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SCHOOLS' FORUM

Day: Tuesday
Date: 7 March 2023
Time: 10.00 am
Place: Remote Meeting

Item No.	AGENDA	Page No
1.	**APOLOGIES FOR ABSENCE** To receive any apologies for the meeting from Members of Schools' Forum	
2.	**DECLARATIONS OF INTEREST** To receive any declarations of interest from Members of Schools' Forum	
3.	**MINUTES** To consider the minutes of the previous meeting of Schools' Forum, which was held on 19 January 2023	1 - 8
4.	**EARLY YEARS FUNDING 2023-24** To consider the attached report of the Assistant Director, Finance and the Assistant Director, Education	9 - 16
5.	**SCHOOLS' FORUM FORWARD PLAN 2023-24** To consider the attached report of the Assistant Director, Finance and the Assistant Director, Education	17 - 18
6.	**DATE OF NEXT MEETING** To note that the date of the next meeting of Schools' Forum will be 20 June 2023	

From: Democratic Services Unit – any further information may be obtained from the reporting officer or from Natalie King, Democratic Services, natalie.king@tameside.gov.uk, 0161 342 2316, to whom any apologies for absence should be notified.

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SCHOOLS' FORUM

19 January 2023

Commenced:	**10.00am**	**Terminated: 12.00pm**
Present:	Karen Burns (Chair)	Primary Schools – Academies
	Lisa Lockett	Primary Schools – L/A Maintained
	Simon Brereton	Primary Schools – L/A Maintained
	Steve Marsland	Primary Schools – L/A Maintained
	Kirsty Rimmer	Primary Schools – L/A Maintained
	Richard O'Regan	Secondary Schools – L/A Maintained
	Gus Diamond	Secondary Schools - Academies
	Pierre Coiffait	Special Schools – L/A Maintained
	Anthony Benedict	Pupil Referral Service
	Anne Morgan	Tameside Teachers' Consultative Committee
	Elaine Horridge	Diocesan Representative
	Elaine Sagar	PVI Representative
	Jerome Francis	Finance Business Partner
	Louisa Siddall	Senior Finance Manager
	Wendy Lees	Finance Manager
	Caroline Barlow	Assistant Director, Finance
	Jane Sowerby	Head of Education, Improvement and Partnerships
	Tim Bowman	Director, Education (Tameside and Stockport)
Apologies for absence:	Donal Townson	Governor, Primary Schools – L/A Maintained
	Gemma Patterson	Primary Schools – L/A Maintained
	Lisa Gallaher	Primary Schools – L/A Maintained
	David Waugh	Secondary Schools – Academies
	John Cooper	Primary Schools – L/A Maintained
	Susan Marsh	Primary Schools – L/A Maintained
	Heather Farrell	Primary Schools – Academies
	Iain Linsdell	Primary Schools – Academies
	Betty Jones	Secondary Schools – L/A Maintained
	John Cooper	Primary Schools – L/A Maintained
	Cllr North	Executive Member
	Cllr Feeley	Executive Member

17 DECLARATIONS OF INTEREST

A declaration of interest was received from Gus Diamond (Secondary, Academies) in relation to Agenda item 5, specifically the Growth Fund.

18 MINUTES

Consideration was given to the minutes of the meeting of School's Forum, which was held on 27 September 2022. It was noted that Louisa Siddall, Senior Finance Manager had been present at the meeting and that her attendance had been omitted from the minutes.

RESOLVED
That, with the above amendment, the minutes of the meeting of Schools' Forum, which was held on 27 September 2022, be approved as a correct record

19 DEDICATED SCHOOLS GRANT (DSG) UPDATE 2022-23

Consideration was given to a report of the Assistant Director of Finance and Director of Education (Tameside and Stockport), which provided members with an update on the DSG budget position for the financial year 2022-23.

Members were advised that there was a forecast surplus of £0.353m on the Schools Block. It was noted that this related to £0.355m unallocated growth, a minor variation of £1k on an academy conversion offset by a £3k retrospective business rates charge. It was proposed that any surplus would contribute to the DSG deficit.

It was predicted that the Central School Services Block would be spent in full, whilst the High Needs Block was projected an in-year deficit of £4.385m, which would be reduced to £2.743m when taking into account the £0.954m transfer from the Schools Block and £0.688m from identified savings and cost avoidance, as outlined in the Deficit Recovery Plan.

A forecast surplus of £0.674m was projected for the Early Years Block and a detailed explanation on the Early Years forecast was provided. It was cited that although there is a forecast surplus there is an adjustment to early years funding annually which could reduce this position. It was noted that participation for 2 years olds was increasing. However, the DfE target number of potentially eligible families had reduced, which had led to a reduction in the estimates. This was also noted to be impacted by a reduction in birth rates across the borough.

In relation to Early Years funding, it was acknowledged that this was a complex area, which would continue to be closely monitored and that a more detailed update would be provided at the next meeting of School's Forum. It was also noted that there continued to be significant demand on the SEND Inclusion Fund and that this could increase further following the spring term school census.

The surplus forecast on Central Retention in the Early Years funding was explained to be as the result of vacancies in the Early Years Quality team and the SEMH team. However, it was noted that these posts had now either been recruited to or were in the process of recruitment.

Projections were provided in relation to the DSG Reserve. Members were advised that, if the 2022-23 projections materialised, there would be a cumulative deficit of £4.956m on the DSG. It was acknowledged that a deficit recovery plan had been developed and submitted and that discussions with the DfE were ongoing. It was confirmed that this position would continue to be closely monitored and that regular updates would be reported to Schools' Forum.

