

Blackpool Council

4 October 2022

To: Members of the Schools Forum

The above members are requested to attend the:

SCHOOLS FORUM

Tuesday, 11 October 2022 at 9.15 am
in Via Teams

A G E N D A

1 WELCOME, INTRODUCTIONS AND APOLOGIES

2 DECLARATIONS OF INTEREST

Members are asked to declare any interests in the items under consideration and in doing so state:

(1) the type of interest concerned either a

- (a) personal interest
- (b) prejudicial interest
- (c) disclosable pecuniary interest (DPI)

and

(2) the nature of the interest concerned

If any member requires advice on declarations of interests, they are advised to contact the Head of Democratic Governance in advance of the meeting.

3 ELECTION OF CHAIR

To elect a Chair of the Schools Forum until August 2023.

4 ELECTION OF VICE CHAIR

To elect a Vice-Chair of the Schools Forum until August 2023.

- 5?? POWERS, RESPONSIBILITIES AND GOOD PRACTICE OF SCHOOLS FORUMS (Pages 1 - 8)**
- To remind members of the powers and responsibilities of Schools Forums, and to discuss the characteristics of an effective Schools Forum.
- 6?? MINUTES OF THE LAST MEETING HELD ON 14 JUNE 2022 (Pages 9 - 20)**
- To agree the minutes of the last meeting held on 14 June 2022 as a true and correct record.
- 7?? REVIEW OF SCHOOLS FORUM MEMBERSHIP AND CONSTITUTION (Pages 21 - 22)**
- The Schools Forum Constitution requires a review of membership at the first meeting of each academic year. The review should take into account the proportion of primary, secondary and academy representatives in order to ensure that the proportions remain representative of pupil numbers in each phase.
- 8?? LOCAL AUTHORITY UPDATE (Pages 23 - 26)**
- To provide an overview of recent developments within the local authority to the Forum.
- 9?? DEDICATED SCHOOLS GRANT BUDGET MONITORING 2022-2023 (Pages 27 - 30)**
- To report the budget position of the 2022-23 Dedicated Schools Grant as at 31 August 2022 and the amount of Dedicated Schools Grant Reserves Forecast as at 31 August 2022.
- 10?? HIGH NEEDS UPDATE (Pages 31 - 38)**
- To update Schools Forum members on latest developments relevant to the High Needs budget.
- 11?? SCHOOLS FUNDING FORMULA 2023/24 (Pages 39 - 52)**
- To consider the local authority's proposals for the allocation of schools funding in 2023/24.
- 12?? DIRECT NATIONAL FUNDING FORMULA FOR SCHOOLS (Pages 53 - 56)**
- To update Schools Forum members on the Department for Education Consultation – Implementing the Direct National Funding Formula.
- 13?? EARLY YEARS NATIONAL FUNDING FORMULA CONSULTATION (Pages 57 - 60)**
- To update Schools Forum members on the Department for Education Consultation – Early Years Funding Formulae.

14 DATE OF NEXT MEETING

To note the date of next meeting as the 17 January 2023.

Other information:

For queries regarding this agenda please contact Sarah Chadwick, Democratic Governance Senior Adviser, Tel: 01253 477202, e-mail sarah.chadwick@blackpool.gov.uk

Copies of the agendas and minutes of the Schools Forum are available on the Council's website at www.blackpool.gov.uk

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Report to:	SCHOOLS FORUM
Relevant Officer:	Hilary Wood, Head of School Finance and Funding
Date of Meeting:	11 October 2022

POWERS, RESPONSIBILITIES AND GOOD PRACTICE OF SCHOOLS FORUMS

1.0 Purpose of the report:

1.1 To remind members of the powers and responsibilities of Schools Forums, and to discuss the characteristics of an effective Schools Forum.

1.2 Action required: for information (no decision required).

2.0 Recommendation(s):

2.1 To note the powers and responsibilities of a Schools Forum, and to consider the characteristics of an effective relationship between the Schools Forum and the local authority.

3.0 Background Information

3.1 The operation of Schools Forum is governed by the Schools Forum (England) Regulations 2012, and by subsequent amendments. The regulations set out the powers and responsibilities of these statutory bodies.

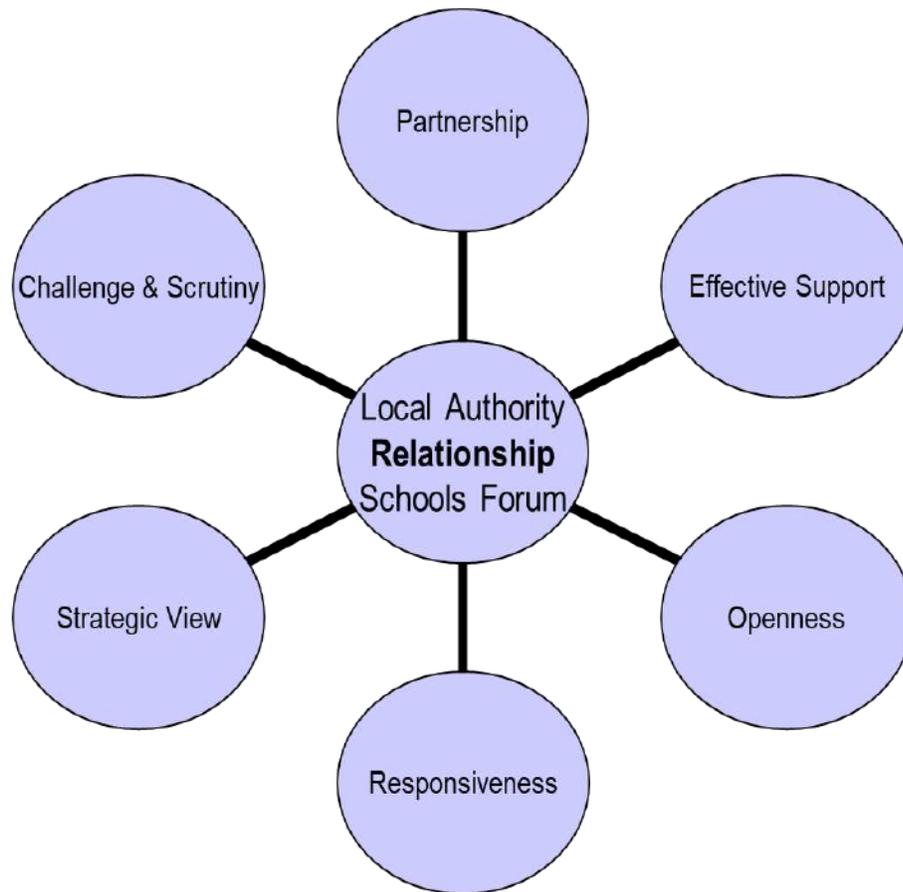
3.2 The Department for Education (DfE) has helpfully set out a summary of the powers and responsibilities in the document that can be found at Appendix (a). The main areas are summarised in the table below:

Schools Forum must be consulted on:	Schools Forum decides on:
Changes to schools formula	Movement of up to 0.5% from schools block to other blocks
Minimum funding guarantee in schools formula	Central spend and criteria for pupil growth and falling rolls
Changes to Early Years formula	Other central spend
Financial arrangements for pupils with SEND	De-delegation and education functions (maintained schools only)
Financial arrangements for pupils in Alternative Provision	Scheme for Financing Schools (maintained schools only)

Financial arrangements for Early Years provision	Election of chair and voting procedures
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3.3(7) The DfE also publishes an Operational and Good Practice Guide for Schools Forums, which can be found at this link: [DfE external document template \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk). This document summarises the requirements of the Regulations, including membership and constitution, and procedural matters.

3.4(7) Section 2 of the Operational and Good Practice Guide outlines some aspects of what local authorities and Schools Forums should consider in ensuring that their Schools Forums are as effective as possible. It sets out the characteristics of an effective relationship between Schools Forums and local authorities, as follows:



List of acronyms:

DfE – Department for Education
 SEND – Special Educational Needs and Disabilities

List of Appendices:

Appendix 5(a) – Schools Forum Powers and Responsibilities



Schools forum powers and responsibilities

A summary of the powers and responsibilities of schools forums.

Function	Local authority	Schools forum	DfE role
Formula change (including redistributions)	Proposes and decides	Must be consulted [voting restrictions apply - see schools forum structure document] and informs the governing bodies of all consultations	Checks for compliance with regulations
Movement of up to 0.5% from the schools block to other blocks	Proposes	Decides	Adjudicates where schools forum does not agree LA proposal
Contracts (where the LA is entering a contract to be funded from the schools budget)	Proposes at least one month prior to invitation to tender, the terms of any proposed contract	Gives a view and informs the governing bodies of all consultations	None

Function	Local authority	Schools forum	DfE role
Financial issues relating to: <ul style="list-style-type: none"> • arrangements for pupils with special educational needs, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding • arrangements for use of pupil referral units and the education of children otherwise than at school, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding • arrangements for early years provision • administration arrangements for the allocation of central government grants 	Consults annually	Gives a view and informs the governing bodies of all consultations	None
Minimum funding guarantee (MFG)	Proposes any exclusions from MFG for application to DfE	Gives a view	Approval to application for exclusions

Function	Local authority	Schools forum	DfE role
De-delegation for mainstream maintained schools for: <ul style="list-style-type: none"> contingencies administration of free school meals insurance licences/subscriptions staff costs – supply cover support for minority ethnic pupils/underachieving groups behaviour support services library and museum services School improvement 	Proposes	Maintained primary and secondary school member representatives will decide for their phase. Middle schools are treated according to their deemed status	Will adjudicate where schools forum does not agree LA proposal
General Duties for maintained schools <ul style="list-style-type: none"> Contribution to responsibilities that local authorities hold for maintained schools (please see operational guide for more information) 	Proposes	Would be decided by the relevant maintained school members (primary, secondary, special and PRU).	Adjudicates where schools forum does not agree LA proposal
Central spend on and the criteria for allocating funding from: <ul style="list-style-type: none"> funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy 	Proposes	Decides	Adjudicates where schools forum does not agree LA proposal

Function	Local authority	Schools forum	DfE role
<ul style="list-style-type: none"> funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years 			
<p>Central spend on:</p> <ul style="list-style-type: none"> early years block provision funding to enable all schools to meet the infant class size requirement back-pay for equal pay claims remission of boarding fees at maintained schools and academies places in independent schools for non-SEN pupils admissions servicing of schools forum Contribution to responsibilities that local authorities hold for all schools 	Proposes	Decides	Adjudicates where schools forum does not agree LA proposal
<p>Central spend on:</p> <ul style="list-style-type: none"> capital expenditure funded from revenue – projects must have been planned and decided on prior to April 2013 so no new projects can be charged contribution to combined budgets – this is where the schools forum agreed prior to April 2013 a 	Proposes up to the value committed in the previous financial year and where expenditure has already been committed.	Decides for each line	Adjudicates where schools forum does not agree LA proposal

