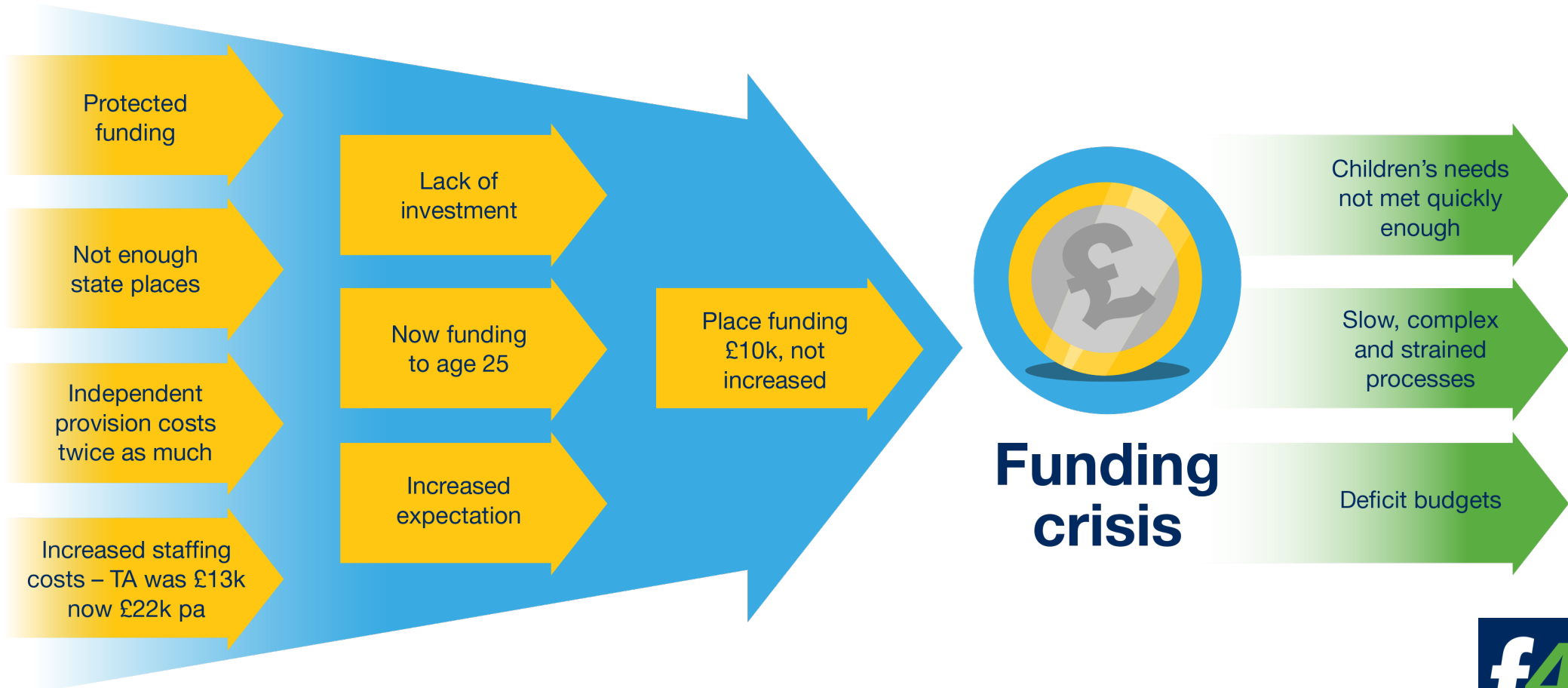


2022-2023 – 389,171 EHCPs = 4.3% of school-age children.
This figure could reach over 6% in four years.



Funding crisis

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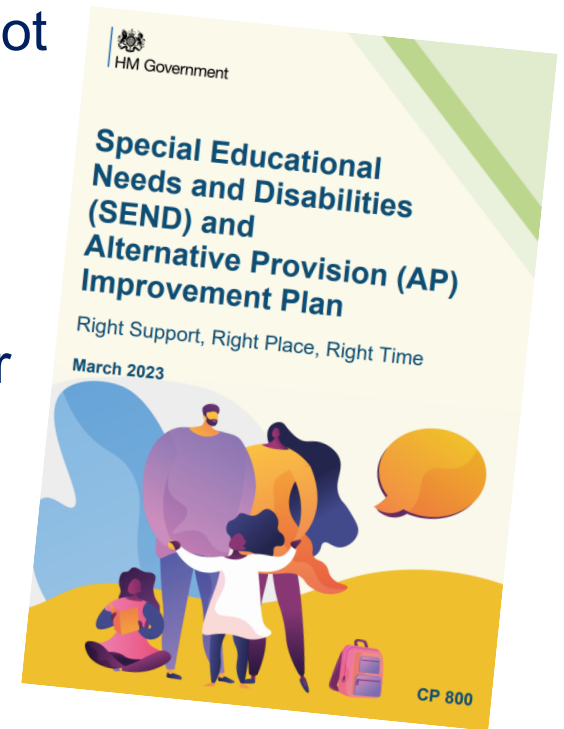


The crisis will only get worse

- The challenge is under-estimated
- DfE intervention and support programmes to reduce deficits:
 - The Safety Valve Programme (34 LAs) and Delivering Better Value in SEND programme (55 LAs) = 58% of LAs
- Local authorities and education providers largely doing the right things – small, further savings can be made
- Future growth and inflation likely to negate any positive impact
- Deficits will only get worse

More urgency required

- Government's SEND and Alternative Provision Improvement Plan not radical or quick enough
- Some very good suggestions – inclusion, benchmarking, standards
- But Change Programme will take several years to be piloted and for any recommendations to be implemented
- No mention of extra resources and funding
- Lack of professionals in employment market to meet current need
- The plan cannot happen without extra funding and resources