RESOLVED
That the contents of the report be noted and supported

20 FORMULA FUNDING 2023-24

Consideration was given to a report of the Director of Education, Tameside and Stockport and Assistant Director of Finance, which set out information on the allocation of the Dedicated Schools Grant funding for 2023-24 and details of additional funding provided.

Members were advised that the provisional DSG settlement of £257.527m for 2023-24 had been received on 16 December 2022. In addition, the government had announced that an additional £2.3billion per year would be invested in schools over the next 2 years. This would represent an actual increase of £2 billion after an adjustment had been made to remove the element which related to the Health and Social Care Levy.

In Tameside, a Mainstream Schools Additional Grant (MSAG) for 2023-24 had also been allocated, which totalled £6.915m alongside additional funding of £1.636m to support the High Needs Block.

A detailed breakdown of the provisional settlement for the 4 blocks within the DSG compared to the latest 2022-23 settlement figures was provided for Members.

Members were advised that the Schools Block, which was the largest element of DSG funding, covered funding for all pupils and school led factors in the funding formula and comprised of the following:

- A primary unit of funding (PUF) of £4,996.61
- A secondary unit of funding (SUF) of £6,486.04
- Premises – this includes PFI and business rates, which are based on historical spend.
- Business rates, which are included in the LA allocation but will be top sliced from the DSG allocation and retained by the ESFA who will make payments to all LA's directly on behalf of Schools.
- Growth – this is calculated using the difference between the primary and secondary numbers on roll on the October 2021 and October 2022 school censuses.

It was explained that, in 2023-24, LAs would be able to set the Minimum Funding Guarantee (MFG) between +0% and+0.5% per pupil and that a Gains Cap could be used, which was a limiting factor that limits the gain in pupil led funding per pupil that a School received. It was noted that this factor had been used in previous years to enable the LA to meet its statutory duty to set a balanced DSG budget.

Members were made aware that the provisional figures from the DfE had previously indicated that it would be affordable to:

- continue to apply the 2023-24 national funding formula rates;
- set the MFG protection at the highest rate of 0.5%;
- remove the gains cap; and
- transfer 0.5% of the School Block Funding to the High Needs Block.

However, following receipt of figures from the DfE, which had since been updated to reflect October census data, this scenario was not affordable within the funding allocation for the Schools Block as there was a shortfall of approximately £312k. As a result, members were provided with a range of alternative options as set out below and **option 3** was recommended in setting the formula for 2023-24.

- **Option 1 – Include a gains cap to balance the budget:** There were 24 schools that would be affected by capping their gain, which would total approximately £315k. The cap would allow a gain of up to 4.6% in funding. This assumed the MFG was set at 0.5%, as stated in the consultation.
- **Option 2 – Set the MFG at 0% and include a gains cap:** There were 7 schools, who were in receipt of MFG and this would only save £34k, which would be transferred to the gaining schools (of which 23 would be affected). To balance the budget, there would need to be a cap of 4.7% (allowing a increase of funding up to 4.7%), which would total approximately £281k.
- **Option 3 – Reduce the 0.5% transfer to the High Needs Block:** The 0.5% would provide £1.005m to support the High Needs Block. In order to balance the budget, MFG would be kept at 0.5% and have no cap on gains, the block transfer would need to reduce to 0.345% and this would provide support of £694k to the High Needs Block.

It was suggested that adopting **option 3** would ensure that support was still being given to the High Needs Block and the gaining schools would have the increased funding, which related to the additional needs factors. It was also noted that those schools with Minimum Funding Guarantee (MFG) would remain protected to the highest level.

An update was provided for Members in relation to the Growth Fund and it was noted that the estimated Growth Fund required for 2023-24 was £274k. A detailed breakdown of this was provided for Members.

Members were informed that the Contingency budget had been established to support those schools facing a deficit budget position in order to support the DSG against any future pressures. It was explained that, where schools were in deficit or facing deficit in the next financial year, they would be subject to a review in line with the School Deficit process as outlined within the Tameside Scheme Financing. It was further stated that the LA would work very closely with the school and governors in order to manage the deficit and ensure action was taken to address this.

Members were made aware that the de-delegation rate for Contingency for 2023-24 remained at £5.81 per pupil and agreement to de-delegate in 2023-24 was sought from both the primary and secondary sectors. It was noted that, should both sectors agree to contribute, based on October 2022 census information, this would result in the following contribution to Contingency:

- Mainstream Primary Maintained Schools - £65k
- Mainstream Secondary Maintained Schools - £35k

As in previous financial years, all schools were asked to support safeguarding across the borough by agreeing to a contribution of £3.03 per pupil, which equated to approximately £106k towards the cost of Tameside Safeguarding Children's Partnership (TSCP).

In relation to the Risk Protection Arrangement (RPA), Members were advised that, where schools had opted into this agreement for 2022-23, membership would continue on an ongoing basis. It was, therefore, noted that, should schools wish to opt out of this arrangement, they would need to make their own risk protection arrangements going forwards. RPA for 2023-24 was confirmed to be £23 per pupil and it was noted that nursery numbers were included to calculate the charge for the primary sector, where relevant.

With regard to additional funding, the Mainstream Schools Additional Grant (MSAG) would be paid as a separate grant for 2023-24 and it was the DfE's intention for this to be rolled into the DSG baseline allocation from 2024-25. This allocation would be based on the October 2022 census and would be allocated as follows:

- basic per pupil rate for pupils (reception through to year 11), £119 for primary, £168 for key stage 3 and £190 for key stage 4
- a lump sum of £4,510 per school
- a rate for FSM6 (£104 per eligible primary pupil and £152 per eligible secondary pupil)

It was further noted that the school level allocations for 2023-24 would be published in May 2023.