Function	Local authority	Schools forum	DfE role
<p>contribution from the schools budget to services which would otherwise be funded from other sources</p> <ul style="list-style-type: none"> existing termination of employment costs (costs for specific individuals must have been approved prior to April 2013 so no new redundancy costs can be charged) prudential borrowing costs – the commitment must have been approved prior to April 2013 	<p>Read establishing local authority DSG baselines for more information.</p>		
<p>Central spend on:</p> <ul style="list-style-type: none"> high needs block provision central licences negotiated by the Secretary of State 	<p>Decides</p>	<p>None, but good practice to inform forum</p>	<p>None</p>
<p>Scheme of financial management changes</p>	<p>Proposes and consults the governing body and Head of every school</p>	<p>Approves (schools members only)</p>	<p>Adjudicates where schools forum does not agree LA proposal</p>
<p>Membership: length of office of members</p>	<p>Decides</p>	<p>None (but good practice would suggest that they gave a view)</p>	<p>None</p>
<p>Voting procedures</p>	<p>None</p>	<p>Determine voting procedures</p>	<p>None</p>

Function	Local authority	Schools forum	DfE role
Chair of schools forum	Facilitates	Elects (may not be an elected member of the Council or officer)	None

Public Document Pack Agenda Item 6

MINUTES OF SCHOOLS FORUM MEETING - TUESDAY, 14 JUNE 2022

Present:

Special School Maintained Representative

Mr N Oldham, Highfurlong

Academy / Free School Representatives

Mr S Eccles, St Mary's (BEBCMAT)

Mr R Farley, Westminster (FCAT) (Chair)

Ms T Harrison, Thames / Roseacre (AtC)

Mr A Hussain, Highfield / Star

Pupil Referral Unit

Ms V O'Farrell, Education Diversity

Non-Schools Members

Ms A Baines, Staff/Teacher Associations

Post 16

Ms J Gray, Blackpool Sixth Form College

In Attendance:

Ms C Baron, Head of SEND

Mr D Maddocks, Senior Accountant

Mr P Turner, Assistant Director – School Improvement and SEND

Mrs H Wood, Head of Business Support and Resources

Mrs D Bowater, Democratic Governance Adviser (minutes)

1 WELCOME, INTRODUCTIONS AND APOLOGIES

Roger Farley welcomed attendees to the meeting.

Apologies for absence were received from Helen Moreton (Holy Family); Elaine Allen (St John Vianney); Michelle Lonican (Our Lady); Gill Hughes (Park / Sea View); Matt McIver (St George's/Baines Endowed / Cidari); Edward Vitalis (South Shore / Marton /Bright Futures); Rachel Dey (Pebbles Day Nursery); Neil Adams (UNISON); Graeme Dow (Anchorsolme/Sea View) and Simon Brennand (Unity / FCAT).

2 DECLARATIONS OF INTEREST

There were no declarations of interest noted.

3 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on Tuesday 15 March 2022 were considered and agreed as an accurate record.

MINUTES OF SCHOOLS FORUM MEETING - TUESDAY, 14 JUNE 2022

Matters arising from the minutes:

An update from the High Needs Working Group meeting would be presented to the June 2022 Schools Forum meeting to update on Early Help budget plans – the update would be presented at item 7.

A report on college attendance would be included in the local authority update at the next Schools Forum meeting including the impact on numbers of young people not in education, employment or training – the update was not included at item 4, the update would be requested for the October 2022 Schools Forum meeting (Paul Turner).

An update would be presented at a future meeting giving further details of Education Investment Areas once the announcements had been received – there were no updates on the Education Investment Areas at the time of the meeting, an update would be sought at the next meeting.

It was agreed that an update on proposals for early help interventions to support schools be presented to the June 2022 Schools Forum following discussions at the High Needs Funding Working Group on 21 March 2022 - the update would be presented at item 7.

The High Needs Funding Working Group to be given delegated powers to respond to the local authority on the additional EHE posts on behalf of the Schools Forum – an update following the discussions would be presented at item 7.

Information on increasing running costs for schools be collated and circulated to headteachers and business managers – the information was circulated to headteachers and business managers by Hilary Wood.

Actions:

- ***A report on college attendance would be included in the local authority update at the next Schools Forum meeting including the impact on numbers of young people not in education, employment or training – the update was not included at the June 2022 Schools Forum meeting therefore the update would be requested for the October 2022 Schools Forum meeting (Paul Turner).***
- ***An update would be presented at a future meeting giving further details of Education Investment Areas once the announcements had been received – as there were no updates at the June 2022 Schools Forum on the Education Investment Areas, an update would be sought at the next meeting (Paul Turner).***

4 LOCAL AUTHORITY AND INCLUSION UPDATE

Paul Turner provided an update on recent developments from the local authority since the previous meeting.

In relation to attendance it was noted that over the academic year, overall attendance had been over 90% with the primary sector higher than secondary. However, attendance figures had been lower than 90% in all secondary years aside from year 7. It was anticipated that attendance would resume to normal pre-covid patterns next year. A notable increase in elective home education was reported however some pupils were returning to school. It was reported that there were eight school attendance orders pending, which required significant work from the Pupil Welfare Team.

It was reported that numbers of pupils in the Pupil Referral Unit were lower than in the previous year with 80 pupils expected to be on roll in September 2022.

The report highlighted the outcomes of Ofsted inspections undertaken at Montgomery (requires improvement), Langdale (good) and Hawes Side (good) schools. A further inspection outcome had been published for Devonshire School which received a 'requires improvement' rating. It was commented that although the rating was 'requires improvement' at Montgomery, there had been improvements acknowledged by inspectors but not enough to change the rating.

In relation to SEND, the SEND Area Inspection report was provided as were the four points of action that the partnership was required to address in the Written Statement of Action.

Questions and comments were welcomed.

It was commented that the number in EHE in Blackpool was double the national average but lower level data was unavailable to compare. In context, it was commented that the resilience of families had been impacted by the pandemic resulting in some children not wanting to attend school and parents supporting this. It was also evident that there were resources in the form of letter templates available online for parents to use to inform the local authority of their decision to home educate. It was suggested that the resilience of families could be addressed through the High Needs budget.

It was queried whether taking families to court was effective to improve the attendance situation and confirmed that the process only worked for some family cases.

It was commented that there were a number of referrals to the Pupil Referral Unit to access short stay inclusion options and respite referral options for Key Stage 3 and Key Stage 4. It was acknowledged that the Inclusion Strategy reflected the PRU services being used more.

Paul Turner commented that the improving picture, where the young person remained on the roll of the school but accessed services from the PRU, was in line with the findings of the Timpson Review, and schools were seeing the benefit of the widening local alternative provision market.

5 DEDICATED SCHOOLS GRANT YEAR END BUDGET MONITORING 2021/22

Darren Maddocks reported on the year end budget position of the 2021-22 Dedicated Schools Grant and the amount of Dedicated Schools Grant Reserves Forecast as at 31 March 2022 for information.

It was reported that there were significant pressures on the High Needs Block. To manage the costs pressures a High Needs Block Medium Term Financial Plan incorporating an inclusion strategy and a social, emotional and mental health Free School were being developed. However, expenditure continued to be in excess of Department for Education funding in the short term.

The High Needs Budget over spent by £616k in 2021-22 due to pressures in Special Schools, Pupil Referral Units, Exceptional Circumstances Funding and Post 16 Education. The Early Years Block under spent by £137k due to a lower demand for childcare places than budgeted and the Schools Block over spent by £10k which was as a result of an historic equal pay cost offset by staff savings within School Admissions.

As Schools Forum had set a deficit budget of £327k for the 2021-22 financial year, the addition of the over spend of £561k resulted in a total in-year deficit of £888k. Therefore the position as at 31 March 2022, after incorporating the brought forward balance of £5.762m and offsetting the previously reported release of the New and Growing Schools provision (£1,694k) was a deficit of £4.956m.

It was reported that Maintained School balances increased from £3.58m to £4.13m over the year to 31 March 2022, no schools were in deficit with an average balance as a percentage of School Budget Share at 16.7%, up from 15.2%.

There were no questions following the report.

6 DEDICATED SCHOOLS GRANT BUDGET MONITORING 2022/23

Darren Maddocks reported on the budget position of the 2022-23 Dedicated Schools Grant and the amount of Dedicated Schools Grant Reserves Forecast as at 30 April 2022 for information.

It was reported that the budget monitoring to the end of April 2022 was forecasting a £579k under spend against a budgeted under spend of £1,608k, an adverse variance of £1,029k to plan. The major in-year variances included:

- Out of Borough placements demand higher than budgeted of £607k.
- Special School placements pressure of £258k.
- Resource provision £112k pressure relating to an additional class at Marton Primary Academy.

In relation to forecast reserves it was reported that budget monitoring for the 2022/23

MINUTES OF SCHOOLS FORUM MEETING - TUESDAY, 14 JUNE 2022

Financial Year forecasted a £579k surplus which would reduce the brought forward deficit of £4.956m to £4.377m by 31 March 2023. This excluded the maintained schools reserves of £4.129m.

Following the report there was a question relating to the additional class at Marton Primary Academy. It was noted that the school had provided 24 places for primary aged children with Autism Spectrum Disorder and due to increased demand, it would be increased by eight places from September 2022.

Further to this, Paul Turner indicated that there should be transparency relating to the planned pressures on budgets including the cost of living increases to forecast realistic budgets. It was also acknowledged that some of the maintained schools would become academies affecting the maintained school reserves.

Members also acknowledged that there needed to be place planning conversations including the capacity for mainstream secondary places. It was reported that there was planned increased capacity in the special school estate over the next couple of years.

7 HIGH NEEDS UPDATE

Hilary Wood provided an update on the latest developments in relation to the High Needs budget.

Medium Term Financial Plan

As reported in previous meetings, Blackpool was experiencing financial pressures on its High Needs Budget. In order to better understand Blackpool's financial position, a medium-term financial plan had been developed to monitor forecast expenditure against the High Needs Budget, and factor in predictions of where savings may be achieved.

Despite additional government funding in recent years, pupil numbers in high cost placements continued their upward trend. Costs in 2021/22 exceeded the High Needs funding allocation by £2.374 million. However, transfers from other funding blocks, together with the release of the new and growing schools provision, combined to offset pressures, with the cumulative deficit against Dedicated Schools Grant (DSG) reducing by £805k to £4.957 million at the end of March 2022.

The medium-term financial plan had been updated. It was reported that assumptions had been made about inflationary uplifts on relevant expenditure lines in 2022/23, but no assumptions had yet been made about increases to income or costs beyond 2022/23. The plan had also been extended to 2026/27 so that the local authority continued to have a five-year forward view of financial forecasts.

As indicated at previous meetings given the scale of the deficit and the ongoing pressures on costs, it had been assumed that a 0.5% transfer from Schools Block would continue to be required in future years, subject to approval by Schools Forum each year. This had been shown on the Medium-Term Financial Plan for illustration purposes in each year until

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2026/27, when it is anticipated that the direct National Funding Formula may be implemented.

Despite a substantial uplift in High Needs funding for 2022/23 an estimated overspend of £400k for the year was anticipated. Only transfers from other DSG blocks looked set to bring about a net repayment of £579k, reducing the cumulative deficit to an estimated £4.378 million by March 2023.

There were no questions or comments on the medium term financial plan.

