



Northumberland County Council

Wellbeing and Community Health Services Group

Education and Skills Service

Meeting: Formula Funding Sub Committee of the School's Forum
Date: 03/11/2021
Time: 9.30am
Venue: Virtual Teams Meeting

<p>Present: Colin Pearson (Acting Chair, Director 3 Rivers Trust) Graeme Atkins (HT, Hadrian Learning Trust) Mike Deane-Hall (HT Wooler First and Glendale Middle) Bruce Parvin (Education & Skills Business Manager)</p>	<p>Darren Warburton (Finance Director, Bede Academy) Ben Watson (Governor, St Roberts RC First School) Graham Wilkins (Governor, St Wilfrid's RC Primary)</p>
--	--

Notes Lisa Headington

Start time:	Action:
1. Welcome and Introductions: All members welcomed and it was agreed for Colin Pearson to chair this meeting in Ben Watson's initial absence.	
2. In Attendance: As above.	
3. Apologies: Ben Ryder and Sue Aviston	
4. Membership And Membership Update BP confirmed no further update or expression of interest in membership. Hoping for more interest next year. CP reported that Ben Watson has agreed to chair the Funding Formula Sub Committee, but was unable to attend the start of the meeting due to commitments in school.	
5. Declaration of personal or pecuniary Interest in any agenda item. No declaration of pecuniary interest declared by members	
6. Minutes of the previous meeting/Matters arising from Previous Minutes: All agreed Minutes held on 15 th September 2021 as a true record.	
7. School's Block NFF: Sparsity Consultation Government Response and potential changes to Sparsity funding 2022/23 BP confirmed that this paper, and others on agenda, would also go to Schools Forum as well as Funding Formula Committee, notwithstanding any comments. BP approached School's Forum back in November 2019 around the disapplication request to the ESFA about a change in methodology for them to use measurement of sparsity by road distances rather than the other "as the crow flies" methods which is still currently used by the ESFA. School's Forum supported this and there was a total of £141,000 allocated to six schools from the 2020/21 DSG and we repeated this for 2021/22. There was a national consultation earlier this year in relation to this issue. Subsequently the government response to the	



Northumberland County Council

	<p>consultation has been published in September, copy of which is available at the link.</p> <p>Among the key recommendations is that road journeys be used as their method of calculation for sparsity distances as opposed to “as the crow flies”.</p> <p>There are two measures that determine whether the school qualifies for sparsity funding. One is the average year group size which varies depending on the phase (e.g for First and primary 21.4 students per year group) and the second criteria is around the average distance of pupil would have to travel to attend their next suitable school should the school was to close. There is a threshold of an average of two or three miles depending on phase.</p> <p>CP checked if both of those criteria had to be fulfilled for schools to qualify. BP confirmed this is the case.</p> <p>It is pleasing to see that the DFE and the ESFA have considered this area and they are adopting the preferred method supported by Northumberland by road, as well as making additional investment in sparsity. The total allocation for 22/23 is set to increase to the £95 million, which is a £53 million increase on the 21/22 figure.</p> <p>Based on October 2020 data, Northumberland will receive an estimated increase of £719,000, or a total of £2.6 million.</p> <p>The result of the consultation and sparsity in additional funding distributed is beneficial in Northumberland. CP commented this was a success story and the fact that this is new money is excellent and acknowledged BPs efforts on behalf of the School's Forum.,</p> <p><i>Ben Watson joined the meeting.</i></p>	
<p>8.</p>	<p>Comparison of 2021-22 NE Schools Block Funding Formula Values</p> <p>A report had been circulated and a presentation made showing how Northumberland’s respective formula values for 2021/22 compared to the other NE authorities and Cumbria (as a geographic neighbour). The key items discussed were the possible inclusion of a mobility factor within Northumberland's funding formula. It was highlighted that this was included with the NFF and that 11 of the 13 authorities currently used this.</p> <p>It was agreed that further consideration should be given to the use of a mobility factor, exploring a phased two step approach as had previously been adopted where other values were not in line with NFF.</p>	<p>BP</p>