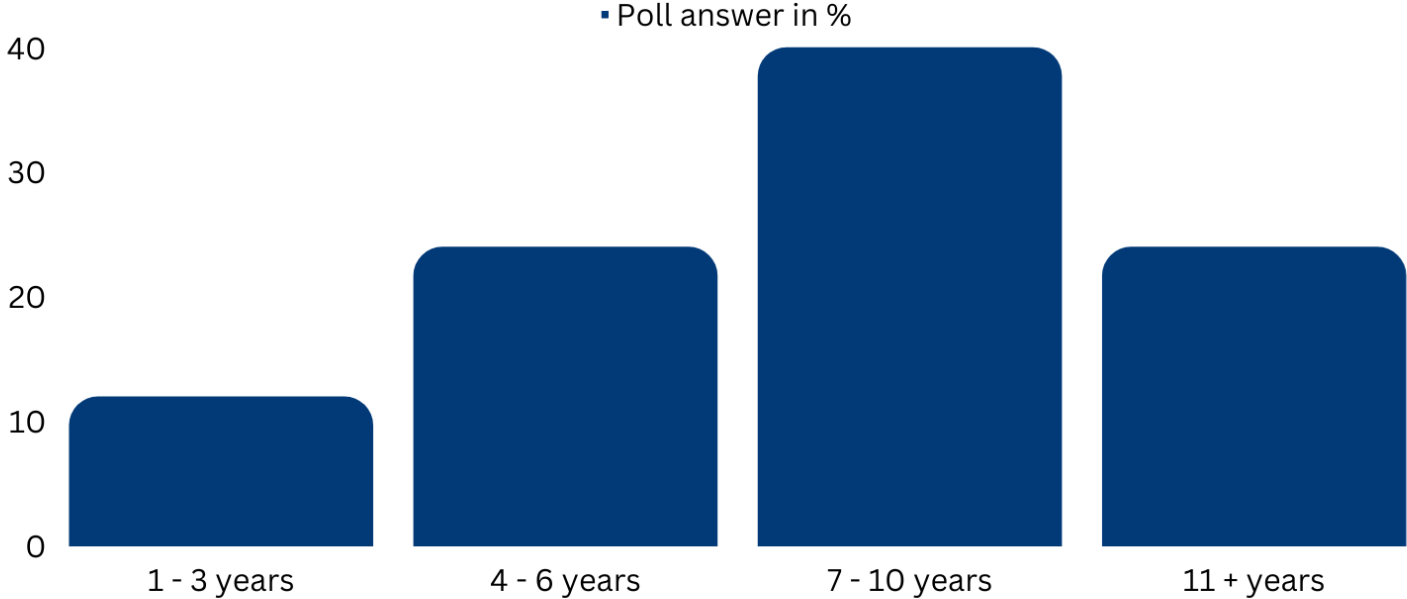


RIGHT FUNDING + RIGHT PEOPLE = RIGHT OUTOMES



Poll 2 – the results

When do you expect EHCP numbers to plateau?



Phil Haslett

Head of Education Strategy and Development
Gloucestershire County Council



Why are some children worth more than others?



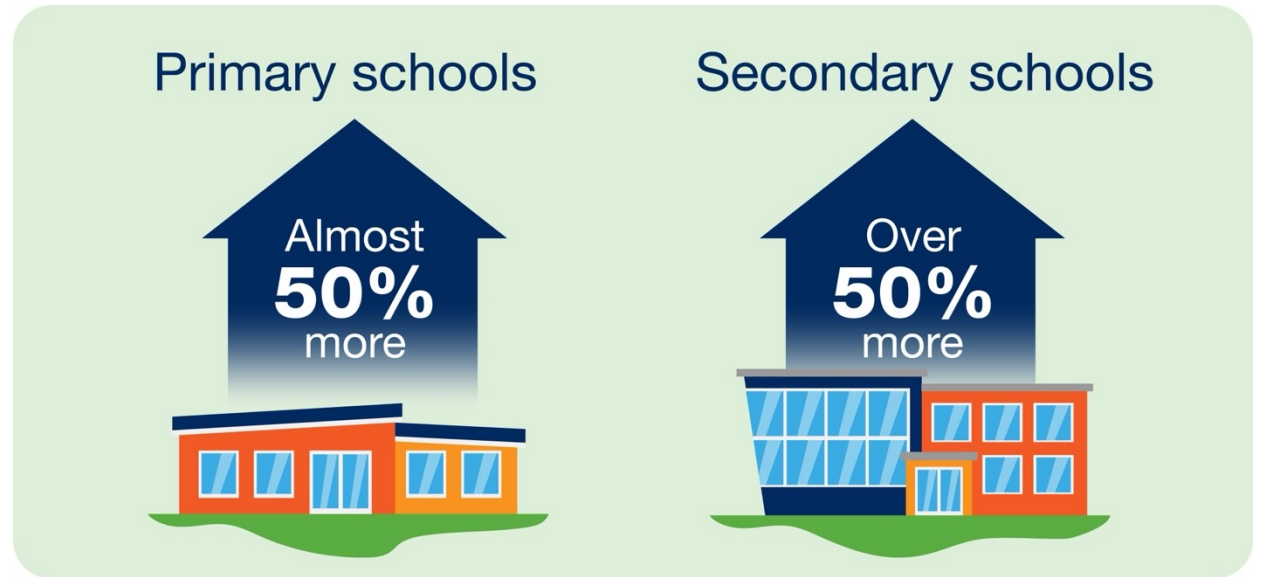
- Some schools receive more than £4,000 **less** DSG funding per pupil than other schools

15-20 YEARS
to level up at current pace

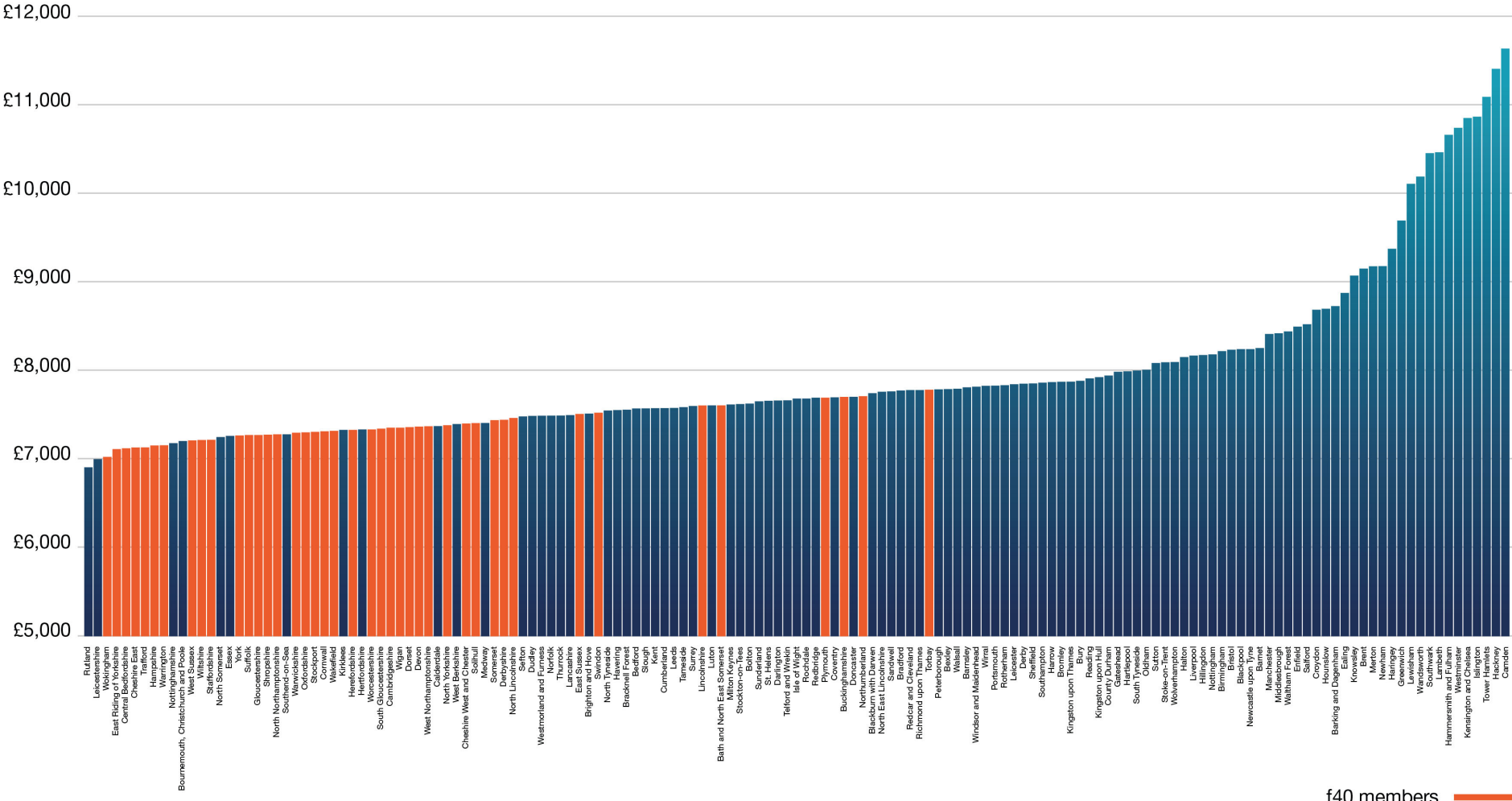
- At the current pace, it will take between 15 and 20 years to level up funding – that is more than a generation of children

Did you know?

