

YORK SCHOOLS FORUM

Tuesday 8th February 2022 9.00 – 12.00

Agenda

1. Welcome
2. Apologies for absence
3. Election of Chair and Vice-Chair (*carried forward*)
4. Membership update (pages 2-3)
5. Minutes of the Schools Forum meeting of 28th September 2021 (pages 4-14)
6. Matters arising not on the agenda
7. Setting the School, High Needs, Early Years and Central Services budgets for 2022/23 including decisions on options and de-delegations, SEN contingency and F40 update (pages 15-31)
8. Safety Valve update
9. Schools Forum forward plan
10. Any other agreed business
11. Date and time of meetings during the current academic year:
3rd May 2022 9.00am
5th July 2022 9.00am

YORK SCHOOLS FORUM – MEMBERSHIP 2021/2022 – FROM JANUARY 2022

		Name	Term of office – three years in all cases
Schools members: 13 Maintained school / academy representation to be reviewed regularly to ensure compliance with regulations.	Two maintained (including VA and VC) primary school members including a governor representative	James Rourke (Lord Deramore’s Primary)	23/09/20 – 22/09/23
		Jenny Rogers (Copmanthorpe Primary)	28/01/19 – 27/01/22
		<i>Term of office has just lapsed – nomination to be sought from maintained primary headteachers</i>	
	Two maintained (including VA and VC) secondary school members	Governor representative – to be nominated by maintained school governors	<i>Appointment pending</i>
		Dave Hewitt – (The Joseph Rowntree School)	25/09/21 – 24/09/24
	Six academy members	Adam Cooper (South Bank Multi Academy Trust)	06/09/21 – 05/09/24
		Helen Winn (Hope Learning Trust)	01/09/20 – 31/08/23
		Andrew Daly (Pathfinder Multi Academy Trust)	20/03/20 – 19/03/23
		Gail Brown (Ebor Academy Trust)	01/01/20 – 31/12/23
		Dee Statham (St Margaret Clitherow Catholic Academy Trust)	01/09/19 – 31/08/22
		Steve Lewis (South York Multi Academy Trust)	01/04/20 – 31/03/23
	One special school member	Adam Booker (Applefields Special School)	01/06/20 – 31/05/23
	One maintained nursery school member	Claire Rigden (St Paul’s Nursery)	01/01/21 – 31/12/23
One PRU member	Mark Richardson (Danesgate Community)	01/12/20 – 31/11/23	
Non-schools members: 2	One 16-19 representative	Lee Probert (York College)	01/09/19 – 31/08/22
	One PVI early years representative	Helen Gration	01/01/21 – 31/12/23

TOTAL MEMBERS: 15		15	
Invitees:	Executive Member for Children, Young People and Education / Appointed Member	Cllr Ian Cuthbertson	
	Director of Prevention and Commission	Jamaila Hussain	
	Assistant Director, Education and Skills	Maxine Squire	
	Head of Finance	Richard Hartle	
TOTAL INVITEES: 4		4	

Updated January 2022

CITY OF YORK SCHOOLS FORUM

Minutes of the additional Schools Forum meeting held on Tuesday 28th September 2021 at 9.00am via Zoom

Present: Gail Brown (Academy Representative), Sharon Keelan-Beardsley (Maintained Secondary Headteacher Representative - deputising for Dave Hewitt), Steve Lewis (Academy Representative), Jo Olsen (Maintained Secondary Governor Representative), Lee Probert (FE Representative), Debbie Reay (Early Years Sector Representative - deputising for Helen Gratton), Mark Richardson (Pupil Referral Unit Representative), Claire Rigden (Maintained Nursery Headteacher Representative (VC)), Jenny Rogers (Maintained Primary Headteacher Representative), and James Rourke (Maintained Primary Headteacher Representative)

In attendance: Cllr Ian Cuthbertson (Executive Member for Children, Young People and Education), Maxine Squire (Assistant Director, Education and Skills, CYC), Richard Hartle (Head of Finance, CYC), Laura Conkar (ICT Client Manager, CYC) and Salli Radford (Head of Governor Services, CYC, Coordinator and Clerk)
Amber Ludlam, W Healey and H Stainsby (ESFA observers)

1. Welcome

The Chair welcomed everyone to the meeting.

New member Jo Olsen was welcomed. It was noted that Dave Hewitt would attend future meetings as maintained secondary representative, with Sharon Keelan-Beardsley deputising on this occasion. Debbie Reay was deputising for Helen Gratton.

It was noted that Laura Conkar would join the meeting at 10am to provide an update on the broadband contract.

2. Apologies for absence

Apologies were received from Adam Booker (Special School Representative), Adam Cooper (Academy Representative), Andrew Daly (Academy Representative), Helen Gratton (Early Years Sector Representative), Dee Statham (Academy Representative) and Helen Winn (Academy Representative). Amanda Hatton (Corporate Director – People, CYC) was unable to attend the meeting.

3. Election of Chair and Vice-Chair

It was noted that no nominations had been received prior to the meeting.

Lee Probert was appointed Chair for the meeting. Elections were deferred to the next meeting.

4. Membership update

Previously distributed. The membership update was noted.

5. Minutes of the York Schools Forum meeting of 6th July 2021

Previously distributed. The minutes of the meeting were agreed to be a true and accurate record and were duly noted as approved.

6. Matters Arising

There were no outstanding action points to report.

Matters arising: None.

The meeting agreed to take items 7, 8 and 9 in the order 8, 9, 7.

8. Deficit recovery plan / Inclusion review

Previously distributed. Maxine Squire advised that the draft DSG recovery plan had been attached as an appendix to the paper, adding that the meeting provided an opportunity for the Forum to scrutinise draft plan and comment. It was noted that further work was ongoing to support the narrative that would accompany financial modelling. Maxine advised of the aim to bring in-year expenditure back into balance and to evidence the robust action being taken by the LA to mitigate pressures. It was noted that the deficit had increased from 2018 onwards, with this coinciding with an increase in the number of young people with statutory assessments as well as increases in care costs. It was noted that a significant number of plans were now running beyond age 18, i.e. to age 25. Maxine advised of the opportunity to reconsider provision, as this was not necessarily optimal in all cases.