Safety Valve Programme

At the March 2022 meeting the Schools Forum had received an update on Blackpool's inclusion in the Department for Education's (DfE) Safety Valve programme for those local authorities with the highest percentage DSG deficits. The programme required those local authorities to develop plans for reform to their high needs systems and associated spending, with support and challenge from the DfE, to rapidly place them on a sustainable footing. The authorities would be held to account for their reform and savings via regular reporting to the DfE. The DfE in turn would help the local authorities with additional funding over time to contribute to their historic deficits, contingent on delivery of the reforms. Capital funding could also be made available to support the creation of local provision if projected revenue savings could be demonstrated.

An introductory meeting with DfE and ESFA officials was held in May 2022 to discuss the Safety Valve agreement with them, including the plan to deliver sustainable provision, demonstration of a balanced High Needs budget and, where possible, a contribution to the writing off of the deficit with future High Needs allocations. Prior to this, preparation work was required and outlined along with timescales in the report.

It was noted that the DSG management plan allowed local authorities to plot the financial impact of no action being taken, then add actions – or 'mitigations' – to the plan to demonstrate how savings could be achieved to arrive at an in-year balanced budget.

Local authority officers would prioritise the development of the tool, taking into account courses of action already planned to address the deficit position. It was hoped that the Safety Valve programme would afford opportunities to accelerate existing plans, particularly around the creation and rationalisation of local provision in order to reduce costs.

It was recognised that the work on the DSG management plan needed to link with the actions being taken in response to the Written Statement of Action issued following the recent Joint Area SEND Inspection, and the DfE had appointed the same SEND Advisor to support both of these workstreams.

Questions and comments were welcomed.

It was asked whether the DfE would write off the deficit and confirmed that they may do so if the plan balanced the budget.

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It was asked whether the process would also consider the Education Investment Area. It was noted that the Safety Valve process would aim to improve provision and write off debt.

Early Help in Schools

Following discussions at the Schools Forum meeting in March 2022, a meeting of the High Needs Funding Working Group took place on 21 March 2022 to consider priorities for early help in schools. It was noted that £400k per year had been allowed for within the Medium-Term Financial Plan for future early help initiatives. The Working Group considered a number of existing projects whose temporary funding was due to end in the short-term, and made recommendations for the most effective targeting of this funding. The report outlined six initiatives considered.

With powers delegated to it by Schools Forum in March 2022, the High Needs working group agreed that £100k of funding should be allocated to the creation of additional EHE officer roles, given the increasing number of EHE pupils. The High Needs working group recommended that the remaining £300k set aside for Early Help should be used to develop a Family Support Workers in schools model that was fully integrated with the Council's Early Help team. They recommended that the model should be co-produced with schools, and jointly commissioned with and funded by social care and Health.

Questions and comments were welcomed.

One member asked whether health colleagues would contribute financially to the model as it also benefited health services. Paul Turner confirmed that the model would be developed from Christmas 2022 and involved health colleagues and discussions were being held.

A further question asked about accessing counselling services. It was noted that there should be a discussion as to how schools access counsellor support and whether a group of school counsellors could work together to provide a more coordinated service.

It was agreed that the High Needs Working Group should reconvene to discuss the model and funding routes with primary and secondary sector colleagues.

A further question asked whether secondary sector colleagues had been consulted about one of the projects that was not recommended for ongoing funding. It was recognised that the secondary sector was aware of the need to make a balanced decision according to budgets. Paul Turner confirmed that all areas which received funding from the Opportunity Area or the High Needs block were discussed as there was limited resources. It was also noted that each team or provider of services being discussed had been invited to submit a two page summary so the group were informed when they discussed the options.

Action:

- **It was agreed that the High Needs Working Group should meet to discuss the Family Support Worker in Schools model and funding routes with primary and secondary sector colleagues.**

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Review of Special School Funding

Following an update at the last meeting, special schools had asked the local authority to revisit funding allocations for 2022/23 in light of significant cost pressures, and in consideration of the Schools Supplementary Grant received by the authority for High Needs provision, but which mainstream schools had received directly.

It was noted that a proposal had been put to special schools for their consideration regarding an uplift to top-up rates that would equate to additional funding of between 3 and 4% per school, plus changes to the lump sum arrangements. Pending feedback from schools and trusts, assumptions of increased costs had been built into the latest forecasts of expenditure.

There were no questions on the review of Special School Funding.

SEND Place Planning

It was noted that only around 41% of children and young people with EHC plans attended a mainstream school or setting, compared to a national picture of around 50%. With the exception of Lotus School, which was growing to full capacity, all special schools were full. A meeting was held in April 2022 with various school and academy leaders to share thoughts and seek feedback on SEND place planning.

The group agreed that seven principles that would underpin future planning for places and a vision for SEND provision in 2025 was outlined. It was recognised that the vision would need to align with the local area's response to the Written Statement of Action following the recent inspection, and with the DSG management plan being developed under the Safety Valve programme. With this achieved, the High Needs costs would start to stabilise and allow a more planned approach to the use of available resources. It was reported that capital works had been completed or were in the pipeline, including adapting the Oracle to accommodate Park's post-16 pupils, providing additional temporary accommodation at Park's main site, and planning for an expansion at Highfurlong.

Following the update, it was commented that there was a shortage of qualified teaching assistants to provide inclusive provision in mainstream schools. It was acknowledged that work was underway to develop an offer of training and information available that could be accessed from September 2022 to address the issue and upskill staff in mainstream settings.

Early Years Inclusion Fund

It was reported that Local authorities were required to have inclusion funds for all three and four year olds with SEND who are taking up the free early years entitlements, regardless of the number of hours taken. As a result of a forecast overspend on the £30k inclusion fund budget in 2021/22, the budget for 2022/23 was doubled to £60k through efficiencies realised in the early years central expenditure. The actual expenditure by the end of the 2021/22 financial year was £71k, and forecasts for 2022/23 were even higher. Until now,

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all costs had fallen to the Early Years block, but it was proposed that the High Needs block contributes to costs, and an estimate of an additional £30k had been included in forecasts for the current and future years.

There were no questions following the update.

SEND Equipment

Changes had been proposed in 2021 to the funding of equipment for pupils with Special Educational Needs and Disabilities, whereby the first £500 of the costs would be met by schools. However due to the process being too bureaucratic, the process would revert back to the local authority ordering and paying for any equipment costing over £300, and the school ordering and paying for any small items costing less than £300.

Schools could also be allocated any larger items of recycled equipment from stores at no cost to them. Should any schools incur a significant volume of costs under the £300 limit that they feel cannot be met from their budget, they would be able to apply to the local authority for financial support under the Exceptional Circumstances process.

The revised arrangements came into effect on 1st June 2022.

In response to a question, it was confirmed that schools had been informed of the changes. It was agreed to send out information on the system and process for the recycling of equipment not in use.

Action:

- **It was agreed to send out information on the system and policy for recycling SEND equipment not in use. (Hilary Wood)**

Following the High Needs Update, Members in attendance agreed to note the decision of the High Needs Working Group to agree to the funding of two additional Elective Home Education Officers at a cost of c.£100k, using powers delegated to it at the Schools Forum in March 2022.

Members in attendance also agreed to support the recommendation of the High Needs Working Group that the remaining £300k set aside for Early Help should be used to develop a Family Support Workers in schools model that is fully integrated with the Council's Early Help team.

Finally, Members in attendance agreed to support a contribution from the High Needs budget to costs of the Early Years Inclusion Fund of £30k.

Resolved:

- **Members in attendance agreed to note the decision of the High Needs Working Group to agree to the funding of two additional Elective Home Education Officers at a cost of c.£100k, using powers delegated to it at the Schools Forum in March 2022.**

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- **Members in attendance also agreed to support the recommendation of the High Needs Working Group that the remaining £300k set aside for Early Help should be used to develop a Family Support Workers in schools model that is fully integrated with the Council's Early Help team.**
- **Members in attendance agreed to support a contribution from the High Needs budget to costs of the Early Years Inclusion Fund of £30k.**

Any other Business

Hilary Wood informed the Members that a consultation on the National Funding Formula had been issued by the Department for Education on 7 June 2022 and would require a response prior to the next Schools Forum meeting. This was the second stage consultation on the move to a direct funding formula, whereby schools would receive their allocations based on the national formula, rather than through local re-distribution.

Hilary Wood outlined some highlights from the consultation including: local flexibility on the transfer of funding from the Schools Block to the High Needs Block; growth funding options, including an option for popular growth to be extended to maintained settings; split site funding; standardisation of school exceptional premises funding; technical changes relating to the minimum funding guarantee; and an annual funding cycle. Hilary Wood indicated that she would circulate the link to the consultation.

Action:

- **Hilary Wood to circulate the link to the ESFA National Funding Formula consultation.**

8 SCHOOLS FORUM MEETING DATES FOR 2023

The dates for the 2023 Schools Forum meetings were considered and agreed as:

Tuesday 17 January 2023

Tuesday 7 March 2023

Tuesday 20 June 2023

Tuesday 10 October 2023

9 DATE OF THE NEXT MEETING

The date of the next meeting was noted as Tuesday 11 October 2022.

10 GLOSSARY OF TERMS

The glossary of terms was provided for information.

MINUTES OF SCHOOLS FORUM MEETING - TUESDAY, 14 JUNE 2022

Chairman

(The meeting ended 10.48am)

Any queries regarding these minutes, please contact:

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Report to:	SCHOOLS FORUM
Relevant Officer:	Hilary Wood, Head of School Finance and Funding
Date of Meeting:	11 October 2022

REVIEW OF SCHOOLS FORUM MEMBERSHIP AND CONSTITUTION

1.0 Purpose of the report:

- 1.1 The Schools Forum Constitution requires a review of membership at the first meeting of each academic year. The review should take into account the proportion of primary, secondary and academy representatives in order to ensure that the proportions remain representative of pupil numbers in each phase.
- 1.2 The Constitution has been reviewed for compliance with the Schools Forum Regulations (England) 2012, which are amended through subsequent Schools and Early Years Finance (England) Regulations.
- 1.3 Action required: for consultation (local authority decision).

2.0 Recommendation(s):

- 2.1 To support the retention of the existing balance of representatives between maintained primary and academy mainstream schools.
- 2.2 To support the continuation of arrangements in relation to provisions in the Constitution in respect of numbers of representatives from any federation, multi-academy trust or academy sponsor.

3.0 Background Information

- 3.1 Since the membership was last reviewed, there have been two conversions of maintained schools to academies. Eleven of the Forum's 17 members represent maintained primary and academy mainstream schools.
- 3.2 The table below details the number and percentage of pupils in these categories at September 2021 and September 2022. With 77.7% of total pupils in mainstream schools, there has been a slight shift in the balance of pupils in each type of setting. When applied to the 11 school member places, this would result in just over 8.5 places for academies, and just under 2.5 places for maintained primary schools.

