

Schools Forum

Date: Thursday 12 January 2023
Time: 2.00 pm
Venue: Microsoft Teams

Membership

Items on the agenda: -

1. Apologies

Matters for Decision

- | | |
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| 2. Voting and Actions from the Last Meeting | 3 - 4 |
| 3. National Funding Formula 2023-24 | 5 - 10 |
| 4. Early Years National Funding Formula 2023-24 | 11 - 16 |
| 5. Growth Fund 2023-24 | 17 - 22 |
| 6. DSG Monitoring Report 2022-23 | 23 - 32 |

Matters for Information/Comment

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| 7. Forward Plan | 33 - 34 |
| 8. Chair's Business | |

Date of Next Meeting:

Monica Fogarty
Chief Executive
Warwickshire County Council
Shire Hall, Warwick

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WARWICKSHIRE SCHOOLS FORUM**Voting and Actions of the meeting held on 10th November 2022****Microsoft Teams meeting 14:00 – 16:00 pm****SCHOOL FORUM MEMBERS**

Alison Davies	The Avon Valley School (Maintained)
Amy Woodward	North Leamington School (Academy)
Andy Mason	Stratford Upon Avon School (Academy)
Jane Burrows	Myton School (Academy)
Nicci Burton	Atherstone and Bedworth Heath Nursery School (Maintained)
Nick Evans	Evergreen School (Special Maintained)
Paul Gillett	Representative from a Teacher's Union
Philip Johnson	Whitestone Infant School (Maintained Governor)
Rebecca Harrison	Park Hill Thorns Federation (Maintained)
Ricky Emms	The Priors School (Academy)
Rose Gunn	Arden Forest Infant School (Maintained)
Sarah Bromley	PVI - Castle Nursery
Stephanie Ferries	Bridgetown Primary School (Maintained)
Sybil Hanson	Coventry Church of England Diocese Representative

OFFICERS/OBSERVERS

Chris Baird	Assistant Director - Education Services
Emily Caren	SEND & Inclusion Business Change Officer
Dalbir Kaur	Accountant, Children & Education - Clerk to Schools Forum
Duane Chappell	Strategy & Commissioning Manager (SEND)
Kamaljit Kaur	Senior Accountant (Team Lead) Children & Education
Purnima Sherwood	Service Manager for Finance
Ross Caws	Lead Commissioner - Strategy and Commissioning

1. Apologies (Started 0:0:23, Ended 0:1:6)

Please note: the start and the end time is the recording time of the meeting.

Apologies were received from the following members:

Alison Ramsay	Nicholas Chamberlaine School (Academy)
Andrew Felton	Assistant Director - Finance
Brian Smith	Education, Children and Families Technical Specialist
Carrie Clare	Park Lane Primary & Race Leys Junior (Academy)
Colin Atkins	Shipston High School (Academy)
Councillor Kam Kaur	Portfolio Holder for Education
Faye Padfield	Abbots Farm Infant School (Maintained Governor)
Joss Andrews	Dunchurch Infant School and Nursery (Maintained)
Mary Anne Burrows	PVI – The Burrow Nursery & Pre-School
Michael Cowland	The Diocese of Coventry Multi Academy Trust
Peter Husband	16-19 Partnership Sector
Siobhan Roberson	Harris Church of England School (Academy)

The following members did not attend and did not give their apologies:

Hilary Ward
Catherine Crisp

Central England Academy Trust (Special Academy Governor)
Hillmorton Primary School Rugby (Maintained)

Matters for decision:

2. Voting and Actions from the Last Meeting (Chair) (Started 0:1:47, Ended 0:2:13)

Agree as a true record

No Actions.

3. Schools Block Funding 2023-24 (Ross Caws) (Started 0:2:56, Ended 0:55:39)

Recommendation:

Schools Forum members are asked to agree:

- a) The transfer of up to 0.5% of Schools Block funding to the High Needs Block for 2023- 24

Voting: 4 members in favour
10 members against
Recommendation did not carry

If the Schools Forum do not agree this recommendation, then the Schools Forum members are asked to consider a second recommendation:

- b) The transfer of up to 0.25% of funding from the School Block to the High Needs Block in 2023-24

Voting: 4 members in favour
9 members against
Recommendation did not carry

Note: One vote was by email and added to the total of both options.

Actions: Ross and Duane to work over the next year with Consortia to express how important it is to complete and return the consultation as individual school.

4. Forward Plan (Dalbir Kaur) (Started 0:55:40, Ended 0:56:14)

Next Schools Forum is on 12 January 2023. There are three items for decision and two for information and comments.

Chair Phil Johnson (Started 0:56:34, Ended 0:56:44)

Phil Johnson: Thanked everybody for their contribution and wished everyone good Christmas.

Note: All voting took place via Hands up function on teams.

Meeting concludes at 15:02pm.

Next Meeting on Thursday 12th January 2023, 2:00pm to 4:00 pm.

If you would like to listen to the full meeting, please click [here](#)

Item 3

Schools Forum**12 January 2023****Schools National Funding Formula 2023-24**

This report relates to both academy and maintained mainstream schools and is for decision by all school and PVI members of Schools Forum.

Recommendations:

Schools Forum agree to recommend to Cabinet full implementation of the 'hard' National Funding Formula in 2023-24.

1. Purpose of the Report

- 1.1. To inform Schools Forum of the Schools Block DSG Allocation for 2023-24 and how it will be allocated to schools using the 'hard' National Funding Formula (NFF), ahead of the Council budget being set and approved by full Council.

2. National Funding Formula 2023-24

- 2.1. The schools block DSG allocation for 2023-24 is £425.6 million which is an increase of £28.8 million (7.26%) from the 2022-23 allocation and is mainly due to increase in pupil numbers. A breakdown of the changes between 2022-23 and 2023-24 can be found in Appendix 2 of this report.
- 2.2. The total Number on Roll for 2023-24 has increased by 1,316 pupils (1.70%) above 2022-23 pupil numbers. Table 1 shows the Number on Roll changes by phase.