Did you know that schools in the **highest funded** local authority area have a funding unit **almost 50% more** than the lowest for primary schools and **over 50%** for secondary schools?



The unfairness is clear



f40 members

Variation of Gross DSG funding allocation per mainstream pupil by local authority (December 2022)

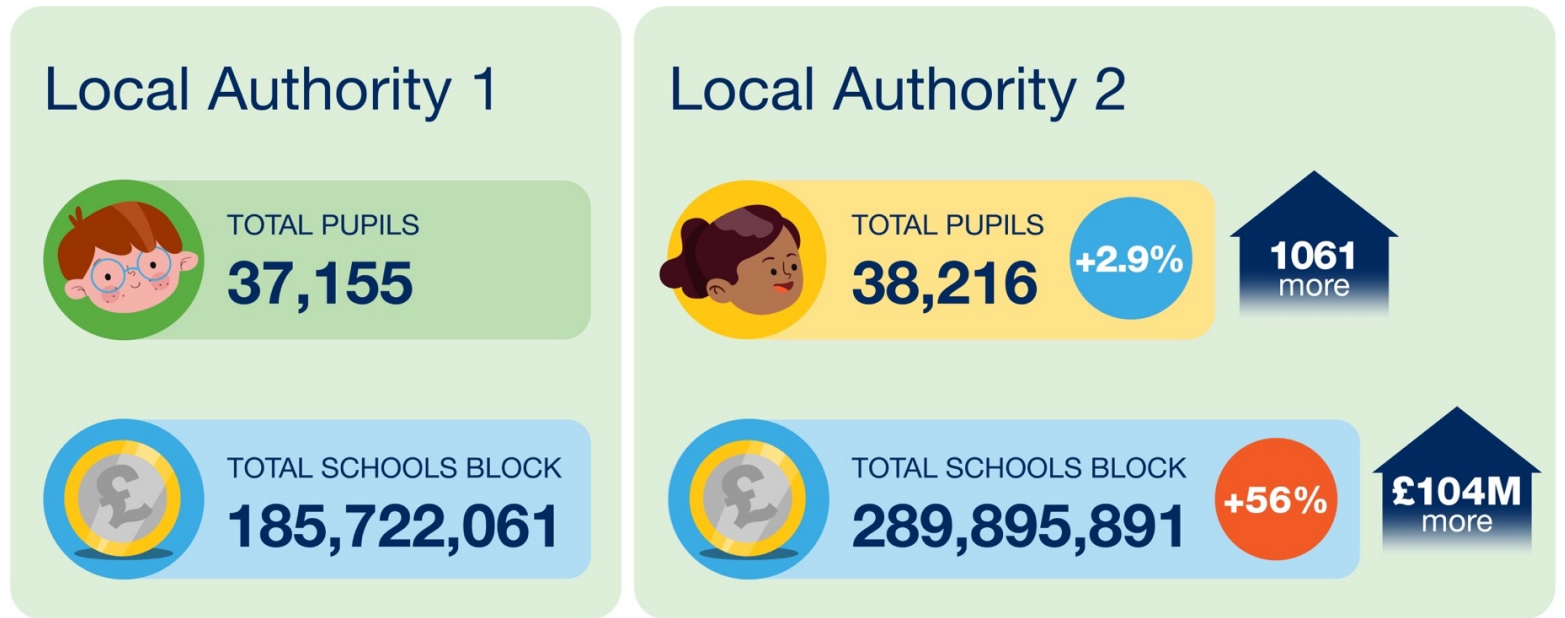


Wide variation

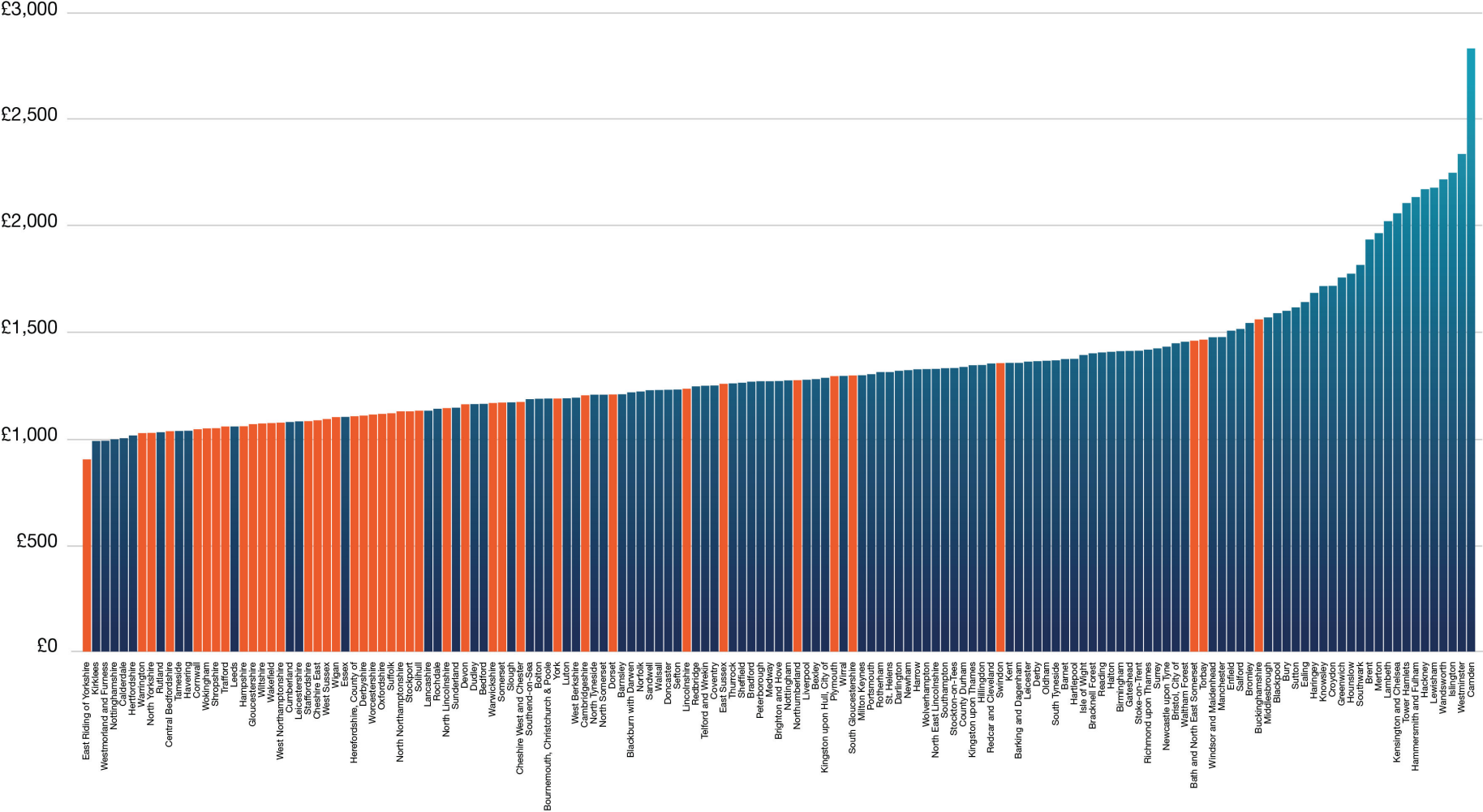
We agree there will always be a variation in funding for some areas, but it is the size of the variation that is wrong. Poorer funded areas should be lifted up.