	September 2021			September 2022		
	Pupil nos	%	Members	Pupil nos	%	Proposed Members
Maintained primary heads	4447	24.4%	2	4073	22.3%	2
Maintained primary governor			1			1
Academies	13815	75.6%	8	14160	77.7%	8
Total	18262		11	18233		11

- 3.3 However, given the very marginal difference, and the fact that current membership expires in August 2023, it is proposed that the existing balance is retained, with 8 members from academies, and 3 members (including one governor representative) from maintained primary schools.
- 3.4 The balance of membership will be reviewed again in September 2023, with the potential of further academy conversions by that date. Elections would then be carried out for members at the revised numbers for each sector.
- 3.5 In October 2014, Schools Forum agreed to relax constraints on federations, multi-academy trusts and academy sponsors. The constitution now contains provisions to allow federations, multi-academy trusts or academy sponsors representing three or more schools in Blackpool to nominate up to two members of Forum. It is proposed that these provisions are retained.
- 3.6 No changes to the Schools Forum Constitution and Terms of Reference are proposed.

Report to:	SCHOOLS FORUM
Relevant Officer:	Paul Turner, Assistant Director of Children's Services
Date of Meeting:	11 October 2022

LOCAL AUTHORITY UPDATE

1.0 Purpose of the report:

1.1 To provide an overview of recent developments within the local authority to the Forum.

1.2 ~~2~~ Action required:

- For information (no decision required)

2.0 Recommendation(s):

2.1 This report is presented for information only.

3.0 Background Information

The focus for School Forum is inclusion, linked to High Needs spending. The data below gives an insight into current performance and developments within the Blackpool school system. Additional updates on staffing, Ofsted inspections and local educational developments are included.

3.1 Inclusion summary data and updates

Attendance

Blackpool school attendance is currently 93.6%
Primary 95.55%
Secondary 90.86%

Exclusions and Suspensions

188 Suspensions in the secondary academies
5 Permanent Exclusions

Pupil Referral Unit numbers

Pupils on roll 5 September 2022 – 97
55 pupils single-roll on 2/10/2022 (39 in Y10 and Y11)

Elective Home Education

323 pupils on Elective Home Education at 5th Sept 2022.
156 in Y10 and Y11.

5.2 Ofsted inspections

Unity Academy– Requires Improvement

Kincraig Primary School – Good

St Bernadette’s Catholic Primary School- Good

St Kentigern’s Catholic Primary School – Ofsted Academy Conversion letter

St Teresa’s Catholic Primary School - Ofsted Academy Conversion letter

5.3 SEND and Local Area SEND inspection

The SEND written statement of action has been accepted by Ofsted and the CQC and is published on the Council website and the SEND local offer page. Schools will receive an update in October to set out the next steps.

5.4 Education Investment Areas

The Priority Education Investment Area board has now been established as a board linked to the Blackpool Education Improvement Board. It follows on from the Opportunity Area Board and has been constituted by the Department for Education.

5.5 Local Authority staffing updates

Jeremy Mannino has been successful in securing the permanent position of Head of School Standards, Safeguarding and Inclusion.

5.6 List of acronyms:

EHE – Elective Home Education

PRU – Pupil Referral Unit

SEND – Special Education Needs and Disabilities

List of Appendices: None.

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Report to:	SCHOOLS FORUM
Relevant Officer:	Darren Maddocks, Strategic Management Accountant
Date of Meeting:	11 October 2022

DEDICATED SCHOOLS GRANT BUDGET MONITORING 2022-2023

1.0 Purpose of the report:

- 1.1 To report the budget position of the 2022-23 Dedicated Schools Grant as at 31 August 2022 - Appendix 9a.
- 1.2 To report the amount of Dedicated Schools Grant Reserves Forecast as at 31 August 2022 – Appendix 9b.
- 1.3 Action required:
 - For information

2.0 Recommendation:

- 2.1 To note contents of the report.

3.0 Background:

- 3.1 The monitoring report at Appendix 9a reflects the budgets as approved at the March 2022 Schools Forum.
- 3.2 Budget monitoring to the end of August 2022 is forecasting a £809k under spend against a budgeted under spend of £1,609k, a variance of £800k to plan.
- 3.3 The major in-year variances are as follows:
 - Out of Borough placements demand higher than budgeted of £201k.
 - Special School placements pressure of £313k.
 - Resource provision £159k pressure relating to an additional class at Marton.
 - Specialist Advisory and Referral Service under spend of £165k as a result of vacancies

3.4 Reserves

The statement of forecast reserves is set out at Appendix 9b to this report. Budget monitoring for the 2022/23 Financial Year is forecasting a £809k surplus which will reduce the brought forward deficit of £4.956m to £4.147m by 31st March 2023. This excludes the maintained schools reserves of £4.129m

4.0 List of Appendices

4.1 Appendix 9a - Dedicated Schools Grant 2022-2023 Budget Monitoring Report to 31 August 2022.

Appendix 9b - Dedicated Schools Grant Reserves Forecast as at 31 August 2022.

List of Acronyms:

DSG	-	Dedicated Schools Grant
LA	-	Local Authority
HNB	-	High Needs Block
SSA	-	Special Support Assistant
ESFA	-	Education and Skills Funding Agency
SERF	-	Special Education Referral Unit
PRU	-	Pupil Referral Unit

Appendix 9a - Dedicated Schools Grant 2022-2022 Budget Monitoring Report to 31 August 2022

Service	2022/23						Comments
	Budget	In Year Adj.	Recoupment	Adjusted Budget	Forecast Outturn	Variance	
	£000s	£000s	£000s	£000s	£000s	£000s	
Schools Block							
Local School Budget							
- Delegated	98,179	0	(77,476)	20,703	20,703	0	
- Third Party & Public Liability Insurance (de-delegated)	0	0	0	0	0	0	
- Union Duties (de-delegated)	19	0	0	19	19	0	
- Free School Meals Eligibility Checks (de-delegated)	19	0	0	19	19	0	
School Improvement	25	0	0	25	25	0	
- Education Functions (retained)	166	0	0	166	166	0	
Business Rates	6	0	0	6	6	0	
Pupil Growth Contingency	0	0	0	0	0	0	
	98,414	0	(77,476)	20,938	20,938	0	
Central School Services Block							
Servicing of Schools Forum	18	0	0	18	18	0	
Licences & Subscriptions	93	0	0	93	93	0	
School Admissions	168	0	0	168	168	0	
Contribution to Combined Budgets - Children's Centres	0	0	0	0	0	0	
Former ESG Retained Duties							
- Education Welfare	235	0	0	235	235	0	
- Asset Management	68	0	0	68	68	0	
- Statutory / Regulatory Duties	101	0	0	101	101	0	
Equal Pay	0	0	0	0	0	0	
	683	0	0	683	683	0	
Total Schools Block	99,097	0	(77,476)	21,621	21,621	0	
High Needs Block							
Special Schools							
Place Funding	5,894	0	(3,446)	2,448	2,589	141	Includes Uplift - 3.5%
Top-up Funding	4,529	42	0	4,571	4,743	172	Includes Uplift - 3.5%
SERFs							
Place Funding	0	0	0	0	0	0	
Top-up Funding	0	0	0	0	0	0	
Transport	0	0	0	0	0	0	
Resource Provision							
Place Funding	519	0	(319)	200	270	70	1 Additional Class @ Marton
Top-up Funding	530	0	(0)	530	619	89	1 Additional Class @ Marton
Pupil Referral Units							
Place Funding	1,850	0	0	1,850	1,850	0	
Top-up Funding	1,252	0	0	1,252	1,252	0	
Other AP	100	0	0	100	217	117	Additional Capacity Other Settings
Mainstream Schools							
Top-up Funding	2,479	24	0	2,503	2,427	(76)	Based on pupil numbers in Management Plan
Exceptional Circumstances Funding	165	0	0	165	100	(65)	Latest forecast
Post-16 Education	2,860	24	(1,150)	1,734	1,874	140	Based on pupil numbers in Management Plan
Out of Borough	4,760	12	0	4,772	4,973	201	Based on pupil numbers in Management Plan
Specialist Advisory and Referral Service (SARS)	1,531	0	0	1,531	1,366	(165)	3 posts kept Vacant
Access and Inclusion	1,414	0	0	1,414	1,550	136	Temp Staffing Costs to reduce back log
Other High Needs Central Services (Management, Central Support Costs, Admin Support, Pension Top-slice)	772	0	0	772	772	0	
Total High Needs Block	28,655	102	(4,915)	23,842	24,602	760	
Early Years Block							
2 Year Old Grants	1,500	0	0	1,500	1,500	0	
Early Years Pupil Premium	100	0	0	100	100	0	
3 & 4 Year Old Grants	6,578	0	0	6,578	6,578	0	Early Years Innovation cost
Early Years Inclusion Fund	60	0	0	60	90	30	
Disability Access Fund	70	0	0	70	70	0	
Early Years Central Services	341	0	0	341	341	0	
Total Early Years Block	8,649	0	0	8,649	8,679	30	
Total Expenditure	136,401	102	(82,391)	54,112	54,902	790	
Dedicated Schools Grant Income	(137,870)	0	82,249	(55,621)	(55,621)	0	
ESFA Free School Income	(49)	39	0	(10)	0	10	Included in Special School Line
Transfer from growth contingency	(90)	0	0	(90)	(90)	0	
Total Income	(138,009)	39	82,249	(55,721)	(55,711)	10	
In year (under)/over spend	(1,608)	141	(142)	(1,609)	(809)	800	

Appendix 9b - Dedicated Schools Grant Reserves Forecast as at 31 August 2022

Description	Brought Forward 1st April 2022	Total Forecast Expenditure FY 2022-23	Forecast Surplus / (Deficit) at 31st March 2023	Comments
DSG Reserve	(4,956,235)	(809,000)	(4,147,235)	
Maintained School Balances	4,129,370	0	4,129,370	
	(826,865)	(809,000)	(17,865)	

Report to:	SCHOOLS FORUM
Relevant Officer:	Hilary Wood, Head of School Finance and Funding
Date of Meeting:	11 October 2022

HIGH NEEDS UPDATE

1.0 Purpose of the report:

1.1 To update Schools Forum members on latest developments relevant to the High Needs budget.

1.2 Action required – for information (no decision required).

2.0 Recommendation(s):

2.1 To note the contents of this report.

3.0 Background Information

Medium-term financial plan

3.1 As reported in previous meetings, Blackpool, along with many other areas around the country, is experiencing financial pressures on its High Needs Budget. In order to better understand Blackpool's financial position, a medium-term financial plan has been developed to monitor forecast expenditure against the High Needs Budget, and factor in predictions of where savings may be achievable.

3.2 Despite additional government funding in recent years, pupil numbers in high cost placements are continuing their upward trend. Costs in 2021/22 exceeded the High Needs funding allocation by £2.374 million. However, transfers from other funding blocks, together with the release of the new and growing schools provision, combined to offset pressures, with the cumulative deficit against Dedicated Schools Grant (DSG) reducing by £805k to £4.957 million at the end of March 2022.

3.3 The medium-term financial plan has been revised to take account of updated forecasts for 2022/23 (see Appendix 10(a) to this report). In line with advice from the Education and Skills Funding Agency, assumptions have been updated to account for the estimated inflationary impact for income and expenditure in each year of the plan.