Phase	Number of pupils in schools 2023/24	Number of pupils in schools 2022/23	Variance
Primary	45,615	45,247	368
Secondary	33,506	32,558	948
Total	79,120	77,804	1,316

Table 1: Distribution of increased NOR 2023/24

- 2.3. The minimum pupil funding for 2023-24 has increased to £4,405 for Primary Schools and £5,715 for Secondary school compared to £4,265 in Primary Schools and £5,525 in Secondary Schools for 2022/23. This represents an increase of 3.03% above 2022-23 funding levels mainly due to Supplementary grant is rolled into the school NFF.
- 2.4. The pupil led funding formula factors were increased by between 2.17% and 3.85% above 2022-23 funding levels. A breakdown of how much each factor has increased by is outlined in Appendix 1. Also, the Minimum Funding Guarantee has been set at +0.50%.
- 2.5. The DSG allocation for 2022-23 has allowed the Local Authority to continue to apply the 'hard' NFF in 2023-24 as follows:
- Set the Age Weighted Pupil Unit (AWPU) rate in line with the 'hard' NFF.
 - Use all Deprivation rates (Free Schools Meals and Income Deprivation Affecting Children Index) in line with the 'hard' NFF.
 - Allocate funding for English as an additional language for the maximum 3 eligible years in line with the 'hard' NFF.
 - Prior attainment set at 100% in line with the 'hard' NFF.
 - All schools are allocated a lump sum of £127,500, in line with the 'hard' NFF.
 - Split sites allocated £38,500 per site and this is a local factor.
 - Business Rates are fully funded, and this is mandatory.
 - Funding to meet minimum per pupil funding (£4,265 for primary school pupils and £5,525 for secondary school pupils) in line with the 'hard' NFF.
 - Set the Minimum Funding Guarantee at +2.00% in line with the 'hard' NFF.
 - Allocate £3.5million to the Growth Fund which is the subject of a separate paper before today's schools' forum.

3. Additional Allocations 2023-24

- 3.1. In November 2022, Schools Forum were presented with the provisional DSG allocations, which were published in July 2022. The latest Schools Block allocation noted in this report is from the ESFA announcement on 20th December 2022.

- 3.2. The modelling of Schools Block DSG funding against the October 2022 census data has meant that we can continue to implement the 'hard' NFF in 2023-24.
- 3.3. It can now be confirmed that the Local Authority proposes to fund the following (see paragraphs 3.5 and 3.6) from within the overall schools' block DSG allocation in 2023-24. Please note that this is subject to the ESFA verifying our schools funding submission which needs to be submitted by Friday 20 January 2023. Schools Forum will therefore receive the final budget position at the March meeting.
- 3.4. Schools' forum did not approve the transfer of any of the school block DSG to the high needs block DSG in 2023-24.
- 3.5. The lump sum in 2022-23 is £121,300 per school in line within the NFF. Local Authorities can increase this to a maximum of £175,000, subject to affordability. The Local Authority is proposing that the lump sum for 2023-24 is increased to £127,500 for all mainstream schools and academies. Note that £3,680 of this increase relates to the mainstreaming of the supplementary funding which was provided as a separate grant in 2022-23.
- 3.6. Increasing any factor beyond those within the NFF would only benefit some schools and not all of them. Schools who are protected, either through the minimum per pupil funding or minimum funding guarantee, do not generally benefit from any factor increases. This is because an increase in a factor would be offset by an equal and opposite decrease in either their minimum per pupil funding or minimum funding guarantee protection.

4. **School Supplementary Funding**

- 4.1. The aim of ESFA approach for rolling the 2022-23 supplementary grant into the schools NFF in 2023-24 is to ensure that the additional funding schools attract through the NFF is as close as possible to the funding they would have received if the funding was continuing as a separate grant in 2023-24, without adding significant additional complexity to the formula. We have rolled in the grants in three ways, to reflect the three different ways in which schools attract funding through the NFF:
 - Adding £97, £137 and £155 to the primary, key stage 3 and key stage 4 per pupil funding factors respectively
 - Adding £85 and £124 to the primary and secondary FSM6 factors.
 - Adding £3,680 to the school lump sum.

Kamaljit Kaur

Senior Accountant (Team Lead) Children Education

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NFF Factors 2022-23 and 2023-24

Factor	2022-23	Supplementary	2023-24	Change	
	A	B	C	(C-A-B/A)	
AWPU	£		£	%	£
Primary AWPU	3,217	97	3,395	2.52%	81
KS3 AWPU	4,536	137	4,780	2.36%	107
KS4 AWPU	5,112	155	5,380	2.21%	113
Minimum Per Pupil Funding					
Primary	4,265		4,405	3.28%	140
Secondary	5,525		5,715	3.44%	190
Deprivation					
FSM Primary	470		480	2.13%	10
FSM Secondary	470		480	2.13%	10
FSM6 Primary	590	85	695	3.39%	20
FSM6 Secondary	865	124	1,015	3.01%	26
Primary IDACI A	640		660	3.13%	20
Primary IDACI B	490		510	4.08%	20
Primary IDACI C	460		475	3.26%	15
Primary IDACI D	420		435	3.57%	15
Primary IDACI E	270		280	3.70%	10
Primary IDACI F	220		230	4.55%	10
Secondary IDACI A	890		915	2.81%	25
Secondary IDACI B	700		720	2.86%	20
Secondary IDACI C	650		670	3.08%	20
Secondary IDACI D	595		610	2.52%	15
Secondary IDACI E	425		441	3.76%	16
Secondary IDACI F	320		330	3.13%	10
Low Prior Attainment					
Primary LPA	1,130		1,160	2.65%	30
Secondary LPA	1,710		1,725	0.88%	15
English as an Additional Language					
Primary EAL	565		580	2.65%	15
Secondary EAL	1,530		1,570	2.61%	40
Lump Sum					
Primary LS	121,300	3,680	127,500	2.08%	2,520
Secondary LS	121,300	3,680	127,500	2.08%	2,520
Sparsity					
Primary Sparsity	55,000		56,000	1.82%	1,000
Secondary Sparsity	80,000		81,000	1.25%	1,000
DSG Schools Block Allocations					
Primary Units of Funding (PUFs)	4,516		4,729	4.73%	214
Secondary Units of Funding (SUFs)	5,737		6,046	5.40%	310