The outcomes of the Schools Funding Consultation were shared with Members, who were informed that 18 responses had been received in total. However, 2 of these were duplicate responses, one of which was removed. In response to the question 'Do you support a 0.5% transfer from the Schools Block to the High Needs Block' (as agreed in principle with Schools' Forum), it was noted that 56% supported the 0.5% transfer and 44% did not support the 0.5% transfer.

Detailed information in relation to Early Years Funding streams for 2022-23 and 2023-24 was provided for Members and it was noted that the increase in funding across all Early Years streams was due to an increase in the funding rates, which were outlined. It was stated that consultation would need to be held with Early Years providers regarding the increased rates and an additional Schools' Forum meeting was required in order to agree the rates of allocation.

Approval was sought in order to centrally retain 5% (in line with operational guidance) of 3 and 4 year old funding (741k based on current settlement) and £0.14 per hour (as a minimum) of 2 year old funding (£71k based on current settlement). It was explained that this would support the following areas:

- Early Education Funding Team
- Family Information Services
- Early Years Quality Improvement
- SEN Team
- Social Emotional and Mental Health Service
- Sensory Support

- Making it REAL (Raising Early Achievement in Literacy)

Members were informed that a further paper with proposed funding rates, SEN Inclusion Fund and outcome of the consultation would be presented at the next meeting of Schools' Forum, which was agreed to be scheduled for 7 March 2023.

It was explained that the total allocation for the Central Schools Services Block, which funds the statutory duties the LA undertakes for both maintained schools and academies, had received a total allocation of £1.249m for 2023-24. This was based on a per pupil element of £35.81 for ongoing duties, for example, School Admissions Schools' Forum, Copyright Licenses (£209k) and former ESG duties. It was noted that these overall costs were estimated to be in excess of £1.2m and there was £1.040m available to support these costs. It was made clear that the funding received to support these statutory functions did not fully cover these costs and Members were formally requested to approve the central retention of this funding.

Discussion ensued in relation to the report and it was acknowledged that, whilst it was positive news that additional funding had been made available, with increasing costs, including pay award increases, funding was still an issue and presented risks to schools and the LA. Following discussion, it was noted that, alongside the MSAG, there would also be some additional funding allocated to special schools.

It was explained that the Early Years Funding Group was planned and that much of this information would be brought forward for discussion. It was also noted that, whilst Early Years Funding rates had increased, this was also significantly impacted by the mainstreaming in of the Teachers' Pay and Pension Grant. With this in mind, further consultation would be brought to the Early Years sector and, following the next meeting of Schools' Forum, indicative allocations would be available for providers by the end of March 2023.

RESOLVED
(i) That the recommended funding formula for mainstream schools be approved,
(ii) That the growth fund be approved.
(iii) That the transfer from the Schools Block to High Needs Block, as outlined in Option 3, be approved.
(iv) That de-delegation of funding for Schools Contingency be rejected for the primary maintained sector.
(v) That de-delegation of funding for Schools Contingency be approved for the secondary maintained sector.
(vi) That a continued contribution to Tameside Safeguarding Children's Partnership be approved.
(vii) That central retention of Early Years Funding be approved.
(viii) That the allocation of the Central Services Schools Block be approved.

21 HIGH NEEDS BUDGET AND DEFICIT RECOVERY UPDATE

Consideration was given to a report of Director of Education (Tameside and Stockport), which provided an update on the DSG deficit position in both 2022-23 and 2023-24, along with updates on the Delivering Better Value programme and the action plan to address spending pressures.

Members were informed that the High Needs Budget position for 2022-23 had slightly improved on the summer term and an in-year deficit of £4.385m was now forecasted, prior to any transfer from the Schools Block or savings identified as part of the High Needs Review. When taking into account the agreed transfer from Schools Block in 2022-23 (£0.954m), it was noted that this would reduce the in-year deficit to £3.431m.

A range of proposed savings, which equated to £0.688m were detailed for Members and it was explained that this would further reduce the deficit to £2.743m. However, it was acknowledged that there was a potential risk attached should these savings not materialise in full throughout this financial year.

With regard to growth, Members were made aware that the spend against forecast continued to be broadly in line with the planned budget. However, it was outlined that there continued to be higher than average growth in the Independent sector, Out of Borough placements and Post-16 provision. In contrast, growth in mainstream, special schools and resourced provision was lower than had been anticipated. It was suggested that some delays in establishing new resource bases had contributed to this and noted that growth would continue to be monitored closely, with a more detailed review to be carried out alongside the SEND team. Members were also informed that the number of Education Health and Care Plans (EHCP) had continued to increase in line with predictions

An update was provided on the High Needs Settlement, following December 2022 announcements from DfE, and providing comparison data with 2022-23. It was highlighted that Tameside had seen an increase of 8% since 2022-23. It was noted that this funding was subject to further updates during the financial year 2023-24 in order to reflect 2023-24 high needs places and import/export adjustments.

Based on the additional £2.3billion additional government investment over the next 2 years, it was stated that the High Needs Block would benefit from an increase of £400m. In Tameside, it was explained that this would represent an additional £1.636m, which would take the overall increase to £4.301m (an increase of 13% when compared to 2022-23).