- 3.4 As reported previously, given the scale of the deficit and the ongoing pressures on costs, it has been assumed that a 0.5% transfer from Schools Block will continue to be required in future years, although this will be subject to approval by Schools Forum each year. This is therefore shown on the Medium-Term Financial Plan for illustration purposes in each year.
- 3.5 Despite a substantial uplift in High Needs funding for 2022/23, emerging pressures mean that forecast costs are once again out-stripping income, with an estimated overspend of £179k for the year. It is only transfers from other DSG blocks that look set to bring about a net repayment of £800k, reducing the cumulative deficit to an estimated £4.157 million by March 2023.

Safety Valve Programme

- 3.6 As reported in previous meetings, Blackpool is now included in the Department for Education's (DfE) Safety Valve programme for those local authorities with the highest percentage DSG deficits. The programme requires those local authorities to develop plans for reform to their high needs systems and associated spending, with support and challenge from the DfE, to rapidly place them on a sustainable footing. The authorities are held to account for their reform and savings via regular reporting to the DfE. The DfE in turn helps the local authorities with additional funding over time to contribute to their historic deficits, contingent on delivery of the reforms. Capital funding can also be made available to support the creation of local provision if projected revenue savings can be demonstrated.
- 3.7 The expectations of what is required in order for agreement to be reached under the Safety Valve programme include :
- The local authority's plans show the delivery of sustainable high quality provision (i.e. not making cuts that impact negatively on quality).
 - Demonstration of a balanced in-year High Needs budget in the coming years.
 - Where possible, the local authority can contribute to the writing off of the historic deficit from future High Needs allocations
- 3.8 The first formal meeting between the DfE's Safety Valve team and Blackpool Council officials is scheduled for 3 October 2022, and a verbal update of that meeting will be given to Schools Forum members at the meeting on 11 October 2022.
- 3.9 In preparation for the meeting with the Safety Valve team, the local authority was required to submit the latest version of its DSG Management Plan at the end of August 2022. The DSG Management Plan is the DfE's standard suite of spreadsheets, which allows local authorities to plot the financial impact of no action being taken, then add actions – or 'mitigations' – to the plan to demonstrate how savings can be achieved to arrive at an in-year balanced budget.

- 3.10 The submitted draft takes into account courses of action that are already planned to address the deficit position, but also further actions that may prove necessary in order to demonstrate a realistic possibility of sustainable change and a balanced budget. As previously discussed, it is essential that the mitigations put forward are deliverable, as the local authority will be held to account for achieving the forecast level of savings, with the risk of funding being withheld if this is not the case.
- 3.11 The mitigations included in the submitted plan, together with the forecast savings, are as follows:

Headline mitigations/savings	2022/23	2023/24	2024/25	2025/26	2026/27
	£'000	£'000	£'000	£'000	£'000
1. Reduce PRU budget in line with lower numbers		-175	-305	-314	-324
2. Rationalise PRU estate to deliver efficiency savings	Work in progress				
3. Reduce Inclusion Team budget by creating partly traded service	-165	-173	-139	-441	-694
4. Increase percentage of pupils with EHC plans educated in mainstream schools through consistency of advice and guidance and enhanced inclusion offer	-68	-133	-248	-364	-173
5. Tighten criteria for targeted high needs funding for mainstream schools	-258	-258	-258	-258	-258
6. Savings on independent settings through creation of local Intensive Support Centre			-35	-96	-161
7. New special free school for pupils with SEMH				-9	-113
8. Tighten management of demand for EHC plans through more robust and consistent processes for requests for assessment and requests for plans	-93	-206	-290	-244	-184
9. Creation of secondary Resourced Provision		65	186	209	135
10. Phased reduction of targeted inclusion funding for secondary schools			-280	-480	-480
Total	-584	-880	-1,369	-1,997	-2,252

3.12 Forecasts have been included in the DSG Management Plan showing the estimated income and expenditure. When the savings quantified above are factored in, the forecasts show a potential reduction of the overall DSG deficit from £4.957m in March 2022 to £2.051m by March 2027, as can be seen in the following table.

2018-19 £,000s	2019-20 £,000s	2020-21 £,000s	2021-22 £,000s	2022-23 £,000s	2023-24 £,000s	2024-25 £,000s	2025-26 £,000s	2026-27 £,000s
£421	£3,098	£5,762	£4,957	£4,287	£3,820	£3,195	£2,530	£2,051

3.13 It should be noted that the figures in the table above differ slightly from those in the High Needs Medium-Term Financial Plan, as further (favourable) adjustments have been made to forecasts since the DSG Management Plan was submitted at the end of August.

3.14 As well as financial forecasts, the DSG Management Plan sets out forecasts for the number of children and young people with Education Health and Care Plans, and what type of provision they access. Further work has been carried out over the summer to better align these numbers with the finances, in order that the same data is driving both aspects.

3.15 It is hoped that the Safety Valve programme will afford opportunities to accelerate existing plans, particularly around the creation and rationalisation of local provision in order to reduce costs. The “asks” that have been incorporated so far into the plan are set out below, although there will be opportunities to refine and revise this list prior to finalising the proposals:

- Additional capital funding to fully deliver plans for the creation of sufficient local provision, including:
 - £2.5m for rationalisation of PRU sites from three to one
 - £1.5m for hydrotherapy pool as phase 2 of planned expansion scheme at Highfurlong school
 - Creation of local Intensive Support Centre to avoid use of extremely high-cost places in independent settings
- DfE support for Blackpool’s application for special free school for pupils with SEMH needs
- DfE support for Blackpool’s application for Alternative Provision free school to reduce over-reliance on one local provider
- DfE support to agree use of small parcel of land at Aspire Academy to enable access to Highfurlong expanded site
- A contribution to writing off historic DSG deficit
- Additional resource for SEND sufficiency and provision planning, and quality and contract monitoring

3.16 The three key risks that have been identified so far are set out below:

Risk	Mitigation
Parental confidence in mainstream schools to meet SEND needs	Training and support for schools in Quality First Teaching and Graduated Approach. Embedding inclusive culture in all schools. Local authority officers promote mainstream wherever appropriate.
Insufficient capital funding to create space required for sufficient local provision	Creative use of existing capital allocations Seek opportunities to secure external funding
Historically high numbers of permanent exclusions in secondary academies	Releasing funding to promote inclusive practices

3.17 The process and timescales for the programme are as follows:

- 3 October 2022: introductory meeting with local authority team, to include Chief Executive, Chief Finance Officer and Director of Children’s Services to present current situation and plans
- October to December 2022: period of intensive work on DSG Management Plan, SEND Strategy and proposals for reform
- 13 January 2023: submission of initial proposal for review
- 3 February 2023: submission of final proposal, before final meeting to confirm whether proposal is sufficient for a recommendation to be made to the Secretary of State
- March 2023: Safety Valve agreement in place
- April 2023: commencement of quarterly monitoring.

3.18 It will be essential that work on the DSG management plan dovetails with actions being taken in response to the Written Statement of Action issued following the recent Joint Area SEND Inspection, and the DfE has appointed the same SEND Advisor to support both of these workstreams.

List of acronyms:

- DSG – Dedicated Schools Grant
- DfE – Department for Education
- SEND – Special Educational Needs and Disabilities
- PRU – Pupil Referral Unit
- SEMH – Social, Emotional and Mental Health

List of Appendices:

Appendix 10(a):High Needs Medium-Term Financial Plan

High Needs Block Medium-Term Financial Plan

Forecasts exclude inflationary impact, and costs and income are stated at 2022/23 levels

Appendix 22a

Service	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Notes Current Version
	Actuals £000s	Forecast £000s	Budget £000s	Budget £000s	Budget £000s	Budget £000s	
High Needs Block							
Special Schools							
Place Funding	5,457	6,008	6,397	6,575	6,936	7,417	Highfulong from 85 to 105 from Sep 2021 Lotus 24 from Sep 2020, 40 from Sep 2021, 48 from Sep 2022 Park from 290 to 300 from Sep 2021 Woodlands 120 2021/22 onwards includes £660 per place for TPG/TPECG
Top-up Funding	4,126	4,701	5,082	5,232	5,725	6,212	Special School top-up: based on Dec 2021 figures
ISC				58	158	258	
SERFs							
Place Funding	-	-	-	-	-	-	Mereside SERFs decommissioned from Nov 2020; Boundary and Bispham Endowed SERFs decommissioned from Dec 2020
Top-up Funding	(23)	-	-	-	-	-	
Transport	-	-	-	-	-	-	
Resource Provision							
Place Funding	780	589	575	674	778	793	Mereside and Thames Resource Provisions opening Nov 2020; Boundary, Revoe and Marton Resource Provisions opening Jan 2021. Boundary closing March 2022.
Top-up Funding	570	619	821	992	1,120	1,173	
AP Provision							
PRU - Place Funding	1,934	1,850	1,850	1,850	1,850	1,850	Reduced from 250 places to 200 from September 2020, 185 from September 2021 2021/22 onwards includes £660 per place for TPG/TPECG
PRU - Top-up Funding	1,391	1,252	1,077	1,047	1,142	1,240	Forecast numbers:- Fixed funding agreed based on September 2020 to March 2021 173, April to August 2021 215, September 2021 to March 2022 147, April to August 2022 178. September 2022 onwards - funding to be agreed, forecasts based on 152 pupils. Teachers pay award/superannuation costs and KS2 Engagement Coaches & Therapist in 22/23
Other AP	63	217	300	300	300	300	
Mainstream Schools							
Top-up Funding	2,299	2,404	2,566	2,736	3,046	3,272	1.75% Uplift in 2021/22 & 2% uplift in 2022/23. Future Years' forecast to be reviewed following outcome of banding review.
Exceptional Circumstances Funding	358	100	100	100	100	100	Proposed changes to be consider by Schools Forum Jan 2022
Post-16 Education	2,801	3,000	3,245	3,435	3,644	3,793	3% Uplift in 2022/23 & built in the increase in numbers from 2021/22 onwards
Out of Borough	4,998	4,961	5,159	5,141	4,603	4,275	Based on 16 year-olds leaving, 40 new placements each year @£30k per place, offset by transfers into Lotus starting in September 2020 and Resource Provision from Apr 21. 3% Uplift in 2022/23.
Specialist Advisory and Referral Service (SARS)	1,330	1,366	1,424	1,220	1,078	1,104	1.75% Uplift in 2021/22 & 2% 2022/23
Access and Inclusion	891	1,550	1,716	1,635	1,359	1,167	1.75% Uplift in 2021/22 & 2% 2022/23
Other High Needs Central Services	767	772	772	772	772	772	
(Management, Central Support Costs, Admin Support, Pension Top-slice)							
Total High Needs Block Expenditure	27,743	29,387	31,083	31,768	32,612	33,725	
High Needs Block allocation	25,369	29,207	30,668	31,588	32,535	33,511	
In-year (surplus)/deficit - High Needs Block	2,374	179	415	180	77	214	
Schools Block Transfer	(457)	(494)	(494)	(494)	(494)	(494)	
Other Block (Surplus) / Deficit	(2,722)	(485)	(388)	(310)	(248)	(199)	
In Year (Surplus) / Deficit DSG	(805)	(800)	(467)	(625)	(665)	(479)	
Cumulative DSG (Surplus) / Deficit	4,957	4,157	3,691	3,066	2,401	1,922	

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Report to:	SCHOOLS FORUM
Relevant Officer:	Hilary Wood, Head of School Finance and Funding
Date of Meeting:	11 October 2022

SCHOOLS FUNDING FORMULA 2023/24

1.0 Purpose of the report:

1.1 To consider the local authority's proposals for the allocation of schools funding in 2023/24.

1.2 Action required:

- Recommendation 2.1: for consultation (local authority decision); voting restricted to school and Early Years representatives.
- Recommendation 2.2: for approval (Schools Forum decision).