Maxine advised that home-to-school transport costs had also increased and that the LA was therefore looking at eligibility and the policy for 16-19 transport. It was noted that this review included consideration of a contribution to charges. It was noted that central SEND services were also being reviewed.

Questions were invited. It was noted that the Forum was responsible for monitoring implementation of the inclusion review.

Richard Hartle advised that the LA held a significant deficit, with detail included in the paper. It was noted that the deficit totalled over £10m and that reviewing the balance of expenditure would help the general fund going forward. It was noted that Mike Barugh was working with Richard

on detail but that it was becoming more challenging to make an impact on the deficit.

Steve Lewis joined the meeting at 9.19am.

Maxine outlined joint working being undertaken with health colleagues to identify potential mitigations to pressures. It was noted that this included consideration of recommissioning work relating to ERPs to ensure the provision map was appropriate.

Maxine advised that the inclusion review consultation outcome had reinforced what was already known regarding pressures, with phase transfer from primary to secondary school a significant trigger point for requests for specialist places. It was noted that autism and SEMH were the main drivers for these requests and that a solution was needed.

Maxine advised that the implementation stage of the inclusion review would now follow:

- 1 Actions in Early Years
- 2 Primary to secondary phase transfer
- 3 Ensuring work was undertaken around the sufficiency of specialist places

It was noted that the LA would ask for support from settings to enable follow-up of the review and consultation process with implementation.

The Chair queried the timeline for deficit recovering, asking whether the LA would reach a break-even position in one or two years. Richard advised that the intention was to achieve an in-year balance by 2023/24, though this plan would not address the significant cumulative deficit.

In response to a question regarding the governance framework that would oversee implementation of the plan, Richard advised that the LA had not seen the requirements of the ESFA relating to the plan and had not yet

confirmed that the Forum would be part of the governance framework. Maxine advised that the LA would need to submit the plan to the ESFA who would then consider whether it was reasonable. Following this, the ESFA would agree a schedule with the LA. It was noted that the LA wished to make the plan robust, as there was a possibility that the ESFA would write-off the historic deficit, though the LA would need to show that it could bring the budget back into balance before a write-off could be considered.

The Forum noted this position.

In response to a question regarding the extension of the LA's People directorate to include education and high-needs provision to age 25 and whether this would provide the opportunity to benefit from cost savings for 18-25 group, Maxine advised that the move to an all-age directorate was viewed as positive. Maxine further advised that provision would become more integrated with Adult Services. It was noted that transition post-19 would benefit from more positive mapping, which would allow the LA to end some plans and have transition plans in place to address cost pressures and provide improved pathways to adult life. Maxine advised that this would enable reinvestment and overall cost reductions.

In response to a question regarding the potential result of costs being pushed to adult services, Maxine advised that current provision was not benefiting young people in the longer-term and that transition to adult provision would offer benefits. It was noted that this would also enable voluntary options to be explored, which could offer sustainable options for adult life.

A question was asked regarding the support currently available via mainstream education and the current limited banding, with particular reference to the significant demand for one-to-one support in schools and

early years settings. Maxine advised that a review of banding would be brought to the Forum. Maxine further advised of the need to consider what pre-diagnosis looked like in mainstream settings. Discussion followed.

In response to a question regarding continuation of the SEN contingency, Richard advised that this would continue, as it was a statutory requirement to have provision available, though it was an option to review the threshold, as this was currently c£200k. It was noted that allocations from the fund during the current year would be c£800k, with Richard advising that it was useful to review this as the fund was not acting as a genuine contingency.

Maxine advised of the intention to include a specific focus on early years in the review outcome.

7. Initial 2022/23 start budget

Previously distributed. Richard Hartle advised that the draft represented the first opportunity to consider the budget for 2022/23. It was noted that the total DSG funding did not include the Early Years block, as allocations had not been released at the time of writing.

The Forum noted the 2.7% increase in funding for York was significant but was offset by the removal of the Central Services block.

Referring to the Schools block, Richard advised that the National Funding Formula (NFF) factors remained unchanged following the city's move to the formula from 2018/19. It was noted that the LA proposed retaining the current formula for the next year. Richard advised that the detail on page 22 showed that rural primary schools might be positively impacted by changes to sparsity funding.

Richard referred to paragraph 13, which included detail of the 2.5% increase to funding for York schools, with this being less than the 3.2% national average increase. It was noted that a significant number of schools were on the lower funding floor and that there would be a disproportionate effect on York schools of the reduced per-pupil funding amounts that this group would receive. It was noted that the Growth Fund would continue, though it would operate with a capped limit.

It was noted that Early Years block allocations had not yet been announced, though the LA would pass funding on to providers subject to confirmation by the Forum.

It was noted that the High Needs block had been discussed earlier in the meeting.

Richard advised that the Central Services block had been reducing over time and was restricted to ongoing and historic commitments that had been agreed with the Forum. It was noted that this funding had been moved into DSG arrangements some years ago and was being reduced by 20% over time. Richard advised that the Forum would need to make decisions on the management of this reduction as it represented £400k from £1.97m. Richard advised that he had set out where Central Services commitments were during the current year for information. It was noted that during the last year some funding had been taken from the schools commissioning budget and from some LA services. Richard advised that this aspect of funding was open for debate.

It was noted that de-delegations had reduced over the years with one remaining relating to the primary behaviour support service. It was noted that a proposal would be brought to the Forum in the future regarding this.

Questions were invited.