Members were made aware that the conditions of the DSG outlined that LAs were required to pass on to special schools the allocations of additional funding using a proportion of their additional High Needs funding in 2 ways:

- For 2023-24, a Minimum Funding Guarantee (MFG) would be applied to special schools budgets. Previously this had always been set at 0%. However, for 2023-24, it had been set at 3% (compared to the 2021-22 baselines)
- For 2023-24, special schools and Alternative Provision (AP) Schools would receive a separate additional allocation amounting to 3.4% of their total place and top up funding allocated in 2022-23

It was explained that this additional 3.4% funding allocation would be excluded from Minimum Funding Guarantee (MFG) arrangements so that schools would receive 3% MFG increase relative to a 2021-22 baseline and the additional 3.4% in 2023-24.

Members were informed that 836 commissioned places had been agreed with alternative provision (AP) and special schools for September 2023 and a detailed breakdown of these was provided, alongside a comparison with September 2022 numbers.

An update on the Delivering Better Value Programme (DBV) was provided and Members were informed that Tameside were part of tranche 2. It was stated that the programme would comprise of 2 phases over an 18 month period, both of which were outlined in the report.

A review of the Management Action Plan was provided and Members were reminded that, following a report approved by Schools' Forum in November 2020 with regard to funding additional places in specialist settings, the report was looking to bring the local approach in line with national funding guidance. It was noted that the first 5% of growth after the annual commissioned places would not be funded and it was outlined that, where places had been commissioned but not filled in specialist settings, consideration would be given to top-up payments against utilised place funding. It was, therefore, anticipated that there would be a potential cost avoidance of £50,000 per annum rather than actual savings. It was noted that, during 2022-23, this had already been reached and estimated savings would total approximately £82,000 and affect 3 schools.

Members were made aware that a Resource Base Review had been undertaken and the proposal to establish 40 additional local places in 2021-22, a further 40 places in 2022-23 and 40 more in

2023-24 was outlined, alongside an update on current progress. It was noted that work was continuing in order to expand this model in both the primary and secondary sectors and discussions were ongoing with a number of schools. Whilst it was acknowledged that this proposal did not offer financial savings, it was highlighted that this helped in addressing demand across the borough and avoided more costly placements in independent and non-maintained schools.

It was explained that the Matching Provision to Need (MPTN) document had been paused and that further updates would be provided as part of the Delivering Better Value (DBV) programme updates.

With regard to Contract Reviews, it was envisaged that savings could potentially be found following the review of a PFI style contract, which was in place at one special school and the Director of Education would report to Executive Cabinet; setting out options to terminate the Facilities Management (FM) agreement with both Great Academies and Samuel Laycock. It was expected the potential saving to the High Needs Block as a result of this review would be approximately £279,000 per annum.

A review of the funding model for Tameside Pupil Referral Service was also outlined and it had been agreed that, where exclusions occurred, rather than the funding following the child, this would instead be returned to the High Needs Budget, which had realised savings of £61,112 in 2021-22 and was on target to achieve approximately £160,000 in 2022-23. In addition, it was stated that a review of the number of places commissioned and inclusive practice with schools would continue to explore appropriate funding through working groups Tameside Primary Consortium (TPC) and Tameside Association of Secondary Headteachers (TASH).

Discussion ensued with regard to plans to reduce the growth in independent schools and it was acknowledged that Tameside continued to place a much higher percentage of children in specialist provision that statistical neighbours. It was reiterated that work needed to continue as specialist provision was over capacity and that the demand for statutory plans needed to continue to be addressed, alongside improving the quality and consistency of practice and support available to all schools

It was noted that the budget continued to be capped at 7% and that the first meeting with DfE in relation to the delivering Better value Programme was scheduled for next week.

A question was raised in relation to the Growth and Over Capacity Funding and it was suggested that a significant majority of the £82,000 saving had impacted one school in particular. It was stated that there were particular difficulties arising from the difference in the commissioned number and the actual number of pupils on roll for special schools. As a result, a query was raised in relation to whether this situation would remain the same moving forwards in terms of overcapacity in one school, whilst others were reducing capacity. It was acknowledged that special schools had been accommodating in supporting the necessary rise in provision. However, concern was expressed in terms of the impact on school budgets as a result.

It was stated that the move to this model of funding places had brought Tameside in greater alignment with the DfE model of funding and emphasised that there was dual responsibility in managing the High Needs Block between Schools' Forum and the Local Authority. It was explained that some special schools, in particular, were more likely to experience this in-year growth as a result of the nature of the needs of their pupils and acknowledged that this would present different challenges for different schools. There was also a suggestion that numbers of pupils supported by TPRS had significantly increased and it was felt that this information could be shared going forwards in order to better reflect the current situation for alternative provision (AP).

Following these discussions, it was agreed that conversations with special school and AP headteachers would be arranged in order to discuss the impact of this and that further information would be brought back to School's Forum in a future meeting.

RESOLVED
That the contents of the report be noted and supported.

22 SCHOOL IMPROVEMENT MONITORING AND BROKERING GRANT

Consideration was given to a report of Director of Education (Tameside and Stockport), which sought de-delegation from maintained schools in order to fund the school improvement function, which had previously been funded by the School Improvement Monitoring and Brokerage Grant.

Members were informed that, in line with the direction of travel of The Schools White Paper 2022, the government had now fully removed the School Improvement Monitoring and Brokering Grant and, as a result, local authorities were now required to seek de-delegation of Schools Block funding from maintained schools in order to support ongoing LA improvement activity costs.

Members were reminded of the previous transitional arrangements and were advised that for 2023-24, the de-delegated cost per pupil would increase to £12.78. They were also made aware of the many and varied benefits of the LA's school improvement activity, which was not only limited to mainstream schools. It was stated that academies and free schools would also be able to buy in to this service in order that equity and the ability to support the whole sector was retained. It was emphasised that this service facilitated whole sector cohesion and the statutory duties and powers of intervention were also outlined. It was also stated that the rate for 2024-25 would take into account the 2023-24 position.