2.0 Recommendation(s):

2.1 To support to the local authority's proposals for the allocation of school funding in 2023/24 by applying the following principles:

- Continue to apply the National Funding Formula (NFF) unit values;
- Set a minimum funding guarantee of 0.5% per pupil funding;
- Transfer any surplus from the growth funding allocation into the growth funding contingency.

2.2 In line with feedback from schools, To approve the transfer of 0.5% from the Schools Block to the High Needs Block by way of a reduction to the Basic Entitlement.

3.0 Background Information

3.1 In July 2022, the Department for Education (DfE) announced the provisional school funding allocations for local authorities in 2023/24.

3.2 The provisional Schools Block allocation is calculated by the Education and Skills Funding Agency (ESFA) through the schools National Funding Formula using October 2021 pupil data. Individual school budgets are then aggregated at local authority level to calculate a Primary Unit of Funding and a Secondary Unit of Funding, which will then be multiplied by the number on roll in October 2022 to determine Blackpool's final Schools Block funding. Blackpool's Primary Unit of Funding has been set at £4,981, and the Secondary Unit of Funding has been set at £6,809.

- 3.3 The majority of the National Funding Formula factors values will increase by approximately 2.4%, with the Ever6 free school meals and IDACI factors increasing by 4.3%. Premises funding (Rates, Private Finance Initiative, Split site and Exceptional Premises) will continue to be allocated at local authority level on an historic basis, based on actual spend in the 2022/23 local formula, with an inflationary increase (RPIX) for the Private Finance Initiative factor only.
- 3.4 The Minimum Per Pupil Funding levels, which are mandatory in local funding formulae, will increase to £4,405 for primary schools, and £5,715 for secondary schools.
- 3.5 The funding floor used in the national formula will be set at 0.5% in 2023/24, meaning that all schools' National Funding Formula allocations will see a minimum gain per pupil of 0.5% above their 2022/23 baseline pupil-led funding. This is a reduction to the funding floor used in recent years, which was set at 2%. In order to protect schools from excessive year-on-year changes in funding, local authorities are obliged to set a minimum funding guarantee (MFG) in their local formula. This is based on a school's per pupil funding excluding Rates, Sparsity and Lump Sum, and must be set at a rate between 0.0% and 0.5% per pupil for 2023/24 (compared to between 0.5% and 2% in 2022/23).
- 3.6 There will be no National Funding Formula gains cap applied to local authority level allocations, but local authorities will still be able to use a cap in their local formulae.
- 3.7 Other technical changes of note for 2023/24 include:
- Rolling the 2022/23 schools supplementary grant into the National Funding Formula, including adjusting the baseline from 2022/23.
 - Transitional requirements to bring local formulae closer to the National Funding Formula (not applicable to Blackpool given that the local formula already mirrors the National Funding Formula).
 - Following the cancellation or incompleteness of both EYFSP and KS2 assessments in summer 2020 and summer 2021 due to COVID-19, assessment data cannot be used from these years in the low prior attainment factor in local funding formulae. Instead, 2019 assessment data will be used as a proxy for assessments which would have taken place in 2020 to 2021.
 - Further to the consultation on changes to the payment process of schools' business rates, the DfE has confirmed that the business rates payment system for schools will be centralised and ESFA will pay billing authorities directly on behalf of state funded schools from 2023/24 onwards. This change was optional in 2022/23, but Blackpool did not take part in the new system. [NB the illustrations in the consultation paper at Appendix 11a to this report incorporate business rates for the purposes of comparison.]

3.8⁽²⁾ Subject to updates for October 2022 Census information, the Schools Block allocation is likely to increase by c.£2.4 million, or 2.36% per pupil, compared to 2022/23. The provisional figures have enabled the local authority to produce illustrative school-level funding, taking account of the additional funding from Government.

Blackpool proposed Schools Funding Formula 2023/24

3.9⁽²⁾ As previously agreed by Schools Forum, it is proposed that Blackpool’s school funding formula will continue to mirror the National Funding Formula by applying the NFF factor values, and setting a minimum funding guarantee of 0.5% per pupil funding in line with the NFF funding floor. Furthermore, any surplus from the growth funding allocation will be transferred into the growth funding contingency.

3.10⁽²⁾ As required by funding regulations, the local authority launched a consultation on proposals for the 2023/24 schools funding formula on 9th September 2022 (see Appendix (a)). This year, the review has focused on the single matter of a proposed transfer from the Schools Block to the High Needs Block.

3.11 The consultation closed on 28 September 2022, with 23 responses received covering the views of 20 mainstream schools plus three other settings. Given that the other settings are not funded by the school funding formula, their responses have been excluded from the analysis below. The responses are summarised below:

Do you think that a transfer of 0.5% from the Schools Block to the High Needs Block should be made in 2023/24 by way of a reduction to the Basic Entitlement?		
Answer Choice	Response Percent	Response Total
1 Yes	70.0%	14
2 No	30.0%	6
Comments:		12
Total⁽²⁾		20

3.12 The comments received, both from schools who supported the proposed transfer and those who did not, referred to cost pressures from energy and pay increases, as well as greater inclusion from a number of mainstream schools admitting more pupils with increasingly complex needs.

3.13⁽²⁾ Despite these concerns, given the majority support for the continued transfer of funding from the Schools Block, the Local Authority recommends that this proposal is implemented in 2023/24.

Next steps

3.14⁽²⁾ In December 2022, the ESFA will publish the final allocations of the Schools Block of funding based on October 2022 Census data. The local authority will then produce the draft 2023/24 formula in advance of the Schools Forum in January 2023 before individual school budgets are issued before the end of February 2023.

List of acronyms:

NFF	National Funding Formula
DfE	Department for Education
ESFA	Education and Skills Funding Agency
IDACI	Income Deprivation Affecting Children Index
RPIX	Retail Price Index excluding mortgage interest
MFG	Minimum Funding Guarantee
EYFSP	Early Years Foundation Stage Profile
KS	Key Stage

List of Appendices:

Appendix 11a - Blackpool Schools Funding Formula consultation 2023/24

Blackpool Schools Funding Formula 2023/24

Consultation Document

September 2022

Blackpool Council



Blackpool Schools Funding Formula 2023/24 Consultation

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Blackpool Schools Funding Formula 2023/24 Consultation

Introduction

This document sets out proposals and options for Blackpool's school funding formula in 2022/23, and seeks feedback from Blackpool schools. **The consultation runs until Friday 23rd September 2022**, and the outcome will be presented to Schools Forum in October 2022, with approval of the final formula sought at Schools Forum in January 2023.

Timetable

9 th to 23 rd September 2022	Consult Blackpool Schools on 2023/24 formula options
11 th October 2022	Outcome of consultation presented to Schools Forum
December 2022	Department for Education (DfE) publishes Dedicated Schools Grant (DSG) allocations for local authorities based on pupil data from October 2022 census
17 th January 2023	Schools Forum to consider local authority's final proposals for schools funding formula for 2023/24
20 th January 2023	Submission of 2023/24 funding formula to Education and Skills Funding Agency (ESFA)
February 2023	Budgets issued to schools for 2023/24

Background

In 2017 the Department for Education's (DfE) announced its plans to introduce a national funding formula (NFF) for mainstream schools.

Since 2018/19, the Schools NFF has been used to determine the Schools Block total allocation for each local authority in the country as part of the Dedicated Schools Grant (DSG) funding allocation. The DfE is currently consulting on using the NFF to directly set individual mainstream school budgets, but until that time, funding at school level will continue to be determined by local authority formulae.

In 2022/23, the Department for Education announced additional funding through the Schools Supplementary Grant that allocated an extra £3 million to Blackpool mainstream schools on top of funding through the local formula.

Details of national funding formula for 2023/24

In July 2022, the ESFA provided further detail on how the increase in funding will be implemented via the schools NFF for 2023/24. The majority of the NFF formula factors values will increase by approximately 2.4%, with the Ever6 free school meals and IDACI factors increasing by 4.3%. Premises funding (Rates, Private Finance Initiative, Split site and Exceptional Premises) will continue to be allocated at local authority level on an historic basis, based on actual spend in the 2022/23 local formula, with an inflationary increase (RPIX) for the Private Finance Initiative (PFI) factor only.

The Minimum Per Pupil Funding levels, which are mandatory in local funding formulae, will increase to £4,405 for primary schools, and £5,715 for secondary schools.

There will be no NFF gains cap applied to local authority level allocations, but local authorities will still be able to use a cap in their local formulae. The funding floor used in the national formula will be set at 0.5% in 2023/24, meaning that all schools' NFF allocations will see a minimum gain per pupil of 0.5% above their 2021/22 baseline pupil-led funding. This is a reduction to the funding floor used in recent years, which was set at 2%.

Blackpool Schools Funding Formula 2023/24 Consultation

Other technical changes of note for 2023/24 include:

- Rolling the 2022/23 schools supplementary grant into the NFF, including adjusting the baseline from 2022/23.
- Transition requirements to bring local formulae closer to the NFF (not applicable to Blackpool given that the local formula already mirrors the NFF).
- Local authorities have the freedom to set the Minimum Funding Guarantee in their local formulae between +0.0% and +0.5% per pupil.
- Following the cancellation or incompleteness of both EYFSP and KS2 assessments in summer 2020 and summer 2021 due to COVID-19, assessment data cannot be used from these years in the low prior attainment factor in local funding formulae. Instead, 2019 assessment data will be used as a proxy for assessments which would have taken place in 2020 to 2021.
- Further to the consultation on changes to the payment process of schools' business rates, the DfE has confirmed that the business rates payment system for schools will be centralised and ESFA will pay billing authorities directly on behalf of state funded schools from 2023/24 onwards. This change was optional in 2022/23, but Blackpool did not take part in the new system. [NB the illustrations in this paper incorporate business rates for the purposes of comparison.]

Proposals for Blackpool's formula

The July 2022 announcement included provisional funding allocations for local authorities in 2023/24 using October 2021 pupil numbers. While the total allocation will be updated using the October 2022 census pupil numbers, we know that Blackpool's Primary Unit of Funding has increased by 5.2% to £4,981, and the Secondary Unit of Funding has increased by 6.1% to £6,809. An element of this increase is due to the Schools Supplementary Grant sitting outside of the funding units in 2022/23.

Subject to updates for October 2022 Census information, the Schools Block allocation (including Schools Supplementary Grant) is likely to increase by almost £2.4 million, or 2.36% per pupil. The provisional figures have enabled us to produce illustrative school-level funding, taking account of the additional funding from Government.