Comparison of NFF allocations 2022-23 and 2023-24

Factor	2022-23 £m	2023-24 £m	Difference £m	Difference %	Reason for Change
Age Weighted Pupil Unit (AWPU)	301.2	324.2	23.1	7.66%	Pupil led factor and increase in rates. 23/24 rates include Supplementary grant funding as per NFF guidance
Deprivation	25.4	29.6	4.2	16.48%	Pupil led factor and increase in rates. 23/24 rates include Supplementary grant funding as per NFF guidance
English as an Additional Language	2.5	3.1	0.6	23.32%	Pupil led factor
Mobility	0.0	0.1	0.1	100.00%	As per NFF requirement
Prior Attainment	25.1	26.5	1.4	5.44%	Pupil led factor
Lump Sum	28.0	29.6	1.6	5.64%	Lump sums rates include part of Supplementary grant as per NFF guidance
Split Sites	0.2	0.2	0.0	0.00%	
Sparsity	1.0	1.1	0.1	6.80%	Increased rate
Rates	3.7	3.7	0.0	0.00%	Actual costs of rate bills are fully funded
Minimum Pupil Funding	6.8	3.9	-3.0	-43.28%	As other factors increase there is less need to protect schools through this factor
Minimum Funding Guarantee	0.6	0.2	-0.4	-61.67%	As other factors increase there is less need to protect schools through this factor
Growth Fund	2.3	3.5	1.2	50.76%	Increase in pupil number for bulk classes (for details see separate paper for growth fund)
Total (impacted by roundings)	396.9	425.6	28.8	7.26%	

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Item 4

Schools Forum**12 January 2023****Early Years National Funding Formula 2023-24**

This report relates to all early years providers and is for decision by all schools and PVI members of Schools Forum

1. Purpose of the Report

- 1.1. This report updates Schools' Forum on the conclusion of the Early Years National Funding Formula (EYNFF) modelling following the outcome of the consultation with the EY Task Group on Wednesday 4 January 2023.

2. Recommendations

- 2.1. The Schools Forum is asked to approve increasing the deprivation rate to 62p per eligible child, in line with the changes to the Early Years Per Pupil Premium (EYPP) rate and allocating the remaining available funding to the universal base rate of £4.51 for 2023-24, as recommended in paragraph 6.3 and 8.4 and Table 2.

3. Introduction

- 3.1. All children in England and Wales are entitled to 15 hours of free nursery education per week, 38 weeks a year from the term after their third birthday until they reach statutory school age. Parents may choose to take this up in a maintained school, nursery or in a private, voluntary or independent sector (PVI) early year setting or with a childminder.
- 3.2. The Early Years Block element, within the Dedicated Schools Grant (DSG) funds the universal provision for all 3 and 4 year-old children as well as the Early Years provision for disadvantaged 2 year old children.
- 3.3. Schools and settings are funded based on participation over the whole year and not just the highest count, which ensures that funding is realistic and adjustments for over/under occupancy at the end of the year are more manageable. This will not change in line with the changes proposed above.

4. National Funding Formula Guidance

- 4.1. LAs have been required to allocate 95% of funding to providers since 2018/19.
- 4.2. The government requires LAs to set up “Inclusion Funds”, to support children with additional needs.
- 4.3. The formula may have a fixed number of supplements in addition to the required deprivation factor.
- 4.4. Maintained nursery schools are given some financial protection under the national proposals, to minimise disruption. To support this, the government has been providing supplementary funding for maintained nursery schools. Consultations ran in the summer, have confirmed this funding will continue under the current arrangement. This means funding will be allocated to the Nursery schools outside of the main Early Years formula allocation, and new proposals will also include a funding allocation grant for Teacher Pay & Pension Grant (TPPG).
- 4.5. Please note that the MNS won't receive the TPPG 3p on top of the hourly base rate (as per the workings of option 1) as their TPPG has been rolled into the supplementary funding as per paragraph 10.1.
- 4.6. The Government conducted an Early Years National Funding Formula consultation during the summer. In the consultation it was proposed to update the data sets behind the funding formulae for the early education entitlements for children aged 2, 3 and 4 as these formulae were no longer using the most recent data available. Using up-to-date data will help to ensure the funding system remains fair, effective, and responsive to changing levels of need. It was also proposed to introduce Teacher Pay & Pension Grant (TPPG) for nursery qualified teachers into the local formula via supplementary funding.

5. The consultation proposed the following:

- From the 2023-24 financial year funding early years grants will be mainstreamed, bringing early years in line with schools and high needs. This will streamline the system to make it easier for institutions to manage their finances.
- To limit the extent of the changes in distribution of the grant, it is proposed to include teachers’ pay and pensions grants funding within baseline grants.
- For maintained nursery schools its proposed to separate their share of the grants and allocate it through nursery school supplementary funding.
- Adjustments have been made to calculation methods of the formula to local authorities.
 - a) The base rate has remained the same since introduction in 2017.
 - b) Between 2017-18 and 2019-20 rates remained the same for those LAs not protected by protections (which unwound over this period).

- c) Since 2020-21: LAs have received fixed pence uplifts to their hourly rates. In 2023-24 it is proposed to return to using the formula which means that the base rate will be updated.