For example, two local authorities of similar size – yet one gets **£104m more for its pupils** than the other.

* Stats correct as of 2022



Unfairness in SEND funding



Variation of High Needs Block funding per pupil allocations 2023-24 by local authority

f40 members



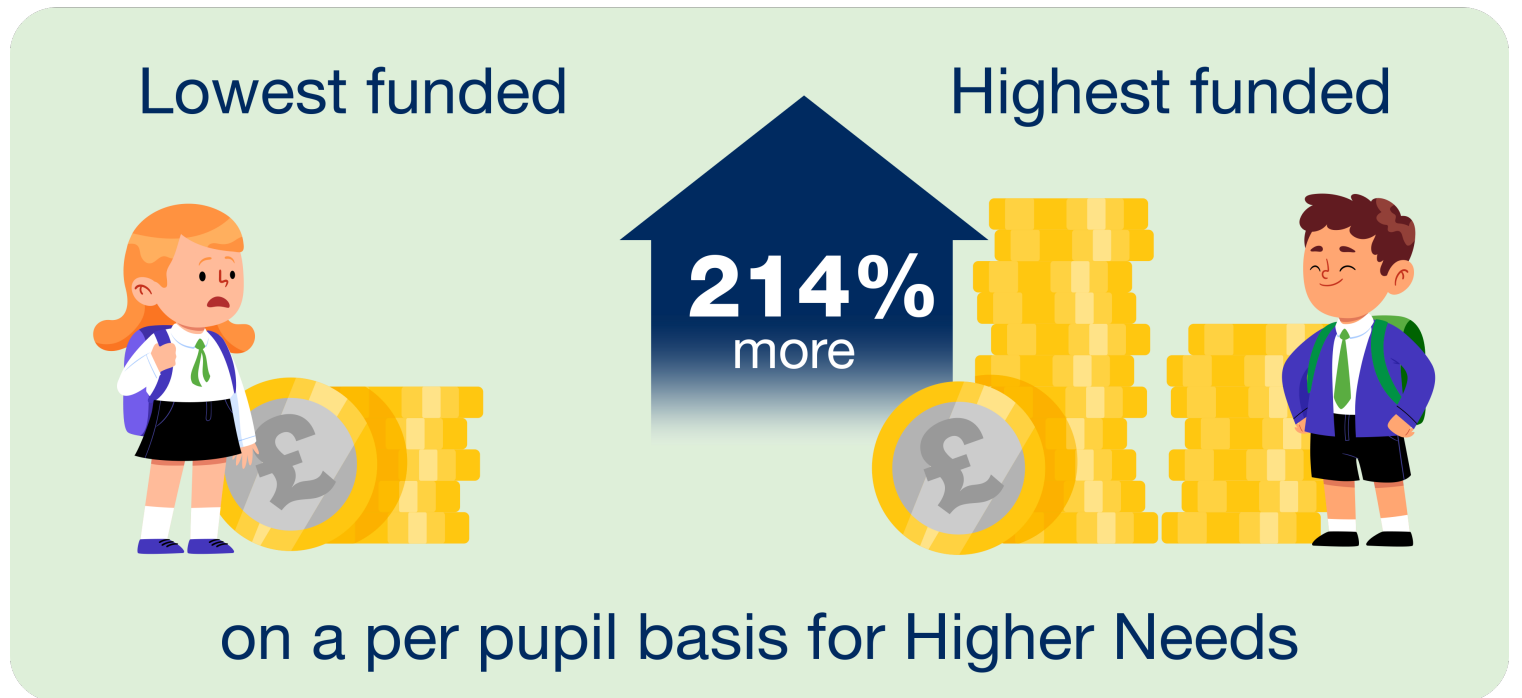
Did you know?

Did you know that **for High Needs, the highest funded area receives 3x** the lowest funded area on a per pupil basis?

Lowest = £901

Highest = £2,827

* Statistics correct as of 2023



An example of unfairness in neighbouring authorities

Local Authority 1



HIGH NEEDS
BLOCK FUNDING
£93m



TOTAL PUPILS
99,032



TOTAL SEND PUPILS
17,365

Local Authority 2



HIGH NEEDS
BLOCK FUNDING
£124m

+33%

£31M
more



TOTAL PUPILS
96,964

-2.1%



TOTAL SEND PUPILS
14,069

-18.9%

2,068
less

What progress is being made?

- Government has acknowledged unfairness of mainstream funding but levelling up is too slow
- Increased funding packages in recent years have been very welcome, but still fall short of what is needed in real terms
- Introduction of the National Funding Formula (NFF) was a positive step, but it.....
 - Still locks in historic protections for both mainstream and SEND funding
 - Does not give enough as a basic entitlement
 - Allows too much for “add-ons”.
- No recognition of the unfairness in High Needs funding

In conclusion.....

1. Mainstream school funding remains under significant pressure.
 - Future funding packages need to ensure that they, at least, meet inflationary pressures so that we don't slip back into real-term cuts
 - The NFF is not yet doing its job. We need a more direct route to fair funding
 - The NFF should meet need without the requirement for protections
 - If we don't fund mainstream appropriately, further pressure will be placed on High Needs budgets
2. Revenue and Capital funding to support High Needs need to increase significantly.

In one word, tell us your biggest SEND concern..... what our members said

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* September 2023



Councillor Alex Dale

Chair of f40

Cabinet Member for Education
Derbyshire County Council



How are we campaigning?

- MPs' briefing in Westminster on September 12 on the SEND crisis and fairness
- Letter to the Chancellor and Prime Minister, signed by MPs, asking for substantial extra SEND funding in Autumn Statement
- Meeting with Minister for SEND David Johnston MP
- Meeting with DfE SEND funding team
- Meeting with Shadow Education Spokeswoman Bridget Phillipson MP
- Requesting debate on SEND in House of Commons or Westminster Hall
- Collaborating with ASCL, NEU, NAHT, NGA, EYA on SEND funding / education
- Lobbying for education to be key priority in General Election manifestoes

How you can help

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- Urge your MP to attend the f40 briefing in Westminster on September 12
- Encourage your MP to sign the letter to the Chancellor and PM
- Ask your MP to table questions in the House of Commons around SEND provision
- Provide a short briefing paper, with key stats, to your MP informing of the SEND crisis in their local area (cumulative DSG forecast, EHCP numbers, transport costs, need for extra places / provision)
- Invite your MP to meet with you so you can share local concerns
- Invite your MP to visit local schools to discuss the SEND crisis



Any questions?