In order to protect schools from excessive year-on-year changes in funding, local authorities are obliged to set a minimum funding guarantee (MFG). This is based on a school's per pupil funding excluding Rates, Sparsity and Lump Sum. In support of the Government's intention to increase funding at school level, the DfE's regulations on funding formulas require local authorities to set an MFG at a rate between 0.0% and 0.5% per pupil for 2023/24.

Following last year's consultations with schools, it was agreed that Blackpool's local formula would continue the national formula as far as possible, including setting the Minimum Funding Guarantee (MFG) at the same level as the funding floor, which for 2023/24 will be 0.5%. It was also agreed that any surplus growth funding will be set aside in a growth fund contingency, which will be available for meeting any unfunded growth in future years. The surplus will be calculated after ensuring that the new national funding formula flows in full to all schools.

This year, therefore, we are only consulting on a proposed transfer from the Schools Block to the High Needs Block.

Blackpool Schools Funding Formula 2023/24 Consultation

Transfer of funding to the High Needs Block

As has been the case in recent years, the Schools Block allocation within the DSG funding framework remains ring-fenced in 2023/24, but the local authority retains limited flexibility to transfer up to 0.5% of the Schools Block funding into other blocks, with the approval of Schools Forum. To make such a transfer, the local authority is required to consult with all schools and seek the agreement of Schools Forum.

The local authority may submit a disapplication request to the Secretary of State for Education in cases where the Schools Forum does not support the proposal to move funding out of the Schools Block, or where a transfer of more than 0.5% is proposed.

Blackpool, along with many other areas around the country, is experiencing financial pressures on its High Needs Budget. In order to better understand Blackpool's financial position, a medium-term financial plan has been developed to monitor forecast expenditure against the High Needs Budget, and factor in predictions of where savings may be achievable (see Appendix 1). Despite additional government funding in recent years, pupil numbers in high cost placements are continuing their upward trend. Costs in 2021/22 exceeded the High Needs funding allocation by £2.374 million. However, transfers from other funding blocks, together with the release of one-off funding, combined to offset pressures, with the cumulative deficit against Dedicated Schools Grant (DSG) reducing to just under £5 million at the end of March 2022.

Given the scale of the deficit and the ongoing pressures on costs, the medium-term financial plan illustrates how a 0.5% transfer from Schools Block in future years would contribute to the reduction of the cumulative DSG deficit, although this will be subject to approval by Schools Forum each year. Despite a substantial uplift in High Needs funding for 2022/23, emerging pressures mean that forecast costs are once again out-stripping income, with an estimated overspend of £309k for the year. It is only transfers from other DSG blocks that look set to bring about a net repayment of £670k, reducing the cumulative deficit to an estimated £4.3 million by March 2023.

From September 2022, Blackpool will engage with the DfE's Safety Valve programme for those local authorities with the highest percentage DSG deficits. The programme requires those local authorities to develop plans for reform to their high needs systems and associated spending, with support and challenge from the DfE, to rapidly place them on a sustainable footing. The authorities are held to account for their reform and savings via regular reporting to the DfE. The DfE in turn helps the local authorities with additional funding over time to contribute to their historic deficits, contingent on delivery of the reforms. However, the DfE expects Safety Valve authorities to be able to not only reach a sustainable in-year balance, but also to contribute to the reduction of the historic deficit through use of DSG surpluses.

In light of increasing demand on the High Needs budget over recent years, a number of actions have been and are being taken to address the significant ongoing pressures. The medium-term financial plan shows the estimated impact of these actions. However, the plans are ambitious, and significant shifts in practice are necessary to avoid a continuing increase in the number of pupils requiring specialist provision offsetting any financial benefits derived from implementation of planned changes.

For this reason, the local authority is proposing to continue to transfer 0.5% of the Schools Block to the High Needs Block in 2023/24. Subject to the final DSG settlement, this would reduce the cumulative DSG deficit by approximately £524k. The ongoing transfer of this funding enables the continued support by the High Needs block of a number of discretionary Early Help initiatives, such as inclusion projects, family support in schools, Elective Home Education support, and safeguarding advice to schools.

Blackpool Schools Funding Formula 2023/24 Consultation

In recent years, the reduction in school budgets has been effected by reducing the Basic Entitlement formula factor values by a small percent. Schools have previously commented that this methodology most fairly distributes the transfer of funding across the majority of schools. The only schools where budgets would not be affected are those where the Minimum Funding Guarantee and/or the Minimum Per Pupil Level of Funding applies.

Appendix 2 to this document contains an anonymised illustration of the impact on individual schools' provisional allocations of making a 0.5% transfer by reducing the Basic Entitlement factor value. In the illustration, a reduction of 0.8% (or between £27 and £43 per pupil) has been applied to the Basic Entitlement values to release £524k.

It should be noted that the data used in the illustration is derived from the October 2021 School Census, and that final school budgets will use October 2022 School Census data. The illustrations are therefore provided to allow stakeholders to see a hypothetical scenario of the impact across schools of the transfer, in order that informed views can be provided.

Question 3	Do you think that a transfer of 0.5% from the Schools Block to the High Needs Block should be made in 2023/24 by reducing the Basic Entitlement formula factor values?
Yes	
No	
Comments	

Blackpool Schools Funding Formula 2023/24 Consultation

How to Respond

This consultation closes on Friday 23rd September 2022.

We would ask that only one co-ordinated response is made for each mainstream school affected by this consultation, and that you indicate the name of the school for the purpose of analysis. Individual responses will not be shared with other schools and evaluation will be anonymised.

It would be helpful if you could complete your responses to the questions posed and any associated comments using the link below:

<https://forms.office.com/r/7VfUs5mj5x>

You can alternatively complete a copy of the survey at the final section of this document and return by e-mail to hilary.wood@blackpool.gov.uk. Any queries regarding the consultation can be sent to this same e-mail address.

Glossary

DfE	Department for Education
DSG	Dedicated Schools Grant
ESFA	Education and Skills Funding Agency
NFF	National Funding Formula
PFI	Private Finance Initiative
MFG	Minimum funding guarantee

Blackpool Schools Funding Formula 2023/24 Consultation

Appendix 1 – High Needs Medium-Term Financial Plan

Service	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	Forecast	Budget	Budget	Budget	Budget	Budget
	£000s	£000s	£000s	£000s	£000s	£000s
Special schools	9582	10778	11479	11866	12820	13887
Resource Provision	1327	1208	1396	1667	1898	1966
Alternative Provision	3389	3318	3227	3197	3292	3390
Mainstream top-up	2657	2528	2666	2836	3146	3372
Post-16	2801	3024	3245	3435	3644	3793
Out of Borough	4998	4973	5159	5141	4603	4275
Central Council teams and budgets	2988	3688	3911	3626	3209	3042
Total High Needs expenditure	27743	29517	31083	31768	32612	33725
High Needs Block allocation	25369	29207	30668	31588	32535	33511
In-year (surplus)/deficit - High Needs Block	2374	309	415	180	77	214
Transfer from Schools Block	-457	-494	-524	-524	-524	-524
(Surplus)/deficit from other DSG blocks	-2722	-485	-388	-310	-248	-199
In-year (surplus)/deficit - DSG	-805	-670	-497	-655	-695	-509
Cumulative DSG deficit	4957	4287	3791	3136	2441	1932

Blackpool Schools Funding Formula 2023/24 Consultation

Appendix 2 – Illustrative 2023/24 budget allocations at school level

School	Actual 2022/23 allocation			Illustrative 2023/24 no transfer			Illustrative 2023/24 0.5% transfer			Impact of 0.5% transfer
	Formula	Supplementary	Total	£	Diff £	Diff %	£	Diff £	Diff %	
1	506,064	14,996	521,060	537,832	16,772	3.22%	535,307	14,247	2.73%	-2,525
2	880,292	24,853	905,145	934,564	29,419	3.25%	929,160	24,016	2.65%	-5,403
3	888,461	26,176	914,637	944,504	29,867	3.27%	938,992	24,355	2.66%	-5,512
4	891,733	26,468	918,201	948,196	29,995	3.27%	942,792	24,591	2.68%	-5,403
5	905,592	27,083	932,675	936,501	3,826	0.41%	936,501	3,826	0.41%	0
6	915,066	27,213	942,279	945,803	3,523	0.37%	945,803	3,523	0.37%	0
7	974,629	27,074	1,001,703	1,034,814	33,111	3.31%	1,029,194	27,491	2.74%	-5,620
8	1,004,181	30,601	1,034,782	1,068,526	33,745	3.26%	1,063,286	28,504	2.75%	-5,240
9	1,020,196	28,045	1,048,241	1,082,734	34,493	3.29%	1,077,032	28,791	2.75%	-5,702
10	1,067,792	32,094	1,099,886	1,136,728	36,843	3.35%	1,130,945	31,059	2.82%	-5,783
11	1,119,362	32,174	1,151,536	1,190,276	38,741	3.36%	1,184,656	33,120	2.88%	-5,620
12	1,351,537	41,591	1,393,128	1,438,617	45,490	3.27%	1,431,259	38,132	2.74%	-7,358
13	1,454,278	43,185	1,497,463	1,504,235	6,772	0.45%	1,504,235	6,772	0.45%	0
14	1,571,336	48,409	1,619,745	1,672,870	53,125	3.28%	1,663,611	43,866	2.71%	-9,259
15	1,740,649	54,120	1,794,769	1,853,853	59,083	3.29%	1,843,345	48,576	2.71%	-10,508
16	1,774,148	49,703	1,823,851	1,832,288	8,437	0.46%	1,832,288	8,437	0.46%	0
17	1,774,216	53,669	1,827,885	1,889,990	62,106	3.40%	1,880,976	53,091	2.90%	-9,014
18	1,821,164	52,899	1,874,063	1,936,512	62,449	3.33%	1,925,217	51,154	2.73%	-11,295
19	1,924,938	60,705	1,985,643	2,051,544	65,900	3.32%	2,041,307	55,664	2.80%	-10,236
20	1,955,452	59,863	2,015,315	2,082,342	67,027	3.33%	2,072,648	57,333	2.84%	-9,693
21	2,040,609	63,891	2,104,500	2,176,967	72,468	3.44%	2,166,704	62,205	2.96%	-10,263
22	2,102,241	64,321	2,166,562	2,239,168	72,606	3.35%	2,226,461	59,899	2.76%	-12,707
23	2,131,853	66,390	2,198,243	2,272,727	74,484	3.39%	2,261,703	63,461	2.89%	-11,024
24	2,167,742	63,580	2,231,322	2,306,368	75,045	3.36%	2,295,425	64,103	2.87%	-10,942
25	2,396,333	72,016	2,468,349	2,551,663	83,314	3.38%	2,537,055	68,706	2.78%	-14,608
26	2,454,092	72,146	2,526,238	2,610,597	84,359	3.34%	2,595,310	69,072	2.73%	-15,287
27	2,503,063	77,452	2,580,515	2,615,867	35,351	1.37%	2,599,983	19,467	0.75%	-15,884
28	2,580,397	71,521	2,651,918	2,664,817	12,899	0.49%	2,664,817	12,899	0.49%	0
29	2,611,173	71,860	2,683,033	2,696,573	13,540	0.50%	2,696,573	13,540	0.50%	0
30	2,812,679	86,535	2,899,214	2,970,996	71,782	2.48%	2,955,356	56,143	1.94%	-15,640
31	2,932,788	86,236	3,019,024	3,121,259	102,234	3.39%	3,104,479	85,454	2.83%	-16,780
32	3,813,265	122,676	3,935,941	4,084,622	148,681	3.78%	4,062,380	126,439	3.21%	-22,242
33	5,458,440	180,905	5,639,345	5,820,778	181,433	3.22%	5,789,875	150,529	2.67%	-30,904
34	5,475,180	183,272	5,658,452	5,855,691	197,239	3.49%	5,823,403	164,951	2.92%	-32,289
35	5,656,813	182,048	5,838,861	6,036,769	197,908	3.39%	5,999,843	160,982	2.76%	-36,926
36	6,135,272	198,579	6,333,851	6,422,702	88,851	1.40%	6,387,923	54,072	0.85%	-34,779
37	6,158,067	196,097	6,354,164	6,576,492	222,327	3.50%	6,535,765	181,601	2.86%	-40,727
38	6,379,065	203,575	6,582,640	6,806,222	223,582	3.40%	6,764,335	181,695	2.76%	-41,887
39	7,057,031	231,531	7,288,562	7,538,232	249,670	3.43%	7,491,237	202,675	2.78%	-46,995
	98,407,188	3,055,552	101,462,740	104,391,240	2,928,500		103,867,183	2,404,443		-524,057