6. Additional needs factor updates and amends

- 6.1. It is proposed to update all three proxy measures with the most current data available, this includes making changes to the cut off data for FSM and EAL to better align with other entitlements and ensure the latest data available is used.
- 6.2. As a result of the proposed changes, Warwickshire's funding base rate will increase by 26p, which is made up of 3p for TPPG grant and 23p from data set updates.
- 6.3. The ESFA announced in December 2022 early years allocations for 2023-24. These allocations cover the following areas:
1. 2 year olds
 2. 3 and 4 year olds
 3. Teachers Pay & Pension Grant
 4. Early Years Pupil Premium (EYPP)
 5. Disability Access Fund (DAF)
 6. Supplementary Funding for Maintained Nursery Schools
- 6.4. Rates for 2023-24 and a comparison to 2022-23 rates are as follows:

Factor	2022-23 Rates	2023-24 Rates	Change in pence/£	% Change
2 Year olds	£5.66	£5.90	24p	4.24%
3 and 4 year olds	£4.61	£4.84	23p	5.00%
TPPG	n/a	£0.03	New	New
EYPP	£0.60	£0.62	2p	3.33%
DAF	£800	£828	£28	3.50%

Table1: Early Years allocations rates 2022-23 and 2023-24

- 6.5. The Early Years Working Group met on Wednesday 4th January 2023 to discuss the allocation of funding for 3 and 4 year olds and to make a recommendation to schools forum (see paragraph 8.4).

7. Allocations for 2 year olds

- 7.1. The hourly allocation for 2 year olds has increased by 24p per hour from £5.66 per hour in 2022-23 to £5.90 per hour in 2023-24. This represents a 4.24% increase above the 2022-23 funding allocation.
- 7.2. Funding rules requires the whole of this funding is passported to all early years' providers offering places for 2 year olds.

8. Allocations for 3 and 4 year olds

- 8.1. The hourly allocation for 3 and 4 year olds has increased by 26p per hour from £4.61 per hour in 2022-23 to £4.87 per hour in 2023-24, this includes £0.03 for TPPG. This represents a 3.50% increase above the 2022-23 funding allocation.
- 8.2. As schools' forum are aware up to 5% of the allocation for 3 and 4 year olds can be retained by the Local Authority to fund central services which support all early years providers.
- 8.3. The main issues for the Early Years Working Group to consider are how the additional funding is allocated to providers through the universal rate and mandatory deprivation rate. The deprivation rate currently mirrors the EYPP which is 60p per hour in 2022-23. The ESFA have announced that this rate will increase to 62p in 2023-24. The Early Years Working Group considered 2 options, subject to the 5% retention:
- (Option 1) Allocating the whole increase to the universal rate
 - (Option 2) Continue to mirror the EYPP rate and therefore allocating slightly more to the universal rate than in Option 1

Factor	2022-23 Allocation Per Hour (Dep 0.60P) £	Option 1 2023-24 Allocation Per Hour (Dep 0.62p) £	Option 2 2023-24 Allocation Per Hour (Dep 0.62p) £
Total for 3 and 4 Year Olds	4.61	4.87	4.87
Universal rate allocated to all providers	4.30	4.51	4.50
TPPG	0.00	0.03	0.03
Deprivation Supplement	0.08	0.09	0.10
Central Provided Services (5%)	0.23	0.24	0.24

Table 2: options for 3 and 4 year olds allocations 2023-24

- 8.4. The Early Years Working Group unanimously agreed to recommend to schools' forum Option 1 and to continue to keep the deprivation rate the same as the EYPP rate.

9. Early Years Per Pupil Premium and Disability Access Fund

- 9.1. The Early Years Per Pupil Premium rate for 2023-24 is 62p per hour for eligible children, an increase of 3.33%
- 9.2. The Disability Access Fund allocation rate for 2023-24 is £828 per eligible child, an increase of 3.50%.

10. Supplementary Funding for Maintained Nursery School (MNS)

- 10.1. From 2023/24 ESFA reformed the distribution of supplementary funding to ensure that it is being shared more evenly across all local authorities with MNSs. As

consulted on over the summer, ESFA have now introduced a minimum and a cap on the hourly funding rate that local authorities can receive for their MNSs. In 2023/24, the minimum hourly rate is £3.80 and the cap has been set at £10 per hour with some transitional arrangements in place for the most affected local authority. ESFA also mainstreamed the funding that MNSs previously received through the teachers' pay and pensions grants, so it has now been rolled into each local authority's supplementary funding allocation.

- 10.2. Supplementary funding rate for Warwickshire has been set at £3.80 by the ESFA and must be paid to 6 Maintained Nursery Schools for the Universal funded hours.

11. Financial Implications

- 11.1. The financial implications have been detailed in the body of this paper.

12. Supporting Information

- 12.1. Not applicable

13. Legal Implications

- 13.1. There are no legal implications for this report.

14. Equality Implications

- 14.1. Not applicable.

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Appendix 1

Table 1: Early Years Block	Provisional Budget
	2023/24 £
Nursery Funding 3&4 year olds (Universal funding - Independent Providers & Nursery Classes)	21,946,059
Nursery Funding 3&4 year Olds (Additional 15 hours)	9,800,259
Maintained Nursery Supplement	931,424
DSG Pupil Premium	226,919
Funded 2 year olds	3,160,178
Disability Access Fund	199,548
IDS TL Early Years	966,852
Early Years - Sufficiency & Business Support	282,352
Early Years Quality & Development	96,541
EYB Central Establishment Charges	314,285
Early Years Allocations	37,924,417
DSG EYB Grant Allocation	(37,924,417)
Balance	0

Schools Forum

12 January 2023

Pupil Growth Fund 2023/24

This report relates to all representatives

Recommendations

Funding from the Schools Block DSG is allocated to the Pupil Growth Fund to support the requirements outlined in this report:

- a. Proposed revision to the pupil growth funding criteria.
- b. Estimated growth funding required for 2023/24 to support pupil growth in existing provision and the opening of new provision.
- c. Where there is insufficient funding to support allocations described in this report, the level of protection funding for schools will be scaled back accordingly.

