

**Schools Forum**  
**10<sup>th</sup> November 2022**  
**Schools Block Funding 2023-24**

This report relates to mainstream academies and maintained schools and is for decision by all school's forum members.

### **Recommendations**

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

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

### **1. Purpose**

- 1.1 Within the Dedicated Schools Grant, the ESFA allow for Schools Forum to move up to 0.5% between the blocks (approximately £2.073m). There is a proposal to move 0.5% from the Schools Block to the High Needs Block to address part of the forecast overspend in 2023-24.
- 1.2 A consultation has taken place with schools between Monday 10<sup>th</sup> October 2022 and Monday 7<sup>th</sup> November 2022.
- 1.3 The full consultation document is attached as Appendix A. This was circulated to Schools Forum members previously.
- 1.4 The Local Authority may make a disapplication to the Secretary of State to move 0.5% of funding, should Schools Forum not agree the move. The deadline for submitting this disapplication this year is 18<sup>th</sup> November 2022.
- 1.5 In the event that Schools Forum does not agree to the recommendation to move 0.5%, the Local Authority would like Schools Forum to consider moving up to 0.25% of funding from the Schools Block to the High Needs Block in 2023-24 (approximately £1.036 m).

1.6 It should also be noted that these proposals will only give additional funding in 2023-24 and they also require approval of the ESFA.

## **2. Background**

2.1 When the National Funding Formula (NFF) was introduced in 2018-19 the Local Authority with school's forum agreement indicated that they wanted to replicate the 'hard' NFF as quickly as possible, subject to affordability. This was achieved in 2020-21 for the first time due to an increase in grant.

2.2 Following consultation, Schools Forum agreed to move 0.5% of the Schools Block to High Needs Block for 2022-23. All mainstream schools also received the NFF.

2.3 Modelling for this year's consultation is based on the indicative Schools Block allocation provided by the DfE, which is subject to change. It is based on the on October 2021 census data, which could change especially if the uptake in Free School Meals (FSM) changes. This will not be known until mid to end December 2022.

2.4 The monetary value of the 0.5% transfer is calculated by taking the total schools block funding for DSG, then adding the premises funding and growth funding. It is estimated that this will equate to approximately £2.073 million.

2.5 The Schools Forum is aware that the Local Authority has established a SEND and Inclusion Change Programme to address issues of financial sustainability in the High Needs Block and has provided regular updates on the progress of the programme. Achievements set out in the consultation document include:

- a) The overspend of the High Needs Block has significantly reduced against the original forecast.
- b) More children and young people with SEND are being supported in mainstream settings.
- c) The number of children attending specialist resourced provision is increasing.
- d) More children are supported in state-funded specialist settings.
- e) The numbers of children and young people attending independent specialist provision (ISP) has reduced.
- f) The number of new EHC plans issued has reduced.
- g) The number of EHC plans in pre-school years is increasing.
- h) A new method for calculating top-up funding for children with EHC plans has been agreed
- i) Value for money service reviews of all WCC SEND & Inclusion services have been undertaken.

- 2.6 Schools were also asked to note that the total level of school balances (reserves) at 31<sup>st</sup> March 2022 for maintained and 30<sup>th</sup> September 2021 for academies was £58m.
- 2.7 The proposals will have a direct impact on the school budgets of 166 of 231 schools. Schools which trigger the Minimum Funding Guarantee (65 schools) are protected so that there is no change to their individual school budget. The table below summarises the impact on schools.

<b>Impact on school budgets (negative) by number of schools</b>		
	<b>0.5% transfer</b>	<b>0.25% transfer</b>
No change to NFF allocation	65	65
£1 to £5,000	36	121
£5,001 to £10,000	78	16
£10,001 to £15,000	18	7
£15,001 to £20,000	5	9
£20,001 to £25,000	7	9
£25,001 to £30,000	1	3
£30,001 to £35,000	3	1
£35,001 to £40,000	8	0
£40,001 and above	10	0

### **3. Consultation Outcomes**

- 3.1 Section 6.1 of the High Needs Funding 2023-24 Operational Guide states: *'Formal permission from the Secretary of State (a disapplication of the DSG conditions of grant) will be required for transfers out of the schools block above 0.5%, or any amount without schools forum approval; this applies to any transfers even if approval has been given in previous years. Local authorities should consult with local maintained schools and academies; the schools forum should take these views into account before making their decision.'*
- 3.2 Consultation was undertaken with all Warwickshire schools and academies from the primary and secondary phases.
- 3.3 A total of 21 academies and schools responded to the consultation by the 5:00pm deadline on Monday 7<sup>th</sup> November 2022. This consisted of 17 primary schools and 4 secondary schools. Responses were also received from 2 special schools which are noted but excluded from the totals (as the schools are not in receipt of monies from the Schools Block).
- 3.4 The consultation posed three questions, each with a follow up question asking for any 'no' response.

- 3.5 In response to question 4: **Do you agree that the Local Authority should propose to the Schools Forum a transfer of up to 0.5% from the Schools Block to the High Needs Block to support the High Needs budget in 2023-24?**

	Responses	%
Yes	7	33%
No	12	67%
Total	21	100%
NB. In addition 2 special schools responded with 'Yes'		

- 3.6 In response to question 6: **Do you agree that the Local Authority should propose to the Schools Forum a transfer of up to 0.25% from the Schools Block to the High Needs Block to support the High Needs budget in 2023-24?**

	Responses	%
Yes	7	33%
No	14	67%
Total	21	100%
NB. In addition 2 special schools responded with 'No'		

- 3.7 In response to question 8: **Do you think that a transfer of a different % should be proposed to the Schools Forum?**

	Responses	%
Yes	5	24%
No	16	76%
Total	21	100%
NB. In addition 2 special schools responded with 'No'		

- 3.8 All reasons for 'Yes' or 'No' answers to all three questions are attached in Appendix B.

#### 4. Other considerations

- 4.1 As the final position of the Schools Block is not confirmed, Schools Forum may come to a conditional decision (e.g. any underspend can be moved between blocks). In this scenario, the Council may consider submitting a disapplication to the Secretary of State which may be withdrawn at a later point.