The Chair advised that the recommendations included in paragraph 37 were for noting rather than decision at this stage. The Forum endorsed the LA's approach and to;

- support to the continuation of the pupil growth & infant class size funds under their existing arrangements (as at Annex 1), including cash limiting the budget as described at paragraph 16,
- support an increase in Early Years funding rates to providers in proportion to any increase in the Early Years funding allocated by government to the LA (paragraphs 17 & 18), and
- give their views on how the LA should manage the required £0.394m budget reduction in centrally retained historic commitment budgets for 2022/23, including any further information they would require, before the final decision needs to be made at the February meeting (paragraphs 22 to 29).

Laura Conkar joined the meeting at 9.45am.

9. Broadband provision update

Previously distributed. The Chair invited Laura Conkar to present the main points included in the update. Laura advised that:

- 1 the LA had approached the market with a specific set of requirements and had received three responses. Laura advised that this had showed that the price of the contract was fair and represented value for money.
- 2 the requirements had been based on a sustainable infrastructure. Laura advised that the fibre infrastructure in the city was the most sustainable system with low costs over time as the system could easily be upgraded.

- 3 a fully managed service had been sought to ensure cyber security and proactive monitoring.

Laura advised that all three points had been included in the process when approaching the market. Laura further advised that it had been explained to schools that a managed service was different to an internet connection with filtering and that additional services would need to be added to existing costs to enable comparison.

Questions were invited.

Laura advised that several queries had been received from schools regarding the minimum term of the contract, with this being three years. It was noted that per annum costs had been provided though the minimum contract term was set as the contract was between North and schools rather than via the LA. It was noted that this would enable schools to put a more bespoke service in place.

Debbie Raey joined the meeting at 9.50am.

In response to a question regarding the three year option and whether the LA would support schools with any contract issues, Laura advised that, should the experience not be acceptable after the escalation of any problems, the LA could support.

In response to a question regarding the position at the end of year three and whether schools would be responsible for procurement after that, Laura advised that they would, though there would be an option to extend under the contract with the provider. Laura undertook to double-check position with Legal Services. It was noted that the LA could extend the contract and it would be confirmed whether it was the same for schools. It was noted that the default position was to approach the market.

In response to a question regarding small schools, and the favourable contact rates available to them due to LA procurement process that might not continue at the end of the term, Laura advised that schools would not have this issue as the LA contract with the provider was for ten years. It was noted that schools could enter a contract for a maximum of five years but as the LA contract would continue there would be stability available beyond this point.

The Chair thanked Laura for the update.

Laura Conkar left the meeting at 9.55am.

10. Schools Forum forward plan

Richard Hartle outlined the forward plan:

February 2022

- 2022/23 budget setting paper
- Review of SEND contingency allocations
- DSG recovery plan / Inclusion review
- School commissioning budget update
- YSAB report on new priorities and support for the Education Futures Plan
- National DSG consultation
- F40 update (with budget report)

Maxine Squire encouraged Early Years and 16-19 representatives to bring items to the Forum.

The Chair proposed an interim update prior to the next meeting. Maxine and Richard would arrange this.

11. Any other agreed business

The Chair invited question to the ESFA observers for response outside the meeting. Salli Radford would also forward questions sent to her after the meeting.

There was no other business.

12. Date and time of future meetings

The next meeting would take place on **8th February 202 at 9.00am.**

The meeting closed at 10.00am.

DRAFT

York Schools Forum

08 February 2022

Report of the Chief Finance Officer

THE SCHOOLS BUDGET AND THE DEDICATED SCHOOLS GRANT FOR 2022/23

Summary

- 1 This report provides the Schools Forum with details on the Schools Budget and Dedicated Schools Grant (DSG) funding for the 2022/23 financial year. The report focuses on decisions and issues that the forum now needs to consider in order for budgets for schools, early years providers and local authority (LA) maintained services to be set.

Background

- 2 The DSG is ring-fenced for funding the provision of education or childcare for 3 to 16 year olds in all settings and high needs pupils up to age 25. As such it covers funding delegated to individual local authority (LA) maintained schools, academies and private, voluntary and independent (PVI) providers through the Local Management of Schools (LMS) & Early Years Single Funding (EYSF) formulae, plus funding for other pupil provision which is retained centrally by the LA to support such things as Special Educational Needs and some specific central education services. The overall DSG is allocated to LAs via four sub blocks; schools, high needs, early years and central school services.

DSG Allocations for 2022/23

- 3 The funding that LAs receive in each block is now determined by specific national funding formulae (NFF). These arrangements are continued for 2022/23 but with some small changes to the schools NFF, and a continuing reduction in the funding allocated to the LA for centrally retained budgets. The total DSG allocation for 2022/23 is estimated at £152.280m, an increase of £3.266m (2.2%) from 2021/22 and broken down as follows:

	Adjusted 2021/22	2022/23	Increase	
	£m	£m	£m	%
Schools Block	112.597	114.850	2.253	2.0%
Early Years Block	11.067	10.750	(0.317)	(2.9)%
High Needs Block	22.584	24.305	1.721	7.6%
Central School Services Block	2.766	2.375	(0.391)	(14.1)%
	149.014	152.280	3.266	2.2%

Schools Block

School Formula Funding

- 4 The vast majority of the Schools Block DSG (£114.507m) is used to fund the local funding formula for mainstream schools (maintained and academies). Following a detailed

consultation with all schools and the Schools Forum prior to setting the 2018/19 budget, the LA agreed to introduce the DfE's new national funding formula (NFF) at school level from April 2018. For 2022/23 the LA is again proposing to follow the NFF for schools, subject to an adjustment to the cap on gains required to maintain the total of all funding allocations within the DSG amount allocated to the LA by the DfE. Annex 1 sets out the School Funding Formula Factors and Values for 2022/23.