If you require more information,
contact Karen Westcott, Secretary of
f40 on email at karen@dtw.co.uk

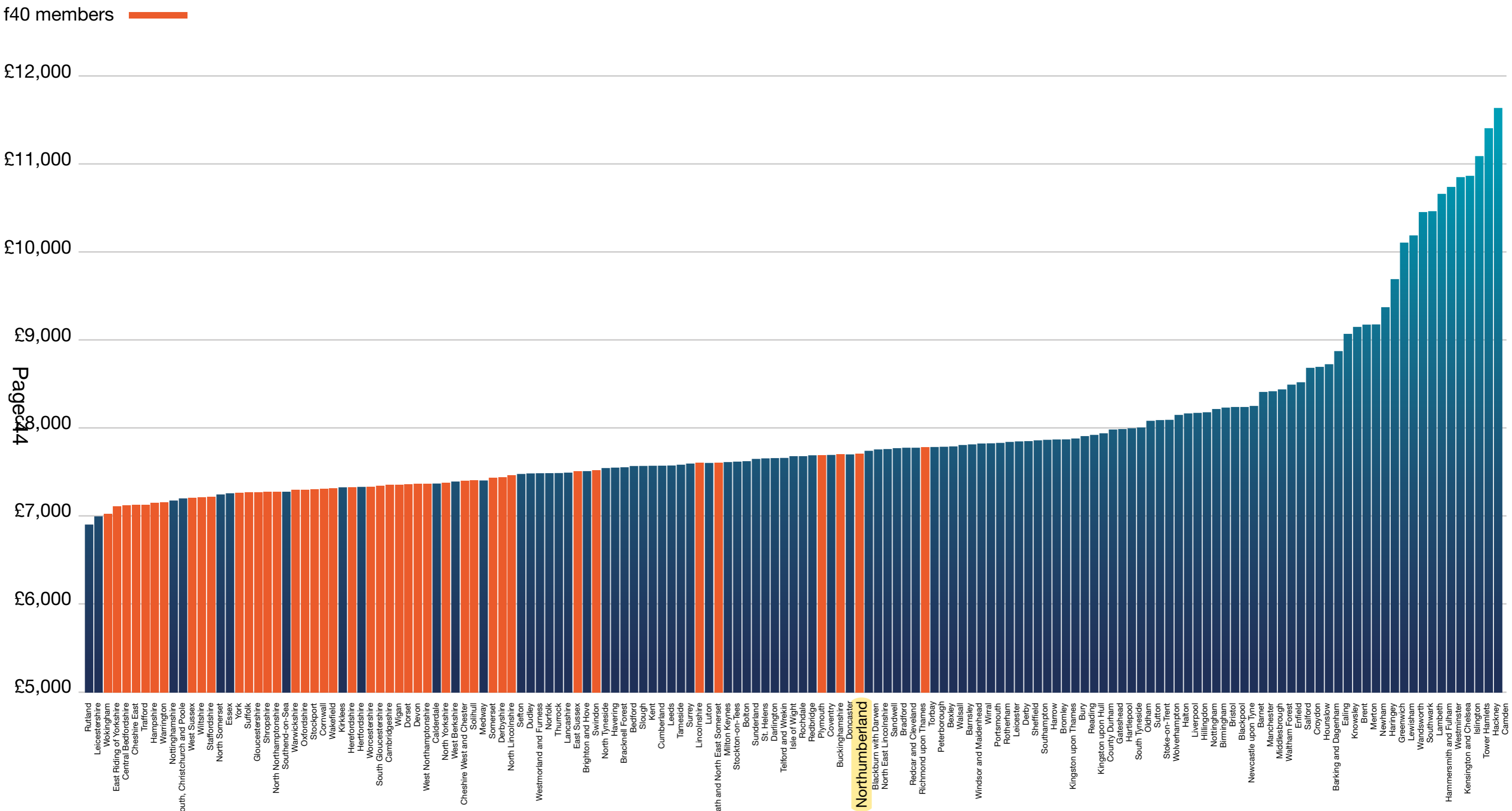
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Thank you

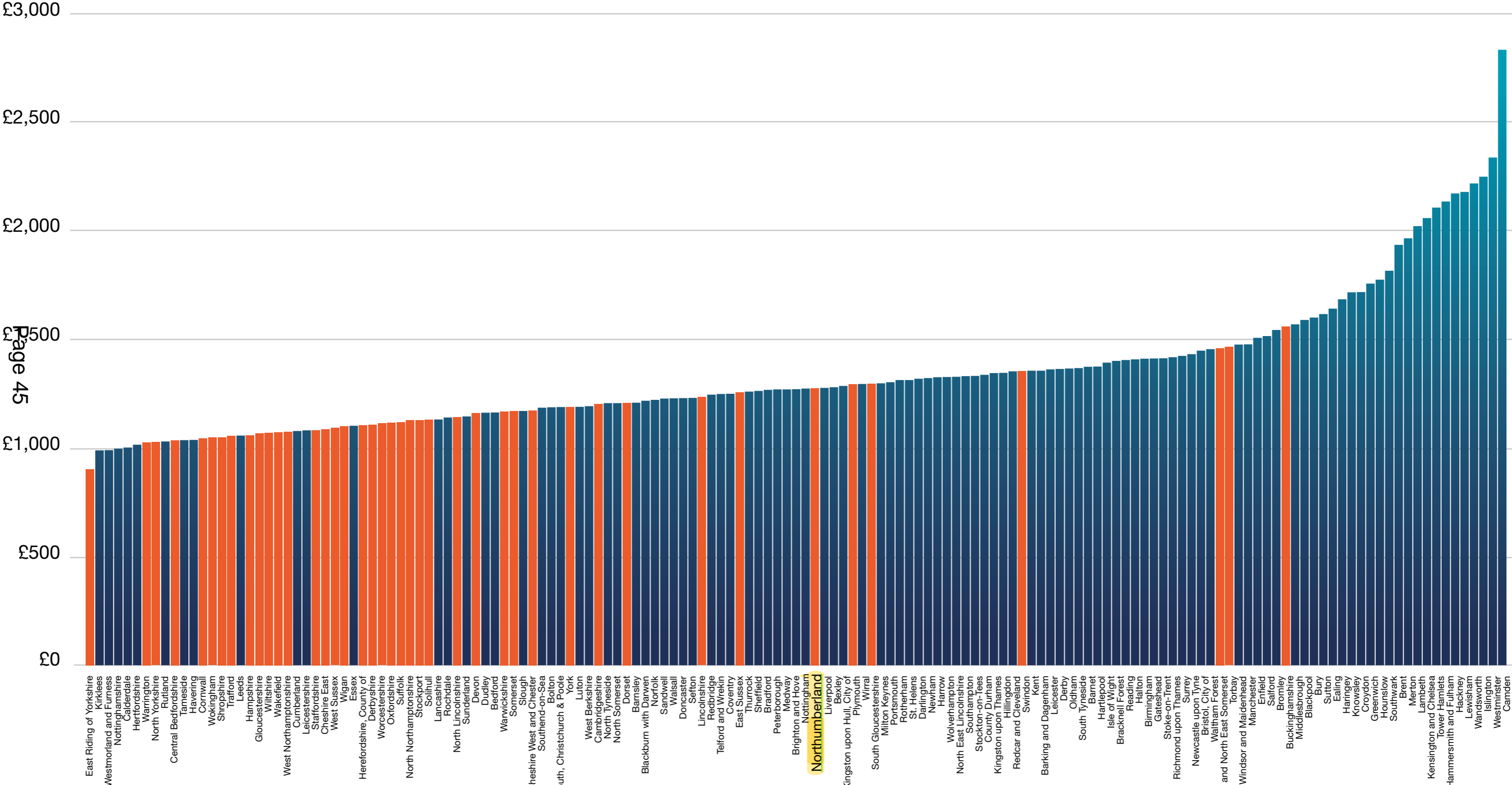


Variation of Gross DSG funding allocation per mainstream pupil by local authority (December 2022)



Variation of High Needs Block funding per pupil allocations 2023-24 by local authority

f40 members 



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Northumberland County Council

Wellbeing and Community Health Services Group
Education and Skills Service

Agenda Item 7

SCHOOLS' FORUM

27 September 2023

Dedicated Schools Grant (DSG): Use of 2022/23 Funding Balances

1. Purpose of the Report

This report provides details of the intended use of the Dedicated Schools Grant (DSG) carry forward from 2022-23 to School Forum members.