Following presentation of the report, feedback from consultation within the primary maintained sector was shared, which was overwhelmingly positive and in favour of de-delegation for school improvement. However, it was also requested that transparency in where this funding was targeted could be shared in order that schools could ensure value for money during this time of unprecedented budget challenges.

RESOLVED
That de-delegation for the maintained sector at a cost per pupil of £12.78 be agreed.

23 ANY OTHER BUSINESS

A query was raised in relation to Schools Funding Group. It was agreed that a discussion would take place outside of Forum with regard to how this advisory group would work moving forwards and the timetabling of these meetings.

24 DATE OF NEXT MEETING

RESOLVED
That the next meeting of The Schools Forum be held remotely on 7 March 2023 at 10am.

CHAIR

Report to:	**SCHOOLS' FORUM**
Date:	7 March 2023
Reporting Officer:	Jane Sowerby – Assistant Director, Education Caroline Barlow – Assistant Director of Finance
Subject:	**EARLY YEARS FUNDING 2023-24**
Report Summary:	A report on the arrangements concerning the Dedicated Schools Grant Early Years funding for 2023-24.
Recommendations:	1. Members of the Schools' Forum are requested to note and support the contents of the report. 2. Members of the Schools' Forum are requested to support the preferred option for the allocation of a quality supplement.
Corporate Plan:	Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and supports Aspiration and Hope through learning and moving with confidence from childhood to adulthood.
Policy Implications:	In line with financial and policy framework.
Financial Implications: **(Authorised by the statutory Section 151 Officer & Chief Finance Officer)**	The Dedicated Schools Grant is a ring fenced grant solely for the purposes of schools and pupil related expenditure. This report sets out the allocation basis for all Tameside early years providers for 2023-24.
Legal Implications: **(Authorised by the Borough Solicitor)**	There are no immediate legal implications arising from this report which sets out the parameters for the dedicated schools grant and how the council will utilise it for pupil and school expenditure.
Risk Management:	The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring and the closure of accounts to ensure that this is achieved. These will be subject to regular review.
Access to Information:	**NON-CONFIDENTIAL** **This report does not contain information, which warrants its consideration in the absence of the press or members of the public.**
Background Information:	The background papers relating to this report can be inspected by contacting Telephone: 0161 342 3044 e-mail: Jerome.francis@tameside.gov.uk

1. INTRODUCTION

1.1 This report sets out information on the allocation of the Early Years element of the Dedicated Schools Grant (DSG) for 2022-23 and the outcome of the recent consultation on the Early Years funding.

2. EARLY YEARS FUNDING 2023-24

2.1 **Table 1** provides the current funding settlement for Early Years for 2022-23 and 2023-24. The settlement is based on the Schools, Early Years and Alternative Provision censuses data from January 2022. The 2023-24 allocation will be updated based on January 2023 census data. An adjustment will also be made to the 2022-23 allocation based on January 2023 census data which will occur in July 2023.

TABLE 1 – Early Years Funding

Early Years Funding Streams	2022-23 Early Years Allocation at Nov 2022 £000	2023-24 Provisional Early Years Allocation £000	Increase / (Decrease) in Funding £000
3 & 4 Year Old Universal Entitlement	9,618	10,097	479
3 & 4 Year Old Extended Entitlement	4,506	4,730	224
2 Year Old Entitlement	2,888	2,919	31
Early Years Pupil Premium (EYPP)	198	204	7
Disability Access Fund (DAF)	94	132	37
Total	**17,304**	**18,082**	**778**

2.2 Consultation was launched for the period 1 February 2023 until 15 February 2023 to gather opinions on the proposals set out below. The response to the consultation is included at Section 5 of the report.

3. 3 AND 4 YEAR OLD FUNDING

3.1 The hourly rate of funding received by the LA has increased from £4.82 in 2022-23 to £5.06 2023-24 for both universal and extended entitlement. Of the £0.24 increase £0.14 is an increase in core funding and £0.10 relates to rolled in Teachers' Pay & Pension Grant funding. There is more on this in paragraph 3.5. The local funding scheme must include a base rate that applies to all children in all settings. It is proposed that the hourly base rate is increased from £4.35 to £4.49, an increase of £0.14.

Supplements

3.2 There is a mandatory requirement to have a supplementary rate in relation to Deprivation and it is possible to have other supplements in relation to Rurality/Sparsity, Flexibility, Quality and English as an Additional Language. The total value of these supplements cannot exceed 12% of the overall funding within this block.

3.3 The DfE's guidance gives authorities flexibility to create supplements of this type, but authorities are expected to adhere to the following principles:

- the use of supplements should be transparent and fair and should be open to all providers which meet the eligibility criteria.

- supplements should be used to channel additional funding to providers and local authorities should not use them to reduce funding rates for providers that do not meet the eligibility criteria.
- local authorities should not distinguish between the universal 15 hours entitlement and the additional 15 hours for working parents; any supplement should apply equally to both entitlements.

Deprivation

3.4 In 2022-23, it was agreed to continue with the model where deprivation is allocated based on three bands and allocated for all children. No changes are proposed to this supplement.

Teachers' Pay & Pension Grant (TPPG)

3.5 In recent years, no supplements besides deprivation have been introduced into our 3 & 4 year old Early Years Single Funding Formula (EYSFF). However, the DfE has made a technical change in the grant funding system for maintained schools and academies for 2023-24, which requires us to consider the adoption of a "Quality" Supplement. In its guidance, the DfE expressly encourages local authorities to use a "Quality" Supplement in the management of this change.