1. Introduction

- 1.1. The Warwickshire Education Strategy (2018-2023) sets out the County Council's aspirations and priorities for Education in Warwickshire. Within this strategy Priority WE3 aims to ensure all learners enjoy a high-quality learning experience.
- 1.2. In this context, the [Education Sufficiency Strategy \(2018-2023\)](#) accompanied by the [Annual Sufficiency Update](#) aims to help schools, parents, council officers, local partners and stakeholders understand how Warwickshire County Council plans for and anticipates the growth in demand for places ensuring that all children and young people thrive in sustainably good or outstanding schools and settings throughout their education, wherever they live in Warwickshire.
- 1.3. The Local Authority is responsible for providing sufficient school places.
- 1.4. Warwickshire is experiencing significant growth within many parts of the county, with larger primary cohorts now entering secondary provision and large scale housing development building out and proposed to continue to build out across the county over the next 15 years and beyond. As development progresses across the county there will be the need for the delivery of new provision and the expansion of existing provision during the next 5 years and effective planning for further new provision beyond that period. One new all-through

school and one primary school are due to open September 2023 and a further new primary school is proposed to open in September 2024.

- 1.5. The growth fund can be used to support schools which are required to provide extra pre-16 places in order to meet basic need within the authority, including the pre-opening and post opening costs of new schools and reorganisation costs.
- 1.6. Funding for Growth is allocated to the Local Authority separately within the National Funding Formula and calculated based on actual pupil growth between the annual October censuses. Allocations for 2023-24 were announced on 21st December 2022 and have been based on the increases between October 2022 and 2021 pupil census data. The finalised available amount to support pupil growth is £3.5 million.
- 1.7. For 2022/23 the estimated requirements were £2.328 million. The final expenditure is forecast to be circa £2.328 million.

2. Current criteria in Warwickshire for administering Growth Funding

2.1. Primary School (Reception to Year 6)

- 2.1.1. When a primary school agrees to admit an additional class at the request of the LA, they are paid £41,317 for each new class to cover the seven month period before these pupils begin to be funded through the formula based on the October Census. For bulge classes this would be a one-off payment, while for expansions the payment would be made for a maximum of seven years depending on the number of new classes opened. In terms of academies, which are funded on academic year, there is a 12-month period before funding for the additional class is received, therefore an additional £23,798 is paid to academies in April and recouped from the ESFA by the LA.
- 2.1.2. Primary schools that are in the process of expansion, or those that have admitted a bulge class at the request of the LA, also receive protection funding for up to seven years from when an additional class is opened (inclusive of the first year of funding). For the first year of funding, the additional protection funding is based on the primary basic entitlement AWPU figure (£3,395 for 2023/24) and is for 5/12 of the year, as the school would have already received the Pupil Growth Funds to support with first 7/12 of the year¹. In second and subsequent years of funding, if the class has 25 pupils or fewer, the school is eligible to receive AWPU for the difference up to 25 pupils. Where applicable, this protection funding can also be applied to new free schools opened via the LA presumption route or through the Central Government Free School Programme.
- 2.1.3. The growth fund can also provide support for those schools undergoing reorganisation, for example, an extension of the age range. Costs incurred can vary considerably, and in order

¹ Protection funding in the first year not applicable to academies that received full 12 month growth funding payment

to ensure an equitable yet flexible approach, each re-organisation will be assessed and the appropriate method and level of funding agreed follow consultation with the relevant officers.

2.1.4. **Proposed uplift to primary growth funding payment:** The LA have reviewed the staffing element of the growth funding in light of the recent pay award and feedback from primary schools regarding the level of teaching assistant hours included in the current calculation. The number of TA hours has been increased to 1FTE from 0.5FTE acknowledging that a new class, particularly at Reception will have at least 1 FTE teaching assistant.

2.1.5. In addition, a 5% uplift has been added to the teacher salary and the teaching assistant salary. Therefore, when a primary school agrees to admit an additional class at the request of the LA they would be paid £51,546 for each new class to cover the seven month period before these pupils begin to be funded through the formula based on the October Census. For academies, which are funded on academic year, an additional £31,105 is paid in April and recouped from the ESFA by the LA.

2.2. **Secondary School (Year 7 to Year 11)**

2.2.1. When a secondary school agrees to admit an additional form of entry at the request of the LA they are paid £38,611 for the seven month period before these pupils begin to be funded through the formula based on the October Census. For bulge classes, this would be a one-off payment, while for expansions the payment would be made for a maximum of five years. For academies, which are funded on academic year, an additional £25,436 is paid to academies in April and recouped from the ESFA by the LA.

2.2.2. **Proposed uplift to secondary growth funding payment:** As a result of the recent pay award a 5% uplift has been added to the teacher salary and the teaching assistant salary. It is also proposed to increase the resource element from £3000 to £5000 and increase the teaching assistant time from 0.5FTE to 1.0FTE.

2.2.3. Therefore, when a secondary school agrees to admit an additional class at the request of the LA they would be paid £51,655 for each new class to cover the seven month period before these pupils begin to be funded through the formula based on the October Census. For academies, which are funded on academic year, an additional £33,325 is paid in April and recouped from the ESFA by the LA.

2.2.4. **Proposed introduction of protection funding: Only payable if the school maintains the agreed additional number of places.** Following on from the initial growth funding in the first year, in second and subsequent years, protection funding will be paid up to a maximum of 20 pupils per year group. For example, where an additional 30 places are being made available in a year group (on top of the existing PAN), protection funding will be paid on 20 pupils – a school with a PAN of 180 makes places available up to 210 places; protection funding will be provided up to 200 pupils. The protection funding will be based on the

Secondary basic entitlement AWPU (23/24 £4,780) and based on the October 2023 Census figure.