2. Recommendations

Schools Forum is asked to:

- a) Note the intended use of £2,434,353 in 2023-24 of the overall carry forward from 2022-23 of £4,501,309 in line with the request at Appendix A.
- b) Note the carry forward to 2024-25 in advance of £2,066,956 from the overall surplus in 2022-23 of £4,501,309.
- c) Note the intention to carry forward the respective DSG blocks (Central Services Schools Early Years, High Needs and Schools Block) on a ringfenced basis into 2023-24.
- d) Approve the proposal to use the Schools Block reserve to create a growth fund to meet demand for new places at St Benet Biscop (£83,738) and Cramlington Learning Village (£108,859) covering the period September 2023 – March 2024.
- e) Approve the proposal to use the Central Schools Block reserve to fund the additional pressures on the cost of Independent Special School places at £77,390.

3. Background

- a) The CIPFA Code of Practice includes a requirement to consult with Schools forum about proposals to carry forward surplus grant from a previous year into a future year, rather than distribute funds in the current year.
- b) The Dedicated Schools Grant operational guidance requires the Local Authority to propose significant pupil growth and the Schools Forum must approve the decision.

4. Proposed use of 2023-24 surplus carry-forward

The final position for the 2022-23 financial year was an underspend of £4.501 million, with a surplus across all blocks as shown below.

	2022-23 Carry Forward	Planned use in 2023-24	Proposed Carry forward to 2024-25
	£m	£m	£m
Central Schools block	0.307	(0.077)	0.230
Early Years block	0.690	-	0.690
High Needs block	1.876	(1.876)	-
Schools block	1.628	(0.481)	1.147
Overall	4.501	(2.434)	2.067

- a) Whilst the Authority has the power to transfer a surplus carry forward between blocks, at the present time, it is proposed that the surplus on each block is ring-fenced.
- b) Discussions have taken place with the relevant Heads of Service to assess the pressures that exist within each DSG Block for 2023-24, the availability of funding in the current year and future pressures. This has identified where we can use the surplus from 2022-23 to support in-year expenditure and where we should set aside funds for the rising demands in 2024-25 onwards.
- c) Budget pressures identified for 2023-24 include the following:
 - Ring-fenced funding for de-delegated services (Schools block)
 - Growth fund for additional places required from September 2023 at Cramlington Learning Village (39 Places) and St Benet Biscops (30 Places) (Schools Block). This is as a result of a need for additional Year 7 places from September 2023.
 - Growth in the number of pupils attending independent school without an EHCP (Central Schools block)
 - Growth in both the number and average value of top-up payments for 2023-24 (High Needs block)
 - Interest earned by those maintained schools with a surplus balance during 2022-23 (schools block)
- d) A detailed list of the commitments for 2023-24 can be found at Appendix A

5 Future pressures for 2024-25 onwards

- a) The balance of the 2022-23 surplus of £2.067 million will be retained in the DSG Reserve. Should the DSG overspend at the end of 2023-24 then a drawdown from the reserve will be required to meet the balance. The future use of the reserve will be considered by Heads of Service when planning for the 2024-25 budget year and beyond.
- b) The following upcoming pressures have already been identified for 2024-25 and beyond:
 - Future pay award
 - The impact of inflation on contracts and fuel
 - Continued rise in demand for alternative provision, special school places and number of pupils with an EHCP. This links to additional top-up funding and place funding.
 - Upcoming school re-organisations across the Berwick and Coquet partnerships

Detailed list of proposed commitments for 2023-24

	Proposal	Amount (£m)
Central Schools Block		
	Independent School provision without an EHCP	0.077
Early Years Block		
	No planned use in 2023-24	-
High Needs Block		
	Fund growth in top-up payments for 2023-24	1.876
Schools Block		
	English as an additional language Service	0.074
	Trade Union facility time	0.130
	Interest earned on individual school balances	0.085
	Growth at St Benet Biscop and Cramlington Learning Village	0.193
Total		2.435

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Agenda Item 9

Northumberland County Council

Schools Forum : 27 September 2023

National Funding Formula and School Funding Update

1. Purpose of Briefing Note

To provide an update in relation to the implementation of the National Funding Formula (NFF) and initial information published by the ESFA in relation to School Funding for 2024/25, including updated NFF values for 2024/25.

2. Recommendations

Schools Forum are recommended to:

- note the report; and
- anticipate a further report as part of formal school funding consultation with the Schools Forum at the 22 November 2023 meeting.

3. Background

Schools Forum has previously received reports outlining developments in relation to the National Funding Formula (NFF). Information from the Department for Education (DfE) has confirmed their intention to move to a National Funding Formula (previously known as the “Hard” Formula though the ESFA are now using the term “Direct” Formula). Once the NFF hard formula is fully implemented, local authorities will have no discretion in the values of the individual factors used to distribute funding to schools, as is the case now, within the overall framework provided by the ESFA Revenue Funding Guide and the associated Authority Proforma Tool (APT) used to calculate individual school budget shares.

The DfE have previously indicated an expectation for LAs by the 2027/28 funding year at the latest.

Following Northumberland’s decision to move the mobility formula factor in line with NFF with effect from the 2023/24 financial year, Northumberland now “mirrors” the National Funding Formula, in line with the classifications introduced by the ESFA last year

- A. Local Authorities that mirror the NFF** are where all formula factors are within 2.5% of the NFF;
- B. Local Authorities that mirror the NFF in most factors** where at least 7 out of 9 factors “mirror” the NFF. Northumberland is in this category as while 8 of the 9 factors mirror NFF, the mobility factor currently sits at 50% of the NFF value.
- C. Local authorities whose formulae are substantially different from the NFF**, where authorities use different factors or values more than 2.5% different from the NFF in 3 or more factors

Local authorities in categories B & C will be required to move their 2024/25 formula factors a minimum of 10% closer to NFF, and the DfE have produced minimum and maximum formula value tables reflecting this. This has no implications for Northumberland.

4. New Information

The total core Schools Budget will total over £59.6 billion in 2024/25. No definitive break down of this has been provided by the ESFA but it is estimated to be :

- £43.3 billion Schools Block ;
- £10.5 billion High Needs Block
- £3.8 billion Early Years Block

The Teachers Pay Additional Grant (TPAG) announced in July 2023, and effective from September 2023, accounted for an additional £482.5 million in 2023/24 and this increases to £827 million for 2024/25 when the full year effect of this taken into consideration. This funding is intended to cover 3% of the 6.5% Teachers Pay Award due from 1 September 2023. Schools are expected to find the other 3.5% through their existing funding streams.

In their updated policy document *The National Funding Formula for Schools and High Needs 2024/25* published in July, and available [HERE](#), the DfE have been keen to emphasise the impact of additional funding over 2 years, making comparisons of an 7.9% per pupil increase compared to 2021-22 but schools should be aware that the increases in overall funds available for 2024/25 will be less than 2023/24, at least on the basis of the latest information available.

The main features of the 2024/25 figures are:

- The core factors in the schools NFF (such as the basic entitlement, and the lump sum that all schools attract) will increase by 2.4%.
- Additional support directed to disadvantaged pupils, by increasing the FSM6 and IDACI factors in the schools NFF by a greater amount than other factors. These factors will increase by 4.3%, compared to their 2022-23 values. This means that we will be targeting a greater proportion of schools NFF funding towards deprived pupils than ever before – 10.1% of the schools NFF will be allocated according to deprivation in 2024/25, up from 9.8% in 23/24.
- Through the minimum per pupil funding levels, every primary school will receive at least £4,655 per pupil (5.7% increase), and every secondary school at least £6,050 (5.9% increase). This compares to figures of £4,405 and £5,715 for 2023/24. It should be noted this includes an adjustment in respect of the Mainstream Schools Additional Grant(MSAG) introduced for 2023/24 as shown in the table below.