3.6 Since September 2019, maintained schools and academies with early years provisions have received two additional grants from the DfE. Firstly, a Teacher Pay Grant, the purpose of which is to support schools and academies with the additional cost of the September 2019 teacher pay award. Secondly, a Teacher Pensions Grant, the purpose of which is to support schools and academies to meet the costs of the increase in the employer's contribution to teacher pensions, which increased from 16.4% to 23.68% in September 2019.

3.7 The DfE has confirmed that these two grants will be transferred into the Early Years Block at April 2023, meaning that schools and academies will no longer receive separate grant allocations and that authorities must adjust their EYSFF if they are to continue to target these grant funding streams as they have been allocated previously. The Early Years Operational Guide states:

"*We also encourage local authorities to use the quality supplement to distribute the additional funding they will receive because of the mainstreaming of the teachers' pay and pensions grants. From 2023 to 2024 , the separate teachers' pay grant and teachers' pensions employer contribution grant are no longer being paid directly to school-based nurseries, and instead this funding has been rolled into the overall quantum of 3- and 4-year-old entitlement funding."*

The DfE has not provided any guidance on how such a supplement should be set.

3.8 £293k of grant funding that previously related to TPPG has been added into our Early Years Block 3 & 4 year old entitlement funding rate, as an additional £0.10 per hour across all hours delivered in nursery classes and in PVI providers. In relation only to the funded hours in nursery classes attached to maintained primary schools and academies, we have received an additional £0.23 per hour within our 2023-24 settlement.

Proposals

3.9 We propose for 2023-24:

- To introduce a Teachers' Pay & Pensions Grant (TPPG) Supplement, for the immediate purpose of replicating the Teacher Pay & Pension Grant that has been received by maintained primary schools and primary academies that deliver the 3 & 4 year old entitlement. This Supplement will extend to other providers (PVI providers) that have not previously received the Grant and that could now be eligible where they employ a qualified teacher and pay the employer's national Teacher Pensions contribution, which is currently 23.68%. We propose to fund this Supplement to eligible providers at a rate of £0.23 per hour for 3 & 4 year old's in 2023-24.

- That providers will be eligible for this Supplement in 2023-24 if they received Teacher Pension Grant funding in 2022-23, or if they evidence to the Authority that they are an employer, that employs a qualified teacher, who directly delivers the 3 & 4 year old early years entitlement (the Early Years Foundation Stage), and that pays the national employer's contribution to Teacher Pensions, which is currently 23.68%.

3.10 Due to the late stage at which the rolling in of the Teachers' Pay and Pensions Grants into the Early Years Funding Formula was announced, the proposed supplement intends to replicate the grants as closely as practically possible. This is to prevent the adverse impact of any providers seeing a reduction in funding.

Special Educational Needs Inclusion Fund (Senif)

3.11 There continues to be a mandatory requirement for a SEN Inclusion Fund for 3 and 4 year olds. A fund for 2 year olds was introduced in 2020-21. There is significant pressure on the fund in 2022-23 as shown in Table 2.

Table 2 – Special Educational Needs Inclusion Fund for 2022-23 and Proposal for 2023-24

Early Years Funding Streams	2022-23 SEN Inclusion Fund £	2022-23 Forecast Distribution to Providers £	2022-23 Forecast Deficit £	2023-22 Proposed SEN Inclusion Fund £
3 & 4 Year Olds	378,000	493,820	(115,820)	500,000
2 Year Olds	61,000	61,190	(190)	66,000
Total	**439,000**	**555,010**	**(116,010)**	**566,000**

3.12 We are proposing to increase this fund to £500k for 3 and 4 year olds and approx. £66k for 2 year olds. The demand for support from providers for SENIF support has grown significantly and it is therefore necessary to increase this fund. Work is ongoing with the Early Years working group to review the SENIF allocation and demand and ensure there is robust and clear criteria for the allocation of the funding.

3.13 The operational guidance has confirmed that LAs must ensure that at least 95% of the funding in relation to 3 and 4 year olds is passed through to providers in 2023-24. The proposed rates, together with the SEN Inclusion Fund means the LA will be compliant with the legislation and the retention of the funds has already been agreed at Schools Forum on 19 January 2023. Details of what this supports can be found in Schools Forum paper through the following link: ITEM 5 - Dedicated Schools Grant DSG Funding Formula 2023-24 FINAL.pdf (moderngov.co.uk)

4. 2 YEAR OLD FUNDING

4.1 The hourly rate of funding received by the LA has increased from £5.67 in 2022-23 to £5.73 2023-24.

4.2 In 2022-23, the provider hourly rate allocated is £5.40 and £0.14 per hour is retained centrally. It is proposed that the hourly rate to providers is increased to £5.46, and £0.14 per hour remains to be retained centrally. The amount of £0.14 per hour for central retention has already been agreed at Schools Forum as outlined in paragraph 3.13.

4.3 In addition, as stated in paragraph 3.12 it is proposed to increase the SEN Inclusion Fund to £66k.

5. EARLY YEARS PUPIL PREMIUM (EYPP) AND DISABILITY ACCESS FUND (DAF)

5.1 The allocation rate for EYPP has increased from £0.60 to £0.62 per hour per eligible pupil up to a maximum of 570 hours.