- 5 In summary, the funding factors used for 2022/23 remain the same, except for the sparsity factor which is discussed below. The individual NFF factor values increase by the following amounts:
- 3% to the basic entitlement, free school meals at any time in the last 6 years (FSM6), income deprivation affecting children index (IDACI), lower prior attainment (LPA), English as an additional language (EAL) and the lump sum.
 - 2% to the floor, the minimum per pupil levels and free school meals (FSM).
 - 0% on the split site factor,
 - the local PFI factor increases in line with contractual price rises,
 - £10,000 to the maximum sparsity values.
- 6 Following a national consultation, the DfE have made two changes to the sparsity factor. School sparsity distances are now based on road distances, instead of straight-line distances, and a sparsity distance taper has been introduced, in addition to the existing year group size taper. Prior to these changes no York schools have benefited from sparsity funding. However, under the revised criteria five of York's smallest rural schools will now trigger this funding in 2022/23, with additional allocations ranging from £16k to £55k per school. This additional funding is welcomed.
- 7 At a national level, school funding through the NFF is increasing by 3.2% overall in 2022/23 and by 2.8% per pupil. However the average increase for York schools is estimated at 2.5% per pupil as a significant number of York schools are either already receiving protection through the funding floor or the minimum per pupil amounts, which only increase by 2% in 2022/23.

Growth Fund

- 8 The remaining £0.342m of the Schools Block DSG is allocated to the pupil growth fund. The growth fund can only be used to support increases in pre-16 pupil numbers to meet basic need, additional classes needed to meet the infant class size legislation or meet the costs of pupils in new schools commissioned to meet basic need. The growth fund may not be used to support schools in financial difficulty or general growth due to popularity; which is managed through lagged funding. The amount of growth funding allocated to the LA by the DfE continues to fall, from £0.800m in 2018/19 to £0.391m in 2021/22 and a further significant reduction, down by £0.049m (12%) in 2022/23.
- 9 The level of funding required to be allocated to schools under the current local growth criteria and formulae is difficult to predict with any certainty each year. In recent years the fund has been overspent and this is likely to continue as the DSG allocation from government reduces. As a result, and following previous consultation with the Schools Forum, all allocations made from the growth fund are being capped under a cash limited budget. This means that if the total of all allocations to schools in a particular year,

calculated via the relevant formulae, exceeds the budget available then all allocations will be reduced pro-rata. The estimated reduction for the 2021/22 academic year allocations is 20.76%.

Early Years Block

- 10 York's government funding rates for 2022/23 through the Early Years block have increased by 17p per hour from the 2021/22 rates to £4.61 per hour for 3 & 4 year olds (+3.8%), and by 22p per hour to £5.57 per hour for 2 year olds (+3.9%). In line with this the LA is proposing to increase all elements of the Early Years Single Funding Formula rates for York providers in 2022/23 in proportion to the increase in government funding. In addition, under the formula the DfE established in 2017 to support standalone nursery schools, the provisional additional amount to be received for St Paul's Nursery has increased by £14k to £84k.

2022/23 EYSFF Funding Rates

	Base Rate £/hour	Deprivation Rate £/hour	Nursery School Lump Sum £
3 & 4 Year Olds	4.29	0.43	84,368
2 Year Olds	5.57	Nil	Nil

High Needs Block

- 11 The high needs block DSG increases by £1.721m (7.6%) in 2022/23. As has been previously reported, the high needs budget is already under significant pressure due to increased demand from rising numbers of SEND pupils and the higher complexity of individual pupils' needs. For 2021/22 there is a projected net outturn overspend on the high needs budget of £3.8m, contributing to an estimated deficit carry forward DSG balance of £13.6m into 2022/23.
- 12 Projections for 2022/23 show that based on the increased DSG funding, current levels of demand and expected inflationary pay and contract price increases and without any significant mitigating action, the in-year overspend would increase to £4.3m. Significant mitigations will therefore be required to bring the in-year pressure back down to a balanced position and to start to make inroads into the cumulative deficit.
- 13 Overspends at this level are clearly unsustainable and significant financial savings are essential to ensure that high needs expenditure is maintained within the funding available through the high needs block of the DSG. As members of the forum are aware, the deficit carry forward of DSG into 2021/22 of £10m has already triggered a formal request from the DfE for the LA to submit a deficit recovery plan under the DfE's 'Safety Valve' programme. Officers, with the assistance of DfE and ESFA officials, are currently working on this plan which is the subject of a separate report on this agenda.

Central School Services Block

- 14 This funding block was created in 2018/19 from elements of the previous schools block and the former Education Services Grant (ESG). As part of the DfE's strategy to remove funding within this block that directly supports exceptional expenditure previously agreed between LAs and their Schools Forums (historic commitments), there is a significant net reduction of £0.391m (14.1%) in 2022/23. This follows similar reductions in the previous two financial years.

- 15 This net reduction is made up of a £0.003m (4.4%) increase in the allocation for the on-going responsibilities that the LA continues to have for all schools, and a £0.394m (20%) reduction in the allocation for historic commitments. Therefore, in order to balance the central services budget, the LA will need to identify budget reductions totalling £0.394m for 2022/23. A description of the historic commitments and the background to how they were created is set out below.

Termination of Employment Costs (£0.383m)

- 16 School redundancy and early retirement costs where the revenue savings achieved by the termination of employment to which they relate are greater than the costs incurred. The costs charged to this budget only relate to decisions made prior to 2013/14. For information, the total expenditure incurred by the LA on school staff redundancy and termination costs is expected to be in excess of £1m in 2021/22.

Prudential Borrowing Costs (£0.305m)

- 17 This budget is set aside to fund the repayment of loans for school building capital works where the original investment contributed towards an overall net revenue saving to the Schools Budget. Contributions to the following schemes are covered by the current budget provision:

- York High School (Merger of Lowfield and Oaklands Secondary Schools)
- Clifton with Rawcliffe Primary School (Merger of Clifton without Junior and Rawcliffe Infants Schools)
- Our Lady Queen of Martyrs Primary School (Merger of Our Lady's and English Martyrs Primary Schools)

Contribution to Combined Budgets (£1.282m)

- 18 Under the school finance regulations prior to 2012/13 schools could agree (through the Schools Forum) to allow the LA to use DSG funding to support certain central services that have a wider educational benefit or generate a net overall saving to the Schools Budget.