Northumberland County Council

	<p>The use of Growth and Falling Rolls Funds were also discussed. Information from the ESFA was circulated at a link within the report. 11 of the 13 LAs, including Northumberland, used a Growth Fund. 2 of the 13 LAs had a Falling Rolls fund in 2021/22. Falling Roll funds were subject to key criteria, as required by the ESFA, which included :</p> <ul style="list-style-type: none">• Support was only available to good or outstanding schools; and• Local planning data needed to show that the surplus school places would be needed within the next 3 financial years <p>It was agreed that subject to available funding that further consideration should be given to a Falling Rolls fund for Northumberland.</p>	BP
9.	<p>National Funding Formula and Dedicated Schools Grant, including consultation on 2022-23 Funding Values</p> <p>November Schools Forum meeting is the key consultation meeting around school funding for 22/23. There are three separate items on the agenda, but they are informing members in relation to subsequent consultation on 2022/23 funding.</p> <p>The report shared with members was discussed. As the final figures are not made available by the ESFA until late December, and Cabinet approval is required at their January meeting, recommendations seek agreement to the setting of formula values in line with the principles outlined in the report, with the delegation of final decision to the Executive Director of Adults and Childrens Services. The final submission to the ESFA is required by 21 January 2022.</p> <p>Appendix A contains a table showing key NFF and proposed Northumberland Formula Values. Essentially, we are looking to complete the 2-phase approach to NFF we agreed last year.</p> <p>Indicative overall DSG funding for 2022/23 was shown for the Schools, High Needs and Central Services to Schools Blocks respectively. These would be updated once October 2021 census data was available. FSM rates were also above NFF for 2021/22 but the starting position for this now needs to be NFF, subject to affordability.</p> <p>It remains Northumberland's intention to seek a transfer of up to 0.5% from the Schools Block for 2022/23, that would be the maximum figure requested. This would support the continued provision of inclusive education services offer, that was previously funded through SLA (Service Level Agreement) charges. The costs of this in 2021/22 are £2.055 million, whereas the maximum funding there be transferred based on the provisional settlement figure would be £1.043 million with the balanced funded from the high needs block.</p> <p>Further information to be shared at the January and February meetings in relation</p>	



Northumberland County Council

	<p>to this. There continues to be pressures on high needs in terms of growing numbers of applications and requests for education, health and care plans.</p> <p>In relation to the Central School Services Block funding, taking the second line first, we are aware of the reductions to the historic element of the responsibilities based on retirement costs and capital costs and have mitigated that accordingly. Discussions with the ESFA last year and had our provisional figure increased to the £1.305 million.</p> <p>It was disappointing to see that within the ongoing responsibilities there was a reduction in the pupil element that it's based on for Northumberland. This year we've sought additional information in relation to that. This funding covers responsibilities for admissions and pupil place planning.</p> <p>We will get a settlement figure through in December and see where we stand in relation to previous years, this will also include EY information.</p> <p>Pupil numbers are of course key around this and will dictate final budget figures.</p> <p>In summary :</p> <ul style="list-style-type: none"> • Support was reiterated for the previously agreed two phase move to NFF rates; that is the key starting point • According to financial availability: • We should if possible establish MFG at 2%, thereby giving the largest possible per pupil increase to all schools; • It was agreed that we could continue to use capping and scaling for 2022/23 to ensure affordability as we move towards NFF; • A mobility element should be included, at a reduced 50% value in line with the general phased approach; • The use of a Falling Rolls fund should be further investigated. <p>BP agreed this was helpful in establishing principles towards setting values for 2022/23.</p>	
10.	<p>Any Other Business</p> <p>No other business discussed, CP thanked everyone for a very useful meeting and thanked all for their attendance and attention.</p>	
Date and Time of Next Meeting: To be confirmed		