5.2 The allocation rate for DAF has increased from £800 to £828.

5.3 The allocation of both these funds is in line with the operational guidance, link included at paragraph 2.2.

6. CONSULTATION RESPONSE

6.1 Consultation took place with all Early Years Providers in Tameside between 1 February and 15 February. It was carried out via survey monkey and shared with all Early Years providers included on Tameside Directory of Providers.

6.2 A total of 79 responses were received.

6.3 The outcome of the consultation is as follows:

a. Support is given for the proposals for 3 and 4 year olds. 58% (46 respondents) support the proposals, 42% (36 respondents) did not and 0 respondents did not provide a response.
b. Support is given for the proposals for 2 year olds. 60% (46 respondents) support the proposals, 40% (29 respondents) did not and 2 respondents did not provide a response.

6.4 A number of comments were received for each question asked and have been included at **Appendix A.** In relation to the proposals for the 3 and 4 year old funding and 2 year old funding, many providers raised concern that the uplift to the base rate did not cover the increased cost in national living wage and energy prices. A number also raised concerns about Schools being unfairly funded at the expense of other providers. For clarity, the rolled in funding from the Teacher's Pay and Pension Grants was funding schools have previously been in receipt of and not new or additional funds.

7. SUMMARY

7.1 The hourly rate for 3 and 4 year olds will increase to £4.49, 5% will be retained centrally and there will be a budget of £500,000 for the SEN Inclusion Fund.

7.2 The hourly rate for 2 year olds will increase to £5.46, £0.14 will be retained centrally and there will be a budget of £66,000 for the SEN Inclusion Fund.

7.3 A Teachers Pay and Pension grant supplement will be introduced for all providers that employ a qualified teacher and pay the employer's national Teacher Pensions contribution at a rate of £0.23 per hour.

8. RECOMMENDATIONS

8.1 As set out at the front of the report.

APPENDIX A

Comments from: Do you agree with the proposal for 3 and 4 year-olds?	
1	I do not agree with skimming our funding rate to pay a quality premium
2	I don't agree with skimming our funding rate to pay quality premiums for school. Has a childminder we work really hard with children and parents, and most of us are running at a loss regarding funding.
3	The new hour rates are still nowhere near enough to cover preschools outgoings. With the increased hourly rate for staff, increased in bill, prices of equipment and everything else, which is needed to run the business. Funding rates need to be at least £8 per hour
4	It is a positive step that funding has been increased however it does not cover the hourly rate we need to pay staff with the raise in minimum wage, practitioners are being asked to do a lot more SEN paperwork and referrals, more funding is needed to enable nurseries to be able to do this.
5	This is absolutely not what was presented to the EY working group and is disadvantaging (discriminating) against all PVI's
6	The pressure that nurseries are facing cannot begin to be addressed through a few pence raise in funding. We are in serious danger of entering into a vicious cycle where the council fails to give providers an adequate price per hour to provide high quality teaching and learning experiences for the children. The providers then are forced to up their prices, which in turn puts more pressure on working families who are already struggling to cope with the cost of living crisis. Families should not have to mop up the financial short fall. Nurseries are facing hikes in every aspect-business rates, electricity, staff costs.
7	Money being retained to support schools when they already receive an additional premium which PVI don't
8	You have entitled this as a consultation. This is not a consultation, this is a fait accompli! Again PVI settings are getting the raw end of the deal. Discussions were had within the Early Years Steering Group, which have been completely ignored! Why do you constantly take money from our funding to give to schools?
9	I/we as a Pre-School feel that this was not an actual consultation and the outcome already had been decided. We feel it very unfair that schools receive the supplement and not PVIs whose staff have a wealth of knowledge and experience within the Early Years sector.
10	I work with my wife (who is a qualified teacher) and my daughter as our assistant. Don't think it's fair that schools get more as we provide the same service if not more.
11	I feel that the amount does not equate to a paying fee. I feel more could be given to providers, why does the school get more money than private nurseries?
12	The private sector is yet again being treated as the poor relation. Why is it school nurseries are better thought of than we are?
13	It's not sustainable given the wage and utility increase the maths doesn't work out
14	Yet again, this is less than my hourly rate. As our ratios are under 5s as standard, with our rising expenses costs, this does not meet minimal wage and is only term time only, leaving a massive short fall. I am shocked that out of the24p, 10p is going to teachers pay and pension grant funding. Why should I fund that? They can also have many more children than us making our actual hourly rate as a worker significantly lower. It's terrible how childminders are being treated, yet we need to offer funding to children or risk losing our families
15	Feel the teachers supplement pay, should be accessible for early years staff as well. Understand staff, which hold a qualified teacher status, can access this but why not those staff who hold a full hours degree in Early Years Childhood Studies? Why is this not recognised?
16	Unsure how a 3/4 year old costs less to mind than a 2 year old. They eat more, use more craft materials and resources are more expensive - funding rate doesn't even cover my usual hourly rate