- 19 A significant proportion of this funding relates to former standards fund grants that were mainstreamed in 2011/12. At that time a total of £12m of standards fund grants were transferred into the DSG. Of this £11m was delegated directly to schools or other settings through the school funding formula or other mechanisms. As the remaining £1m of standards fund allocations were supporting central services the Schools Forum agreed to allow this to continue in the following areas:

- School Improvement Service (originally £0.641m but now reduced to £0.437m)
- Children's Centres on school sites (£0.355m)

- 20 The remaining funding retained under the combined budget heading relates to three specific decisions made prior to 2012/13 by the Schools Forum:

- Children Looked After (originally £0.400m but reduced to £0.115m). This is used to support a combined budget for managing education and care placement costs for the city's LAC population, and the development of a high quality local fostering programme. This followed a report on the placement strategy for LAC that was presented to the lead Member for Children's Services in 2006. This report set out the advantages both for the individual children's care and education and financially of the approach being

taken. This contribution, towards a totalling fostering budget of £3.4m, allowed the LA to significantly reduce the number of children in out of city placements. Local placements and their associated education costs are significantly lower than more expensive external placements. This resulted in significant savings to the Schools Budget for the education element of these placements with an estimated on-going annual saving of over £1.8m achieved from this investment.

- Safeguarding Advisor (Schools) (£0.050m). This funding, agreed in 2009/10, allows the LA to employ an additional post within the Safeguarding Unit with a specific role of supporting schools to deliver on their safeguarding duties.
- Schools Causing Concern (£0.200m) / School Improvement Topslice (£0.125m). Although this funding is initially retained centrally by the school improvement service it is all ultimately either allocated to individual schools or spent on activity supporting improvement at individual schools.

21 The forum will note that in respect of the budgets for School Improvement (£0.437m), Schools Causing Concern (£0.200m) and School Improvement Topslice (£0.125m), totalling £0.762m, the forum has made a further set of decisions to bring these budgets together into a School Improvement Commissioning fund. Decisions on the use of this fund are subject to regular separate reports to the forum.

22 In line with the previous decisions made at the forum in respect of a similar requirement to make reductions in these budgets for 2021/22; the LA is again recommending that the historic commitments are reduced in 2022/23 in proportion to the total amounts currently allocated to LA and school based spending. This would mean that LA expenditure would need to reduce by £0.242m and school based spending by £0.152m. The LA would recommend delivering this by reducing the contribution to children's centres (replacing this with funding from the council's General Fund budget) and that the School Improvement Commissioning fund be reduced by £0.152m from 2022/23.

23 Other than this the LA proposes no further changes (except to reflect pay and price increases) to the budgets funded by the central school services block DSG. The forum is therefore asked to note the following continuing budget allocations in 2022/23.

School Admissions (£0.186m)

24 This budget contributes to the costs of the LA's statutory functions in respect of the schools admissions processes.

Servicing of Schools Forums (£0.044m)

25 This covers the costs of the School Forum meetings including officer time in preparing reports and attendance, and other associated costs such as consultations linked to specific School Forum related decisions.

School Copyright Licence Agreements (£0.132m)

26 This budget is retained centrally to fund the costs of a number of school copyright licence agreements that are now negotiated nationally by the DfE for all publicly funded schools and charged to LAs rather than to individual schools. For 2022/23 these are:

- The Copyright Licensing Agency licence

- The School Printed Music licence
- The Newspaper Licensing Agency Schools licence
- The Educational Recording Agency licence
- The Public Video Screening licence
- The Motion Picture Licensing Company licence
- The Performing Right Society licence
- The Phonographic Performance licence
- The Mechanical Copyright Protection Society licence
- The Christian Copyright Licensing International licence

Former ESG Retained Budgets (£0.386m)

- 27 This reflects the services formerly funded by the education services grant (ESG). LAs are able to retain funding centrally within the schools budget for services which they provide for all schools, including academies (previously funded by the “retained duties” element of the ESG). The services covered include; education welfare service, management of the LA’s capital programme, management of private finance transactions, general landlord duties for buildings including those leased to academies, the director of children’s services and office, planning for the education service as a whole, revenue budget preparation and accounts, external audit, formulation and review of local authority schools funding, internal audit and other tasks related to the LA’s chief finance officer’s responsibilities under Section 151 of LGA 1972, consultation costs and Standing Advisory Committee for Religious Education.

Schools Supplementary Grant (SSG)

- 28 In addition to the normal DSG allocations, the government’s autumn 2021 spending review confirmed £1.6 billion of new funding nationally for schools and high needs, for 2022/23, above the previous settlement for this year.
- 29 In 2022/23, schools will be allocated £1.2 billion of this additional funding, to provide support for the costs of the Health and Social Care (NI) Levy and wider cost pressures. This funding will be allocated through the SSG in 2022/23.
- 30 The SSG will fund the following mainstream providers:
- maintained nursery, primary, secondary and 16-19 schools
 - academy primary, secondary and 16-19 schools
 - city technology colleges
- 31 The SSG will only be payable to public sector employers. This means that further education colleges, sixth form colleges, independent learning providers, as well as private and voluntary sector early years providers will not be eligible to receive this funding.
- 32 The funding for early years and post-16 provision in schools is provided in respect of the Health and Social Care Levy only. The additional funding for mainstream school provision for pupils aged 5 to 16 is provided in respect of both the Health and Social Care Levy and wider cost pressures. This means that the funding rates in the SSG are higher for 5 to 16 provision than for early years or post-16. Funding allocations for individual schools are

expected to be published by the DfE in spring 2022, however the DfE have indicated that the following funding rates will apply in 2022/23:



		Basic Per Pupil Rate £	FSM6 Per Pupil Rate £	School Lump Sum £
Early Years		24	-	-
Primary		97	85	3,680
Secondary	KS3	137	124	3,680
	KS4	155	124	
Post 16		35	-	-

- 33 In addition to the schools supplementary grant, local authorities have been allocated £325 million additional high needs funding for 2022/23, on top of the DSG high needs block allocations, calculated under the national funding formula. York's allocation for the high needs element of the supplementary grant has been set at £0.876m for 2022/23.
- 34 The DfE's intention is to pay these new allocations as a separate grant in 2022/23 but roll them into the national funding formulae and DSG allocations from 2023/24 onwards.