Phase	2023/24 MPPF Level	Increase	2024/25 MPPF Level
Primary	£4,405	£143 (2.8%) MSAG + £117 (2.5%) inc	£4,665
KS3	£5,503	£186 (2.9%) MSAG + £135 (2.4%) inc	£5,824 #
KS4	£6,033	£208 (3.0%) MSAG + £148 (2.4%) inc	£6,389 #

the secondary value of £6,050 is a weighted average of the KS3 (3/5) and KS4 (2/5) figures

- The funding floor is again set at 0.5% more pupil-led funding per pupil compared to its 2023-24 NFF allocation.
- As with the School Supplementary (SSG) Grant previously, the 2023/24 MSAG has also resulted in adjustments to the schools NFF 2024/25 formula values to integrate this as an on-going part of schools' core budgets. The following values have been added to NFF factor values and baselines to reflect this:
 - £119, £168 and £190 have been added to the Primary, KS3 and KS4 AWPUs
 - £104 and £152 to the Primary and Secondary FSM6 factors; and
 - £4,510 to the Lump Sum

The announcement was accompanied by indicative figures at a LA level using the previous October 2022 data. There is an ESFA tool providing equivalent School level indicative figures, again using October 2022 data available at : <https://skillsfunding.service.gov.uk/national-funding-formula>

Final LA level allocations will of course be based on October 2023 School Census data, and published in late December.

Appendix A shows the ESFA NFF values for 2024/25, plus the estimated spending attributed to those values nationally. Appendix B provides a comparison of the movement in NFF Values from 2022/23 to 2023/24 and the potential figures for 204/25 should we continue to follow NFF

5. High Needs

Information from the DfE reports £440 million (4.3%) increase for 2024/25, but this should be seen in the context of an initial £570 million (6.3%) increase for 23/24 announced at this stage last year, which was increased by a further £400m following the Chancellor's Autumn Statement in November 2022.

A minimum of 3% per head based on population aged between 2 and 18 will be received by local authorities.

Based on our 2023/24 allocation, before deductions of £51million, a 3% increase would be worth £1.530 million in 2024/25.

6. Central Schools Services Block

The ongoing 20% reduction in the historic commitment element has previously been highlighted and should continue to cover Northumberland's costs in relation to ongoing prudential borrowing costs and termination of employment costs for which the historic element is intended. While the 4.5% increase is larger than last year's 2% increase of 2% for the ongoing responsibilities element, this still does not meet pay and price pressures arising from the NJC award.

	2023/24 (actual)	2024/25 (provisional)	Change	
			£	%
Ongoing Responsibilities	£1,433,789	£1,499,038	+£65,249	+4.5%
Historic Commitments	£835,200	£668,160	-£167,040	-20.0%
TOTAL CSSB	£ 2,268,989	£ 2,167,198	-£180,616	-7.4%

6. Early Years

As in previous years, there has been no information released in relation to the Early Years Block for 2024/25. Early Years funding is based on January census data, and initial 2024/25 figures are expected in December 2023.

7. Timetable

The provisional timetable for the process, spelling out both the LA and DfE's responsibilities is attached at Appendix C. Further information will be provided to November's School Forum meeting, at which formal consultation will take place, followed by a period of consultation with Schools before Christmas.

Factor values and total spend 2023/24 to 2024/25

	2023/24 Unit Values	Total Funding (incl ACA)	Proportion of core total	2024/25 Unit Values	Total Funding (incl ACA)	Proportion of Core Total
Basic per pupil Funding		£31,566m	76.0%			75.7%
Basic entitlement		£31,342m	75.5%		£33,696m	75.3%
Primary basic entitlement	£3,394	£15,549m	37.5%	£3,597	£16,419m	36.9%
KS3 basic entitlement	£4,785	£9,235m	22.2%	£5,072	£9,904m	22.2%
KS4 basic entitlement	£5,393	£6,558m	15.8%	£5,717	£7,183m	16.1%
Minimum per pupil		£223m	0.5%		£191m	0.4%
Primary Minimum Per Pupil funding	£4,405	£178m	0.4%	£4,655	£150m	0.3%
Secondary Minimum Per Pupil funding	£5,715	£46m	0.1%	£6,050	£40m	0.1%
Additional Needs Funding		£7,209m	17.4%		£7,917m	17.8%
Deprivation		£4,062m	9.8%		£4,511m	10.1%
Primary FSM	£480	£510m	1.2%	£490	£540m	1.2%
Secondary FSM	£480	£332m	0.8%	£490	£376m	0.8%
Primary FSM6	£705	£799m	1.9%	£830	£951m	2.1%
Secondary FSM6	£1,030	£887m	2.1%	£1,210	£1,067m	2.4%
Primary IDACI A	£670	£103m	0.2%	£685	£104m	0.2%
Primary IDACI B	£510	£151m	0.4%	£520	£152m	0.3%
Primary IDACI C	£480	£139m	0.3%	£490	£140m	0.3%
Primary IDACI D	£440	£122m	0.3%	£450	£124m	0.3%
Primary IDACI E	£280	£146m	0.4%	£285	£147m	0.3%
Primary IDACI F	£230	£113m	0.3%	£235	£115m	0.3%
Secondary IDACI A	£930	£93m	0.2%	£950	£97m	0.2%
Secondary IDACI B	£730	£146m	0.4%	£750	£151m	0.3%
Secondary IDACI C	£680	£135m	0.3%	£695	£140m	0.3%
Secondary IDACI D	£620	£118m	0.3%	£635	£122m	0.3%
Secondary IDACI E	£445	£158m	0.4%	£455	£165m	0.4%
Secondary IDACI F	£335	£111m	0.3%	£345	£117m	0.3%
Low Prior Attainment		£2,662m	6.4%		£2,857m	6.4%
Primary LPA	£1,155	£1,472m	3.5%	£1,180	£1,617m	3.6%
Secondary LPA	£1,750	£1,190m	2.9%	£1,790	£1,240m	2.8%
English as an Additional Language		£434m	1.0%		£488m	1.1%
Primary EAL	£580	£318m	0.8%	£595	£346m	0.8%
Secondary EAL	£1,565	£116m	0.3%	£1,605	£142m	0.3%
Mobility		£50m	0.1%		£61m	0.1%
Primary Mobility	£945	£40m	0.1%	£925	£48m	0.1%
Secondary Mobility	£1,360	£11m	0.0%	£1,330	£13m	0.0%
School Led Funding		£2,739m	6.6%		£2,900m	6.5%
Lump Sum		£2,642m	6.4%		£2,801m	6.3%
Primary lump sum	£128,000	£2,207m	5.3%	£135,700	£2,339m	5.3%
Secondary lump sum	£128,000	£435m	1.0%	£135,700	£462m	1.0%
Sparsity		£97m	0.2%		£99m	0.2%
Primary sparsity	£56,300	£91m	0.2%	£57,700	£94m	0.2%
Secondary sparsity	£81,900	£6m	0.0%	£83,900	£5m	0.0%
Premises		£539m	1.3%		£527m	
Area Cost Adjustment: Multiplier applied to basic entitlement, additional needs and school led funding (It is included in the factor subtotals)		£1,060m			£1,123m	
Core total (excluding funding floor)		£41,513m			£44,513m	
Floor		£326m			£223m	
Primary floor funding		£175m			£109m	
Secondary floor funding		£151m			£114m	
Premises					£595m	
Incl Split Sites		£76,000		£81,400	£33m	
Total		£42,378m			£45,331m	