3. School Pre-Opening and Post Opening Funding

- 3.1. Under the free school presumption local authorities are required to meet the capital costs of providing the new school and the revenue costs of opening the new provision.
- 3.2. In providing the revenue support, provision must be made in the LA's growth funds to finance pre-opening development costs and post-opening funding to reflect the additional costs of establishing and operating a new school during the first few years when pupil-led revenue funding is not sufficient to cover the full running costs.
- 3.3. **Pre-Opening Funding (Project Development Grant) – No changes are proposed**
 - 3.3.1. The pre-opening funding is intended to cover revenue costs up to the opening of the school. This can include project management, staff recruitment, salary costs and office and administration costs. The grant is paid in three instalments during the year prior to opening.
 - 3.3.2. The current pre-opening funding grant follows a similar funding level to the project development grant given to new schools opened through the Central Government Free School Programme.
 - 3.3.3. The Project Development Grant proposed by WCC breaks down as follows:

Primary £195,000 (£125,000 if the trust is opening more than one school in an academic year)

Secondary and all-through £275,000 (£175,000 if the trust is opening more than one school in an academic year)

- 3.3.4. An ICT grant would also be provided to fund the ICT equipment and expenditure not covered by the Capital Build. A grant of up to £50,000 is proposed for Primary Schools and up to £100,000 for a Secondary School.
- 3.3.5. It should be noted that all LA presumption schools also receive a £25,000 project development grant from the Department for Education.

3.4. **Post Opening Funding (New Mainstream Free School) – No changes are proposed**

- 3.4.1. The current approach follows a similar format to the post opening grant paid by the DfE to free schools opened through the Central Government Free School Programme. There are two elements to the post-opening grant: non-staffing resources paid on a per pupil basis and a leadership grant.
- 3.4.2. The Resources element: Paid each year that the school builds up to capacity for each new pupil expected to be on roll. It is paid at the following rates:

- £250 for each new mainstream pupil in the primary phase (R to 6)
- £500 for each new mainstream pupil in the secondary and 16 to 19 phases (7 to 13)

3.4.3 The Leadership element: Paid annually based on the number of year groups that the school will ultimately have that do not yet have pupils. The amount paid to mainstream schools depends on how many year groups are empty.

Table 1: Leadership element of post opening grant

Phase	Number of empty year groups						Max
	6+	5	4	3	2	1	
Primary	£80,500	£67,500	£54,000	£40,500	£27,000	£13,500	£283,000
Secondary			£125,000	£93,500	£62,500	£31,000	£312,000
All Through	£125,000	£93,500	£62,500	£54,000	£40,500	£27,000	£402,500

NB. Leadership element not affected by school size or whether there is a sixth form

Table 2: Total Cost*

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Max. Total
Primary (1FE)	£88,000	£75,000	£61,500	£48,000	£34,500	£21,000	£7,500	£335,500
Secondary 7 to 11 (6FE)	£215,000	£183,500	£152,500	£121,000	£90,000	-	-	£762,000
All Through 11-16 (1FE primary & 6FE Secondary)	£222,500	£222,500	£222,500	£125,000	£97,500	£7,500	£7,500	£905,000

*Maximum cost assuming school growing 1 year group at a time. Cost would be subject to change depending on the timing of year groups being opened. Funding will be adjusted over the opening period in line with the maximum total paid

4. Growth Funding requirements for 2023/24

4.1 For 2023/24 the growth funding requirements to support pupil growth in primary and secondary provision and to support the opening of new provision is estimated at £3,509,990 million (including recoupable amounts); of which:

- £3.064 million is required to support pupil growth in line with the growth funding criteria outlined in this report.
- £0.446 million is required to support the pre-opening and post opening of new LA presumption schools
- The new rates will be applicable from September 2023

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Schools Forum**12th January 2023****2022/23 Dedicated Schools Grant Financial Monitoring Report**

This report relates to both maintained and academy schools and all members of the schools' forum and is for information and comment.

Recommendation

Schools Forum is recommended to:

- Note the DSG forecast financial outturn position for 2022/23, as at end of December 2022. Note that that the December forecast deadline had not passed at the point of lifting the forecasts, but no material changes are expected.
- Note the forecasted position of the DSG reserve at financial outturn position for 2022/23.

1. Introduction

- 1.1. This report provides an update on the 2022/23 forecast outturn position of the Dedicated Schools Grant (DSG).
- 1.2. The total 2022/23 DSG allocation for Warwickshire, reported to schools' forum in March 2022, was £500.570m (shown in the original allocation column in Table 1 below).
- 1.3. Since then, the DSG allocation has been updated to reflect the Academy/High Needs recoupment and an increase in the high needs funding for imports/exports and growing special free schools as well as increased Early Years funding. Table 1 and Appendix A shows the latest allocations to reflect these changes.

Table 1

2022/23 Revised DSG Allocations	Original Allocation	Change	Latest Allocation	Reason for Change
	£m	£m	£m	
Schools Block	397.752			Academy Recoupment
Less: National Non-Domestic Rates[1]	(3.624)			
	394.128	(261.433)	136.319	
<i>Total High Needs</i>	82.482	3.549	86.031	<i>£3m additional HN funding and £0.6m import export adjustment</i>
<i>Less: recoupment</i>	(14.564)	(0.922)	(15.486)	<i>High Needs recoupment</i>
High Needs Block	67.918	2.627	70.545	
Early Years Block	34.396	1.346	35.742	EY funding adjustment based on Jan 22 census data
Central School Services Block	4.128		4.128	
Total DSG Allocation	500.570	(253.836)	246.734	-

2. 2022/23 Forecasts

2.1. Table 2 summarises the 2022/23 forecast position by DSG Block, as at the end of December 2022, and Appendix A provides a detailed breakdown:

Table 2: 2022/23 Forecasts	Latest Allocation	Drawdown from Reserves	Forecast @ dec 22	Variance
	£m	£m	£m	£m
Schools Block	136.319	1.070	137.408	0.019
High Needs Block	70.545		75.574	5.029
Early Years Block	35.742		35.248	-0.494
Central School Services Block	4.128		4.158	0.03
Total DSG Allocation	246.734	1.070	252.388	4.584

2.2. It should be noted that historically the DfE have required all local authorities to complete a recovery plan should the expenditure variance on the DSG exceed 1%. The forecast position of £4.583m equates to a 0.9% overspend, which is within the

DfE threshold.¹ Due to exceeding the 1% threshold in previous years, WCC does have a recovery plan – on which regular updates are provided to schools' forum.