LA Maintained School De-delegations

- 35 LAs can fund some services relating to maintained schools only from maintained school budget shares, with the agreement of maintained school members of the forum. The number of de-delegations has reduced significantly over the last few years, and the LA is now only asking the forum to consider the following one remaining de-delegation that was made in 2021/22.

Behaviour Support Outreach Service

- 36 The service is provided to primary schools through the Danesgate Community and is often referred to as the Danesgate Outreach Service. Under its current central de-delegated form it is provided to schools in addition to the Danesgate provision for individually named pupils. The proposed de-delegation for 2022/23 is £3.65 per pupil, plus £60.93 per FSM pupil and £40.28 per Low Prior Attainment (LPA) pupil.
- 37 Maintained primary school forum members are asked to consider whether the de-delegation should continue in 2022/23.

High Needs Contingency Allocations

- 38 This funding is allocated to mainstream schools and academies to meet additional high needs support costs below the £6,000 threshold, where the high needs element of the school funding formula is deemed insufficient for schools with higher than expected numbers of SEN pupils. Prior to the current methodology being introduced, schools were required to make individual bids against this contingency budget which were then assessed by LA officers. However, from 2014/15 the LA was required to allocate this funding on a transparent and predictable basis. The allocation methodology agreed at that time, and used up until 2021/22, is as follows:

Funding will be allocated to schools based on the number of pupils (excluding ERC pupils) triggering LA top up funding above an annually agreed percentage threshold. Separate thresholds will be set for primary schools (1% in 2021/22) and secondary schools (2% in 2021/22). The calculations will be based on pupil number and top up data at the time of the previous years' October census (i.e. October 2020 for the 2021/22 financial year). Each fte pupil above the threshold will generate an additional £6,000 of funding for the school.

Example 1:

A primary school with 5 statemented pupils and 250 pupils on roll at the October 2020 census:

*5 / 250 x 100 = 2% statemented pupils
2% - 1% primary threshold = 1% above the threshold
1% x 250 pupils = 2.5 pupils above the threshold
2.5 pupils x £6,000 = £15,000 of additional funding*

Example 2:

A secondary school with 25 statemented pupils and 1,000 pupils on roll at the October 2020 census:

*25 / 1,000 x 100 = 2.5% statemented pupils
2.5% - 2% secondary threshold = 0.5% above the threshold
0.5% x 1,000 pupils = 5 pupils above the threshold
5 pupils x £6,000 = £30,000 of additional funding*

- 39 Since 2014/15 there has been no change to the annual percentage thresholds set for primary and secondary schools. Over this time the number of fte pupils triggering a contingency allocation has steadily risen, from 230 in 2014/15 to 392 in 2021/22. In primary schools, for example, the average percentage number of high cost pupils has risen from 0.86% in 2014/15 to 1.64% in 2021/22.
- 40 As the underlying intention of the contingency is to provide extra support to those schools managing an exceptional number of high cost pupils, it is not sustainable to be in a position where the majority of schools are receiving contingency allocations. It is therefore proposed to move to a position from 2022/23 where the percentage threshold for each school phase is set at the overall average percentage for that phase. If this had been in place for 2021/22 then the thresholds would have been set at 1.64% for primary schools and 1.45% for secondary schools.
- 41 If implemented then this change would also ensure that any school with a higher than average proportion of high cost pupils would always trigger an allocation from the contingency fund.

Recommendations

- 42 Members of the forum are asked to:
- comment on the LA's proposal to continue to follow the DfE's national funding formula for schools in 2022/23, as set out at Annex 1,
 - agree to the continuation of the current infant class funding and pupil growth funding formulae as described at Annex 2, subject to the cash limiting previously agreed by the forum,

- comment on the LA's proposals for early years funding in 2022/23 as set out at paragraph 10,
- comment on the LA's proposal for managing the 20% reduction in funding for historic commitments within the central school services block as set out at paragraph 22 ,
- confirm their continued agreement to maintaining the LA centrally retained budgets at their current levels as per paragraphs 23 to 27,
- make a decision on the de-delegation of funding from the schools formula funding for the primary behaviour support service, as described at paragraph 36 (maintained primary schools only),
- comment on the LA's proposal for amending the high needs contingency percentage thresholds for 2022/23, as set out at paragraphs 38 to 41.

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	Report Approved	√	Date	01 February 2022
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Annex 1 - School Funding Formula Factors and Values for 2022/23

Annex 2 - Pupil Growth Funding

Annex 3 - f40 Group Campaign Priorities 2022/23

School Funding Formula Factors and Values for 2022/23

All data used in the formula is derived from the October 2021 Pupil Census unless otherwise stated.