Blackpool Schools Funding Formula 2023/24 Consultation

Consultation Response Form

Name:	
Title:	
School/Trust:	<i>We would ask that only one co-ordinated response is made for each mainstream school affected by this consultation, and that you indicate the name of the school for the purpose of analysis.</i>

Question 1	Do you think that a transfer of 0.5% from the Schools Block to the High Needs Block should be made in 2023/24 by reducing the Basic Entitlement formula factor values?
Yes	
No	
Comments	

Please return completed forms to hilary.wood@blackpool.gov.uk by Friday, 23rd September 2022.

Report to:	SCHOOLS FORUM
Relevant Officer:	Hilary Wood, Head of Business Support and Resources
Date of Meeting:	11 October 2022

DIRECT NATIONAL FUNDING FORMULA FOR SCHOOLS

1.0 Purpose of the report:

1.1 To update Schools Forum members on the Department for Education Consultation – Implementing the Direct National Funding Formula.

1.2 Action required – for information (no decision required).

2.0 Recommendation(s):

2.1 To note the contents of this report.

3.0 Background Information

3.1 On 7 June 2022, the Department for Education (DfE) launched a consultation outlining the next steps in their reforms to the school funding system. It focuses on the detailed implementation of the direct National Funding Formula (NFF), including the interaction between the direct NFF and funding for high needs.

3.2 Since its introduction in 2018/19, the schools NFF has been a ‘soft’ formula. This means that the DfE, through the NFF, calculates funding allocations in relation to each individual mainstream school, based on its particular characteristics. These individual school-level allocations are then aggregated for each local authority. The local authority, from its aggregated total, then determines individual schools’ final funding allocations through a local formula, which it is responsible for setting.

3.3 While the DfE has set some parameters within which local formulae must operate, local authorities have retained a reducing level of discretion over the precise methodology for allocating funding to schools. In some areas, the operation of the local formula can, and often does, mean that an individual school’s funding varies from that which the NFF itself allocates. This is not the case, however, for Blackpool schools: given that the NFF resulted in an increase in funding for Blackpool when it was first introduced, the local formula was adapted to closely mirror the NFF, with all schools benefitting from year-on-year increases in funding.

3.4 This latest consultation on the move to the direct NFF includes the following matters:

- The direct NFF is intended to be implemented by 2027/28 at the latest, but progress will be made at a manageable rate, with changes introduced each year between now and then. Blackpool's local formula already closely mirrors the NFF, so we anticipate that this will not be a major change for schools and academies.
- Transfers from the Schools Block to the High Needs Block will continue to be allowed via a new application process. For reference, Blackpool's Schools Block is currently reduced by 0.5% to help ease the pressures on the High Needs budget.
- The national formula will retain the principle of Notional SEN Budgets (the unringfenced part of schools' overall budgets that is notionally attributed to spend on SEND). Currently, each local authority determines how this is calculated, so there are wide variances in approach. For 2023/24, the DfE has issued guidance on how this should be calculated, with a new national approach being introduced after that.
- There are two options offered in the consultation around funding for growing schools: the first would see a national formula for allocating funding directly to schools that are experiencing significant increases in pupil numbers; the second would allocate funding to local authorities to exercise local discretion on the use of available funding. The DfE has stated a preference for the latter approach. The intention is that this aspect of funding would be incorporated into the NFF from 2024/25. There is a further question relating to whether funding for popular growth should be extended to maintained schools, and not restricted to academies as in the current rules.
- A new split site factor will be built into the NFF from 2024/25. It is suggested that this would contain two elements: a basic element determined by whether the sites are separated by a road or railway (with a suggestion that this would attract £25k), plus an element based on distance between sites (with a suggestion that this would attract up to £50k in addition to the basic element).
- The criteria for exceptional premises funding will be tightened when the NFF is fully introduced. No Blackpool schools are in receipt of this funding at present.
- The direct NFF will retain year-on-year protection by way of a Minimum Funding Guarantee in order to avoid significant reductions in funding per pupil. In the year that the NFF is introduced, a school's funding will be compared to a baseline of the previous year's actual budget through the local formula, rather than the allocation calculated by the national formula. Only pupil-led factors (i.e. not lump sum, split site factor, PFI factor or business rates) will be covered by this protection.

3.5 The consultation closed on 9 September 2022, and full details can be found on the DfE's website at this link: [Implementing the direct national funding formula - government consultation \(education.gov.uk\)](https://www.gov.uk/government/consultations/Implementing-the-direct-national-funding-formula)

3.6 **List of acronyms:**

DfE – Department for Education

NFF – National Funding Formula

PFI – Private Finance Initiative

SEND – Special Educational Needs and Disabilities

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Report to:	SCHOOLS FORUM
Relevant Officer:	Hilary Wood, Head of Business Support and Resources
Date of Meeting:	11 October 2022

EARLY YEARS NATIONAL FUNDING FORMULA CONSULTATION

1.0 Purpose of the report:

1.1 To update Schools Forum members on the Department for Education Consultation – Early Years Funding Formulae.

1.2 Action required – for information (no decision required).

2.0 Recommendation(s):

2.1 To note the contents of this report.

3.0 Background Information

3.1 On 4 July 2022, the Department for Education (DfE) launched a consultation outlining its proposed reforms to the funding formulae for Early Years.

3.2 In 2017, the DfE established the Early Years National Funding Formula (EYNFF), with the aim of ensuring that funding for 3- and 4-year-olds would be distributed fairly and transparently to local authorities across the country. This replaced the previous funding system which was based on historic LA expenditure. The EYNFF sits alongside a separate formula for funding for the most disadvantaged 2-year olds.

3.3 Many of the datasets which underpin these formulae and which are used to reflect geographical cost variation are not up to date. The consultation therefore proposes to update the formulae for the 2023/24 financial year and annually thereafter. This update will result in some changes to local authority funding levels, given costs and levels of need in certain areas will have changed relative to others. As such, the proposals also consider the application of new year-to-year protections to local authority funding rates, to help local markets to better manage changes. The DfE is also consulting on reforms to maintained nursery school (MNS) supplementary funding.

3.4 The proposals in this consultation relate to the distribution of the entitlements funding. The DfE is not proposing changes to the overall quantum of funding going through the two funding formulae, which remains at the level agreed at the Spending Review 2021.

3.5 **Proposed changes for EYNFF (3- and 4-year old funding):**

- Data relating to free school meals (FSM) eligibility, English as an additional language and Disability Living Allowance (DLA) would be updated to be based on the latest available published data. The weightings used for each of these proxy measures would not change under the proposals.
- The free school meals factor would be changed to be based on the headline measure for FSM which is calculated using all pupils in state-funded nursery and primary schools, rather than the current measure which filters by age e.g., excluding part-time pupils aged under 5. This is the measure that is more commonly used – for example this change will align the free school meals measure used in the EYNFF with that used in the High Needs National Funding Formula.
- The DLA factor would be based on the number of 3- and 4-year-olds who are entitled to the DLA, in line with the age group being funded, and would move to using data from February rather than August. The proportion of children who are eligible would be calculated using 3- and 4-year-old mid-year ONS population estimates as this is deemed to be more representative than the current approach of using census data.
- The Area Cost Adjustment would be amended by: using the latest available published data; making a minor amendment relating to the General Labour Market adjustment applied to London fringe authorities to bring it in line with the methodology used in the 2-year old formula; and making some technical changes to the nursery rates cost adjustment to make it more reflective of relative costs between areas.
- Funding from the former teachers' pay and pension grants would be rolled into the EYNFF. Local authorities would be encouraged to use their quality supplement to take account of additional pressures that some providers might face, from, for example, the need to pay employer contributions to the teachers' pension scheme. Funding for Maintained Nursery Schools (of which Blackpool has none) would continue to be funded through a separate supplementary grant.
- Transitional protection would be applied to the formula so that each local authority would see an increase of at least 1% but gains would be capped at 4.5%.

3.6 The DfE has used provisional data to estimate the impact of these changes on individual local authority level allocations. Blackpool's funding rate in 2022/23 was £4.67 per hour, plus an illustrative amount of 8p per hour for the former teachers' pay and pension grant, taking the baseline to £4.75. The proposals, if implemented, would result in an hourly rate of £4.96 in 2023/24, an increase of 4.4%, close to the

cap on gains.

3.7 ***Proposed changes to the 2-year old funding formula:***

- The calculation of allocations would revert to the formula of base rate plus Area Cost Adjustment.
- The Area Cost Adjustment would be brought into line with the methodology used in the EYNFF so that it reflects regional variances in nursery premises costs as well as in labour costs.
- Transitional protection would be applied to the formula so that each local authority would see an increase of at least 1% but gains would be capped at 8.6%.

3.8 Given that all of the proposed changes to the 2-year old formula are effected through the Area Cost Adjustment, Blackpool's rate would actually reduce from £5.57 per hour in 2022/23 to £5.46 in 2023/24. Transitional protection would therefore be allocated to bring the funding rate up to £5.63 per hour, an increase of 6p, or 1.1%.

Proposed reform of Maintained Nursery School supplementary grant

- Greater consistency of funding would be introduced by the implementation of a funding floor of £3.80 per hour and a funding cap of £10 per hour.
- Teachers' pay and pension grants would continue to be allocated by way of the supplementary grant.

3.9 Blackpool does not have any Maintained Nursery Schools, so is unaffected by this section of the consultation.

3.10 The consultation closed on 16 September 2022, and full details can be found on the DfE's website at this link: [Early years funding formulae consultation document \(education.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/114242/early-years-funding-formulae-consultation-document.pdf)

3.11 **List of acronyms:**

DfE – Department for Education
EYNFF – Early Years National Funding Formula
FSM – Free School Meals
DLA – Disability Living Allowance
ONS – Office of National Statistics

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