- 2.3. Although the total DSG position of the four blocks is used to calculate whether the DSG overspend is above the 1% threshold, in reality, we are not able to move funding between blocks without Schools Forum/Secretary of State approval (disapplication process); so, the key financial risk to be highlighted in Table 2 is the £5.029m overspend in the High Needs Block.

3. Reserve position

- 3.1. Table 3 below shows the opening position of the DSG reserve as at the 1st April 2022, the subsequent drawn down from reserves noted in table 2 and the forecasted effect of outturn that informs the forecasted closing balance of the reserve.

Table 3: 2022/23 Reserves (Funded from)	Opening Balance 01/04/2022	In Year Drawdowns	Effect of outturn	Forecast Closing Balance as at 31/03/2023
Schools Block DSG	1.461	(1.070)	(0.018)	0.373
High Needs Block DSG	(15.980)		(5.029)	(21.009)
Early Years Block DSG	2.932		0.494	3.426
Central Services Block DSG	0.489		(0.030)	0.459
DSG Total Reserve	(11.098)	(1.070)	(4.583)	(16.751)

4. Explanations for Variances

The sections below explain the main reasons for the variances across the blocks. A detailed breakdown of variances is shown in Appendix A.

Schools Block (£0.018m overspend)

- 4.1. There are minor net overspends £0.018m on the Schools Block.

High Needs Block (£5.029m overspend)

- 4.2. The main area of ongoing concern is the High Needs Block where the forecast overspend is £5.029m. This forecast net overspend consists of a number of significant budgets which are subject to interventions by the SEND & Inclusion Change programme (SICP). The over-arching aim over the long term (as funding for SEND is a national issue) is to reduce high costs volumes while increasing lower costs areas of service. For example, reducing the reliance of Independent Specialist Provision and increasing "SEND Top-ups" to mainstream and special schools. A decision taken at the inception of the SICP to set budgets for individual services as they might be after several years of the change programme (i.e. aspirational) does

lead to several large over/underspends because budget is set for the future while the forecasted costs are for the present. Therefore, a holistic view is best taken.

4.3. However, what should be noted is that excluding “future years SICP planned savings” of £2.245m would mean the HNB is forecasting a £2.784m over-spend in year, although this is net of the £1.908m contribution from the SB to HNB which is subject to annual agreement by the schools’ forum. Schools Forum voted against a contribution being made in 2023/24.

4.4. Areas of overspend include:

- Budgeted planned over allocations of budget for future years savings (SICP) of £2.245m offset by the contribution from the Schools Block £1.908m as well as achieving some savings/ cost reductions earlier (£0.197m).
- An overspend of £4.965m on Independent Schools Provision. The demand on the Independent special schools has increased dramatically without any noticeable effect of intervention and forward projections have therefore, followed suite with an increased forecasted spend of £0.914m. September had 35 places growth. Oct 6. Nov is projected at 14 known cases. There are now 8 projected per month until the end of the year. For the whole of 2021-22 there were 277 places purchased at £54k, Q2 22/23 the forecasted numbers were 327 @£57k, for Q3 it is now forecasted at 337 @ £58k.
- Top ups of supplemental & Teacher's pension payments for special schools £1.672m (this also includes some minor commissioning contracts).

4.5. The forecast overspends are partly offset by the following underspends: -

- Top ups and Resourced provision £1.013m due to lower demand
- Post 16 Provision - £0.268m - due to lower take up, although it should be noted the numbers of places to be funded between P6 and P12 is very volatile at the start of the Academic year
- Alternative provision £0.707m with a large drop in demand but increased unit costs.
- Slight overall net underspend of £0.240m for some support services.

Early Years Block (£0.494m underspend)

4.6. The Early Years Block is now forecasting an underspend of £0.494m net position. There is a forecast underspend of £1.154m on 3&4 year old provision and £0.143m overspend on 2 years old provision. The revised funding was issued in August by ESFA which increased the for 3&4 years old allocation by £1.2m. A more accurate forecast will be available after the spring census after the new term starts, with further funding adjustments being potentially made by the ESFA in the next financial year, there is also an estimated £0.500m recoupment of payments to providers which experienced less demand / take up in the summer term.

- 4.7. Education Services are forecasting a small operational underspend of £0.125m from recent staff vacancies and some adjustment to operating models.
- 4.8. Also included in the Early Years forecast is planned one off expenditure of £1.143m, which consists of the release of a package of Covid recovery related grants available to all EY providers and mainstream nurseries. Take up of the first tranche was not as large as expected but the forecast is hopeful that the second tranche launch in January will meet expectations, but this is dependent on individual institutions applying.
- 4.9. Schools' forum is asked to note that the Early Years forecast variance will change to reflect the updated allocation following the release of the January 2023 census data. (We are anticipating the release of the January 2023 Census data and updated allocation in February 2023.)

Central Schools Services Block- CSSB (£0.030m overspend)

- 4.10. The Central School Services Block is forecasting a £0.030m overspend but with some further in-year mitigation this overspend could reduce.

Impact of DSG overspend

- 4.11. The overall size of the DSG overspend has increased significantly and will impact on the overall recovery plan and the contributions from the Council's MTFs to cover the cumulative deficit. The key will be to continue momentum with the recovery plan and to achieve future years savings. The growth in the overspend may be mitigated by recent greater than expected (but with conditions) growth on the HNB DSG grant for 2023/24. The key is also to ensure that growth in HNB spend does not match the unexpected growth in the funding.