Basic Per Pupil Funding

Primary Pupils (Reception, KS1 & KS2)	£3,217
Secondary Key Stage 3 Pupils	£4,536
Secondary Key Stage 4 Pupils	£5,112

Deprivation Funding

Current pupils eligible for Free School Meals:

Primary	£470
Secondary	£470

Pupils eligible for Free School Meals in any of last 6 years:

Primary	£590
Secondary	£865

Income Deprivation Affecting Children Index (IDACI)

Band A Pupils - Primary	£640
Band A Pupils - Secondary	£890
Band B Pupils - Primary	£490
Band B Pupils - Secondary	£700
Band C Pupils - Primary	£460
Band C Pupils - Secondary	£650
Band D Pupils - Primary	£420
Band D Pupils - Secondary	£595
Band E Pupils - Primary	£270
Band E Pupils - Secondary	£425
Band F Pupils - Primary	£220
Band F Pupils - Secondary	£320

Low Prior Attainment

Pupils whose prior attainment has not met the expected level as they move to the next stage of their education:

Primary: Pupils who did not achieve a good level of development in the Early Years Foundation Stage Profile

	£1,130
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Secondary: Pupils who did not achieve the expected level at key stage 2 in one or more of reading or writing or mathematics

	£1,710
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English as an Additional Language

Primary pupils with EAL at the time of any of the three latest October Censuses (2021, 2020, 2019)

	£565
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Secondary pupils with EAL at the time of any of the three latest October Censuses (2021, 2020, 2019)

	£1,530
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Pupil Mobility

Where the number of pupils whose start dates are within the last 3 academic years and whose start dates are not typical (typical means that the first census on which a pupil is recorded is the October census [or January for reception]) exceeds 6% of the total pupil numbers for the relevant school, then each pupil in excess of the 6% threshold will attract funding at the following rate:

Primary	£925
Secondary	£1,330

Lump Sum

A fixed amount for each school regardless of its size:

Primary & Secondary	£121,300
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Sparsity

Primary:	Distance = 2.0 miles : Average Year Group = 21.4 fte : Lump Sum = £55,000
Secondary:	Distance = 3.0 miles : Average Year Group = 120.0 fte : Lump Sum = £80,000

Split Sites

Schools qualify for split site funding if they are based on more than one site and two sites are at least 250m apart by the shortest vehicle and safe walking route. Reception to Year 11 teaching must take place on both sites and at least 10% of the school's R-Y11 pupils must be based on each site. Separate administration, sporting facilities, nursery units, special units or 6th forms will not be taken into account.

Funding amount per pupil	£198
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Rates

Schools will be funded for the actual costs of business rates for school buildings and land.

Private Finance Initiative (PFI) Charges

The PFI top up is calculated as the difference between the actual PFI charge for the school and a notional premises amount deemed to be included in the formula allocation. The notional premises amount is based on a lump sum of £16,061, plus an amount per pupil of £205.62.

Formula Transition Damping

Minimum Funding Guarantee (Floor):	+ 2.00% per pupil
Limit on Gains (Ceiling):	+ 2.00% with a 25.56% scaling factor (i.e. all gains in excess of 2% per pupil will be reduced by 25.56%)

Minimum Per Pupil Funding

The formula includes a minimum per pupil funding factor, which sets a minimum per pupil funding any school will attract through the new formula. This minimum refers to the level of relevant per pupil funding schools attract through the formula (excluding rates, PFI and split site funding). It differs from the funding floor which provides a minimum increase over individual school baselines. Any additional funding allocated through this factor will not be subject to the limit on gains cap.

Primary	£4,265
Secondary	£5,525

Pupil Growth Funding

Infant Class Size Funding

- a) To maintain class sizes at no more than 30 pupils, Infant Class Size funding will be allocated based on the actual autumn census numbers for each school, i.e. autumn 2021 for an allocation for the 2021/22 academic year. Schools will be allocated a sum equivalent to the class teacher element of the primary AWPU to provide funding to support a teacher for each infant class, with reductions to take account of the economies of scale available to larger schools.
- b) The total number of reception, year 1 and year 2 pupils at each school is divided by 30. The remainder (after whole classes of 30 have been accounted for) is deemed to be the size of the “last class”. The amount of funding for the “last class” then depends on its size.
- c) The formula originally calculated the total amount of class teacher funding already allocated to the school within the AWPU sum for each pupil in the “last class”. This sum is then deducted from the assumed cost of a class teacher. The result of this calculation is the top-up amount to support a full time equivalent teacher for the “last class”. The table below shows the amount of the top up depending on the size of the “last class”. However, it should be noted that these values have not been updated for the last three years whilst the growth fund allocation from the DfE has been reducing:

Size of “Last Class”	Top-up Funding £	Size of “Last Class”	Top-up Funding £	Size of “Last Class”	Top-up Funding £
0	0	10	20,943	20	7,903
1	32,679	11	19,639	21	6,599
2	31,375	12	18,335	22	5,295
3	30,071	13	17,031	23	3,991
4	28,767	14	15,727	24	2,687
5	27,463	15	14,423	25	1,383
6	26,159	16	13,119	26	79
7	24,855	17	11,815	27	0
8	23,551	18	10,511	28	0
9	22,247	19	9,207	29	0

- d) Each school then receives a proportion of this top-up funding depending on the total number of infant pupils in the school (this is to try and recognise that larger schools are likely to have more flexibility in organising class structures than smaller schools). The following table shows the percentage of the top-up funding actually received:

Number of Infant Pupils	Funding Percentage
1 to 90	100%
91 to 120	80%
121 to 150	60%
151 to 180	40%
181 and above	20%

e) No retrospective adjustments are made even if pupil numbers change during the year.

Example:

- Autumn Census = 100 infant aged pupils
- Size of “last class” = remainder of 100 / 30
= 10
- Top-up funding from table 1 = £20,943
- Percentage of top-up from table 2 = 80%
- Infant Class Size Funding = £20,943 x 80% = **£16,754**

Pupil Growth Funding

- a) Additional funding for basic need growth will be made available to schools that are subject to a significant (i.e. >1%) increase in pupil numbers under the following circumstances:
- the LA (or the school at the request or with the support of the LA) carries out a formal consultation and approves an increase in the capacity of a school
 - the LA requests a school to increase or exceed its published admissions number
 - the LA requests a school to admit significant additional pupils as part of a reorganisation or school closure
- b) Funding will not be allocated to a school in the following circumstances:
- the school has surplus places and then takes additional pupils up to its PAN outside of the circumstances described above
 - the school admits pupils in excess of their PAN at their own choice
 - the school is directed/requested to admit additional pupils as a result of errors, appeals, fair access protocol, SEN, LAC etc.
- c) Depending on the circumstances, funding will be calculated based on the number of relevant (i.e. whole school, specific year groups, geographic areas etc.) additional pupils admitted as per the autumn census data for each year, multiplied by the appropriate AWPU value and pro-rated for the period that the pupils will be unfunded (normally 7 months for maintained schools and 12 months for academies) in the main school funding formula allocation. Whatever the circumstances, the maximum pupil growth allocation will be capped at an amount equivalent to that attributable to the school’s total increase in reception to year 11 pupils in excess of 1%.