FINAL 2023/24 AND POTENTIAL 2024/25 FORMULA VALUES FOR NFF AND NORTHUMBERLAND

Factor (all figures £)	Proposed		Proposed		Movement in NFF values 23/24 to 24/25	Movement in NCC values 23/24 to 24/25
	NFF Values 2023/24	NCC Values 2023/24	NFF Values 2024/25	NCC Values 2024/25		
col (a)	col (b)	col (c)	col (d)	col (e)	col (f)	col (g)
# AWPU : Primary	3,394	3,394	3,597	3,597	5.98%	5.98%
KS3	4,785	4,785	5,072	5,072	6.00%	6.00%
KS4	5,393	5,393	5,717	5,717	6.01%	6.01%
# Lump Sum: Primary	128,000	128,000	135,700	135,700	6.02%	6.02%
Middle	128,000	128,000	135,700	135,700	6.02%	6.02%
High/Secondary	128,000	128,000	135,700	135,700	6.02%	6.02%
Deprivation - Free School Meals						
Primary	480	480	490	490	2.08%	2.08%
Secondary	480	480	490	490	2.08%	2.08%
# Deprivation – FSM6 Primary	705	705	830	830	17.73%	17.73%
Secondary	1030	1030	1210	1210	17.48%	17.48%
Deprivation – IDACi:						
Primary Band F	230	230	235	235	2.17%	2.17%
Band E	280	280	285	285	1.79%	1.79%
Band D	440	440	450	450	2.27%	2.27%
Band C	480	480	490	490	2.08%	2.08%
Band B	510	510	520	520	1.96%	1.96%
Band A	670	670	685	685	2.24%	2.24%
Secondary Band F	335	335	345	345	2.99%	2.99%
Band E	445	445	455	455	2.25%	2.25%
Band D	620	620	635	635	2.42%	2.42%
Band C	680	680	695	695	2.21%	2.21%
Band B	730	730	750	750	2.74%	2.74%
Band A	930	930	950	950	2.15%	2.15%
Low Attainment Primary	1,155	1,155	1,185	1,185	2.60%	2.60%
Secondary	1,750	1,750	1,790	1,790	2.29%	2.29%
EAL Primary	580	580	595	595	2.59%	2.59%
Secondary	1,565	1,565	1,605	1,605	2.56%	2.56%
MOBILITY : Primary	945	945	970	970	2.65%	2.65%
Secondary	1,360	1,360	1,395	1,395	2.57%	2.57%
SPARSITY(max): Primary	56,300	56,300	57,700	57,700	2.49%	2.49%
Middle	81,900	81,900	83,900	83,900	2.44%	2.44%
Secondary/All Through	81,900	81,900	83,900	83,900	2.44%	2.44%
Capping		-				
Scaling		-				
Minimum Funding Guarantee		0.5%		0.5%		

(max of 0.5% dictated by ESFA for 2024/25)

Increases in AWPU, Lump Sum and Deprivation - FSM6 influenced by MSAG element- see Section 4 of report

5 October 2023

- school census day

10 October 2023

Deadline for submitting disapplication requests (for response by December) for:

- MFG exclusions
- exceptional circumstances
- sparsity factors
- lump sum variations for amalgamating schools
- pupil number reductions
- growth funding

27 October 2023

- First deadline for local authorities to provide evidence of the total value of their ongoing prudential borrowing and termination of employment costs, for this funding to be protected in the December DSG allocations

Mid-November 2023

- closing date for submission of the 2024 to 2025 high needs place change workbooks

17 November 2023

Deadline for submitting disapplication requests (for response by the APT deadline) for:

- MFG exclusions
- exceptional circumstances
- sparsity factors
- growth funding
- lump sum variations for amalgamating schools
- pupil number reductions
- deadline for submitting disapplication requests if the local authority wishes to move more than 0.5% of the schools block
- a request must also be submitted if the schools forum has turned down a proposal from the local authority to move funding out of the schools block, but the local authority wishes to proceed with the transfer—the department aims to issue decisions before the APT deadline
- deadline for providing details of any changes to the list of split sites given in the modelling version of the APT

November 2023

- school census database closed
- check and validate school census
- block movement requests from safety valve local authorities - the process for safety valve local authorities is separate and all safety valve local authorities have been sent a letter outlining the process

Mid-January 2024

- schools forum consultation and political approval required for final 2024 to 2025 funding formulae
- 12 January schools block disapplication submission amendment date

22 January 2024

- deadline for submission of final 2024 to 2025 APT to the department

2 February 2024

- second deadline for local authorities to provide evidence of the total value of their ongoing prudential borrowing and termination of employment costs, for this funding to be protected in the March DSG allocations

29 February 2024

- confirmation of schools budget shares to mainstream maintained schools

March 2024

- final allocations to mainstream maintained schools (includes de-delegation)

Timetable - DfE or ESFA activity

July to September 2023

- NFF arrangements for 2024 to 2025 for schools, central school services and high needs published (illustrative allocations, primary unit of funding (PUFs), secondary unit of funding (SUFs), policy document, technical notes)
- operational guidance published setting out arrangements for 5 to 16 mainstream schools implementation for 2024 to 2025
- high needs funding: 2024 to 2025 operational guidance published
- further information to illustrate 2024 to 2025 growth funding allocations has been provided to local authorities

October to November 2023

- publish 2024 to 2025 high needs place change process guidance.
- check and validate school census
- early modelling version of the APT issued to local authorities to help decision making

December 2023

- final APT issued to local authorities, containing October 2023 census-based pupil data and factors
- publication of 2024 to 2025 DSG schools block (prior to academies recoupment), central school services block, initial early years block allocations and updated high needs block allocations for 2024 to 2025

January 2024

- laying the annual Schools and Early Years Finance (England) Regulations

By 31 March 2024

- confirmation of 2024 to 2025 general annual grant for academies open by 9 January 2024
- 2024 to 2025 allocation statements issued to post-16 institutions, academies, and non-maintained special schools
- publication of 2024 to 2025 high needs place numbers at school level

April 2024

- first DSG payments to local authorities based on 2023 to 2024 allocations, including academies recoupment (DSG allocations updated termly for in-year academy conversions), FE high needs place funding deductions, and other adjustments

Summer 2024

- early years block updated for January 2024 early years pupil numbers

Summer 2025

- early years block updated for January 2025 early years pupil numbers (pro rata seven-twelfths, as this relates only to the period September 2023 to March 2024)

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Northumberland County Council SCHOOLS' FORUM

Agenda Item 10

27 September 2023

2023/24 WORK PROGRAMME AND MEETING DATES

Wednesday 27 September 2022 : 9.30-12.00 (Virtual Meeting)

NFF Update

Review of Schools Forum Membership

Wednesday 22 November 2023 : 9.30-12.00 (Virtual Meeting)

National Funding Formula Update & Consultation for 2023/24

SEN Update

Wednesday 17 January 2024: 9.30-12.00 (Provisional)

Setting the DSG for 2022/23 – overall allocations

De-delegation decisions for 2022/23

Wednesday 14 February 2024: 9.30-12.00 (Provisional)

Setting the DSG budget for 2022/23 – individual budgets

**Wednesday 17 July 2023: 9.30-12.00 (Face to Face Meeting, Council Chamber,
County Hall Morpeth)**

DSG Provisional Outturn

Scheme for Financing Schools

Analysis of School Balances

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