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Schools Block	Latest Budget	Latest Forecast	Forecast Variance
	£m	£m	£m
Mainstream Individual School Budgets	133.480	133.480	0.000
Growth Fund (exceptional pupil numbers)	2.328	2.328	0.000
Schools Block Contingency	0.789	0.838	0.049
De-delegated budgets			
School Performance	0.195	0.195	0.000
STS SEND Support (Previously "EIS")	0.030	0.030	0.000
Ethnic Minority & Traveller Achievement Service	0.242	0.225	-0.017
Free School Meals	0.019	0.019	0.000
Teaching Union Cover	0.066	0.061	-0.006
Non-Teaching Union Cover	0.016	0.016	0.000
Occupational Health	0.010	0.010	0.000
Central Establishment Charges	0.040	0.040	0.000
Education Functions - DBS	0.168	0.160	-0.008
Total Schools Allocations	137.38	137.40	0.019

High Needs Block	Latest Budget	Latest Forecast	Forecast Variance
	£m	£m	£m
SEN – Place Funding for Maintained Mainstream, Special and Resourced Provision	6.147	6.147	-0.000
SEN Top up – Mainstream Schools & Academies	12.343	12.459	0.115
SEN Top up – WCC Special Schools & Academies	20.065	19.067	-0.998
SEN Top up – Independent & OLA Special Schools	14.502	19.467	4.965
Tier 4 Hospital Education	0.180	0.450	0.270
Resourced Provision – SEN Support	1.765	1.635	-0.130
SEND Speech & Language	0.000	0.000	0.000
Post 16 Funding	8.581	8.313	-0.268
SEND Commissions	0.453	2.125	1.672
SEND Integrated Services (Low incidence SEND)	1.080	1.065	-0.015
SEND Integrated Services (Flexible Learning)	0.771	0.860	0.089
Area Behaviour Partnerships (Primary and Secondary Exclusions)	2.761	2.677	-0.084
Contribution to Early Intervention Behaviour Panels	0.064	0.064	0.000
Alternative Provision	0.922	0.299	-0.623
SEND Integrated Services (Specialist Teaching Service)	1.055	0.951	-0.104
Integrated Disability Service SEN Inclusion Grant (EY)	0.385	0.385	0.000
High Needs Contingency/ (Shortfall)	-1.957	-1.818	0.139
Central Establishment Charges	1.428	1.428	0.000
High Needs Allocations	70.544	75.573	5.029

Early Years Block	Latest Budget	Latest Forecast	Forecast Variance
	£m	£m	£m
Nursery schools (Universal Hours)	1.664	1.664	0.000
Nursery Funding 3&4 year olds (Universal funding - Independent Providers & Nursery Classes)	19.887	18.638	-1.249
Nursery Funding 3&4 year Olds (Additional 15 hours)	8.555	9.032	0.477
Maintained Nursery Supplement	0.703	0.703	0.000
DSG Pupil Premium	0.220	0.481	0.261
Funded 2 year olds	3.032	3.174	0.143
Disability Access Fund	0.165	0.165	0.000
IDS TL Early Years	0.866	0.760	-0.106
Early Years - Sufficiency & Business Support	0.249	0.249	-0.001
Early Years Quality & Development	0.089	0.071	-0.018
EYB Central Establishment Charges	0.314	0.314	0.00
Early Years Allocations	35.745	35.251	-0.494

Central Schools Services Block	Latest Budget	Latest Forecast	Forecast Variance
	£m	£m	£m
Children's Mental health	0.150	0	-0.150
Admissions	0.673	0.673	0.000
Heads Termly / SACRE	0.018	0.000	-0.018
DSG SF Allocation - Historic Pension Contribution	0.737	0.737	0.000
DSG SF Allocation - North Leamington School Prudential Borrowing	0.266	0.266	0.000
DSG SF Allocation - Copyright Licences	0.559	0.466	-0.093
Employers Liability Insurance	0.045	0.045	0.000
Teachers Pensions Employer Contribution Grant (TPECG)	0.484	0.424	-0.060
Schools Central Services (DSG) Budget Balance	-0.320	0.031	0.351
Education functions for all schools:			
Planning for the education service as a whole (Sch 2, 15b)	0.378	0.378	0.000
Formulation and review of local authority schools funding formula (Sch 2, 15d)	0.047	0.047	0.000
School attendance (Sch 2, 16)	0.377	0.377	0.000
Responsibilities regarding the employment of children (Sch 2, 18)	0.069	0.069	0.000
Admissions (Sch 2, 9)	0.086	0.086	0.000
Cost of support services for Education Functions	0.560	0.560	0.000
Central Schools Services Allocations	4.129	4.159	0.030

** Note that there may be rounding differences between the figures presented in this Appendix compared to the Tables in the body of the report.*

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Item 7

Schools Forum – Forward Plan 2022-23

The table below contains provisional items for the Schools Forum for the next year. This table will be updated and reported to each meeting of the Forum.

Date	For Decision	For Information / Comment
23 March 2023 2pm to 4pm Microsoft Teams	<ul style="list-style-type: none"> • DSG 2023-24 Budget • Section 48 – Scheme for Financing Schools (subject to any ESFA guidance changes) • Annual review of future meeting 	<ul style="list-style-type: none"> • DSG 2022-23 Forecast • DSG Recovery Plan Update
22 June 2023 (TBC) 2pm to 4pm Face-to-Face (TBC)	<ul style="list-style-type: none"> • De-delegation & Disapplication Consultation Timetable 2024-25 • Section 48 – Scheme for Financing Schools (subject to any ESFA guidance changes) 	<ul style="list-style-type: none"> • DSG 2022-23 Outturn • DSG Recovery Plan Update
28 September 2023 (TBC) 2pm to 4pm Microsoft Teams	<ul style="list-style-type: none"> • De-delegation 2024-25 	<ul style="list-style-type: none"> • DSG 2023-24 Forecast • 2024-25 National Funding Formula (year 6) Timetable and consultation • DSG Recovery Plan Update • Academy Update • Early Years & Childcare Place Sufficiency
9 or 16 November 2023 (TBC) Extraordinary 2pm to 4 pm Microsoft Teams	<ul style="list-style-type: none"> • 0.5% transfer (if required) 	
January 2024 (TBC) 2pm to 4pm Microsoft Teams	<ul style="list-style-type: none"> • 2024-25 National Funding Formula • 2024-25 Early Years Funding Formula • 2024-25 Pupil Growth Fund 	<ul style="list-style-type: none"> • DSG 2023-24 Forecast • DSG Recovery Plan Update

Further meetings will be set up once dates for Cabinet have been set so as to avoid any meeting conflicts.

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