The campaign for fairness in education funding



Our objective

f40 seeks fairness and equal opportunities in education for all children, regardless of where they live. We wish to see all schools properly funded to enable them to provide a quality education that enables children and young people to reach their potential. The basic funding should be enough to run a school before extra money is added on for any additional needs specific to a school or its pupils.

Historically, education funding has been unfair in England for many years. While good progress has been made with the introduction of the National Funding Formula, there are still too many discrepancies locked into the system, with some schools still receiving far less per pupil than others.

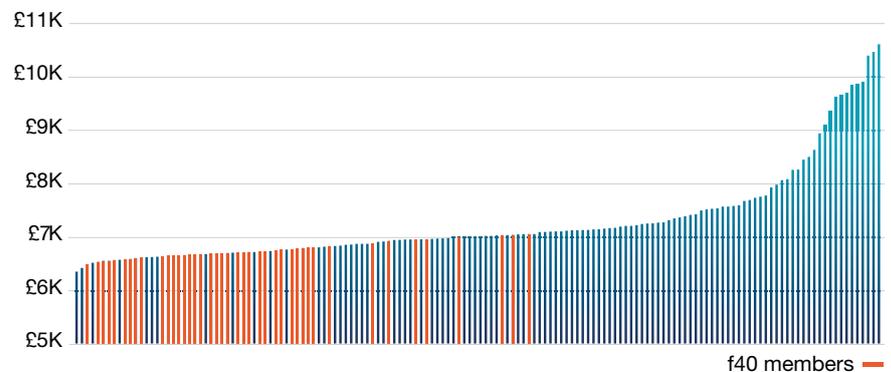
Government has acknowledged the unfairness and is attempting to level up without reducing funding for the better funded schools, but it is a slow process to address the historic disproportionate funding. Many areas, especially large rural communities and 'shire' local authorities, still receive inequitably less funding.

f40, made up of 42 local authority members from across England, is campaigning for fair funding in all areas of education, including primary and secondary schools, Early Years, 16-19, and High Needs up to age 25.

Fair funding for all schools

- Equitable funding should be provided to all schools to allow them to deliver a high-quality education and to enable them to safeguard all children and young people.
- Further funding should be provided to meet additional needs of pupils, and school and area living costs, without the need for historic protections or top-ups, such as a minimum level of funding per pupil.

Variation in gross DSG allocation per mainstream pupil by LA



Sufficiency of funding for all schools

- Funding should be sufficient to ensure effective and enriched learning for all pupils.
- Funding should address historic shortfalls, where budgets have not matched inflation.
- Funding should reflect rising demands on schools, such as policy changes/Covid.

It must be recognised that the pandemic has impacted on all pupils – not just those with additional needs.

In 2019, f40, working with other educational organisations, estimated that £12.6bn was required to return schools to 2010 funding levels. Since that time, extra funding has been announced, but constantly-evolving pressures and

demands mean that schools have not received an increase in their budgets in real terms. Extra costs include:

- The health and social care levy collected through increases in National Insurance
- Teachers' starting salaries increasing to minimum £30k
- Rise in general costs, such as utility and fuel charges
- Immediate Covid costs (extra heating, cleaning, PPE and staffing)
- Long-term Covid costs (mental/emotional/physical/health impacts and catch-up)
- Necessary and unavoidable extra staffing costs, impacting on recruitment/retention

SEND

The number of children and young people with SEND, and their complexity of need, continues to rise. This, coupled with more young people accessing support for longer (19-25), without sufficient funding, is putting great pressure on the system. Funding is also currently based on historic need, which is very different to the requirements of SEND today.

- Local authorities and schools should receive enough revenue annually so they can deliver high quality services to all children with 'high needs', recognising the rising demand, increasing complexity of need, and wider implications from policy changes.
- Additional funding should be provided specifically to help local authorities settle the huge deficit budgets in High Needs stemming from changes to the Code of Practice in 2014. These changes led to greater identification of children with SEND, with numbers increasing each year. The deficits are a direct consequence of under investment since the changes in the Code of Practice were introduced.
- The SEND review should be published at the earliest opportunity and major changes to overhaul the system introduced.

Early Years

- Additional funding should be allocated to enable local authorities to meet the need for Early Years provision at a level that ensures sustainability of the market.
- The extra funding should address the historic shortfall in funding, which has not kept pace with inflation. It should take into account pressures faced by the sector, such as the impact of increases in the minimum wage and the social care/health levy.



Capital funding

There has been little investment in the fabric of schools in recent years, resulting in poor condition and maintenance of many buildings across the country. This lack of investment must be reversed at the earliest opportunity before minor maintenance issues become more expensive, major problems.

- Funding should be made available for the maintenance of buildings to help schools deal with the backlog of repairs and improvements required.
- Funding should be provided to enable schools to implement carbon reduction measures that will be vital if the UK is to become Net Zero by 2040.
- Capital funding should be available to local authorities flexibly and quickly to ensure the requirements of children with high needs are met within the allocation provided, and to ensure the excessive use of expensive independent provision is minimised.
- The Free School programme should be more responsive to pressures for additional school places and new schools, preventing unnecessary and costly delays.

For more information

For more information about f40, contact Secretary Karen Westcott at karen@dtw.co.uk or on **07545 210067**.