17	Our overheads have increased in some of our areas of expenditure by 100% i.e.: Rates alone on just one of our properties in Tameside have gone from £25K to £52K, this is without the increase in utility costs, payroll, food and general items. After meeting with other Tameside Nursery owners, a high number of them are saying they will no longer be sustainable. Funding rates haven't increased in line with our overall costs and should be re-looked at ASAP in order to retain the provision of childcare within Tameside and protect the children.
18	I don't see why the local authority are cutting the increase by 12p for a quality payment. I, as a childminder, am unable to claim this quality allowance and I, along with my other childminding peers, offer brilliant quality education and care for our little ones. This increase doesn't even fall in line with inflation, all the additional energy costs and the rise in food. This is tantamount to a decrease.
19	I feel the rates a too low, they should be at least the same as 2 year olds which are still low
20	No it's less than my hourly rate! I'm also funding 10p an hour to a grant I can't access because I'm not a teacher! I'm expected to provide a quality of care the same as an EYFS teacher, who works in a school .
21	No changes are proposed to the hourly rate for deprivation. This is despite significant increases in deprivation across the borough and high levels of inflation being faced by providers along with significant pay-rises. The proposed rate for TPPG has a significant negative impact on the budget from April 2023 as the hourly rate does not transpose to prior year funding levels.
22	In its guidance the DFE encourages a quality supplement. This should be for all providers, not for those with Teachers in the TPP scheme only. Other neighbouring local authorities have done this and we were under the impression that this would be taken to consultation in Tameside.
23	Discussions held in the steering group have been completely disregarded and this is not a consultation
24	Just think it should be more but understand money is very tight at the moment. We are struggling with rises in the private sector and its getting difficult to stay open.
25	It's been needed to increase for a while as I feel offering the funding causes me negative income
26	I feel we need a further explanation regarding the 'TTPG' element of the funding that has not been passed to local PVI's.
27	With the cost of living and staffing going up so much this funding increase isn't enough to cover as 'free funding'. We are really trying as a business to keep costs down for families as much as possible this is extremely difficult when funding doesn't cover our daily cost of nursery.
28	Not enough funding for childminders to operate. Money taken from childminders for quality allowance that can not be accessed by childminders is not inclusive.
29	The funding increase will not cover the minimum wage increase and the food/utilities increase. The funding given doesn't reflect the cost of what we provide.

Comments from: Do you agree with the proposal for 2 year-olds?	
1	I do not agree with skimming our funding rate to pay a quality premium
2	Again, the positive step of increasing funding is great it just is not in line with minimum wage increase and so does not give enough for what nurseries are expected to do. Passing the increases onto parents is hard as the cost of living is high and parents are already struggling. SEND payments are not being paid immediately if at all and we are having to chase up payments, we will have put 1-1 in place when child starts so this needs to be paid before end of term
3	The proposed funding does not even address the cost of staffing costs.
4	Money being retained to support schools when they already receive an additional premium which PVI don't SENDIF budget skimmed from 2yr funding to pay for all early years children not equitable
5	As advised above, discussions held in the steering group have been completely disregarded, and I am not agreeing to a consultation which in actual fact is not a consultation!
6	I/we as a Pre-School feel that this was not an actual consultation and the outcome already had been decided. We feel it very unfair that schools receive the supplement and not PVIs whose staff have a wealth of knowledge and experience within the Early Years sector.
7	I feel that the amount does not equate to a paying fee. I feel more could be given to providers, why does the school get more money than private nurseries?
8	The increase that is being passed to providers is not coving basic cost of living increases.
9	As above I'm currently preparing and planning to lose 3 staff by September
10	Again, though the amount is higher, childminders are still limited by ratios, compared to other settings. My comments above stand for the 10p to teachers pay and pensions grant fund.
11	Paltry increase in funding amount means I still cannot afford a pension therefore am considering not taking any new funded children
12	Our overheads have increased in some of our areas of expenditure by 100% i.e.: Rates alone on just one of our properties in Tameside have gone from £25K to £52K; this is without the increase in utility costs, payroll, food and general items. After meeting with other Tameside Nursery owners, a high number of them are saying they will no longer be sustainable. Funding rates haven't increased in line with our overall costs and should be re-looked at ASAP in order to retain the provision of childcare within Tameside and protect the children.
13	I don't see why the local authority are cutting the increase by 12p for a quality payment. I, as a childminder, am unable to claim this quality allowance and I, along with my other childminding peers, offer brilliant quality education and care for our little ones.
14	Too low
15	The increase paid to providers is much lower than inflation -1.1%
16	The retention by the local authority should be reduced.
17	Discussions held in the steering group have been completely disregarded and this is not a consultation
18	The funding increase will not cover the minimum wage increase and the food/utilities increase (EG. 2yr 4 to 1 ratio at a funding increase of 6p per hour = 24p the wage increase alone is 92p / £1 per hour
19	Not enough funding for childminders to operate. Money taken from childminders for quality allowance that cannot be accessed by childminders is not inclusive.

Report to:	**SCHOOLS' FORUM**
Date:	7 March 2023
Reporting Officer:	Caroline Barlow – Assistant Director, Finance Jane Sowerby – Assistant Director, Education
Subject:	**SCHOOLS' FORUM FORWARD PLAN 2023-24**
Report Summary:	Provide members of Schools Forum with the Forward Plan of reports and meeting deadlines for the Financial Year 2023/24.
Recommendations:	Members of Schools Forum are requested to note the meeting dates set out for 2023/24 and the reports to be tabled at each meeting.
Corporate Plan:	The schools forum decision making, supports the Corporate Plan by supporting best use of resources to ensure children have the very best start in life, ensuring children are ready to learn and encouraged to thrive and develop.
Policy Implications:	Overall effective use of resources across Tameside schools is a key component in the Authority's Annual Use of Resources Statement.
Financial Implications: **(Authorised by the statutory Section 151 Officer & Chief Finance Officer)**	There are no direct financial implications as a result of this report, however an effective Schools Forum would support good stewardship and good use of resources.
Legal Implications: **(Authorised by the Borough Solicitor)**	There are no immediate legal implications arising from this report.
Risk Management:	There are no direct risk management implications as a result of this report.
Access to Information:	**NON-CONFIDENTIAL** **This report does not contain information which warrants its consideration in the absence of the Press or members of the public.**
Background Information:	The background papers relating to this report can be inspected by contacting Telephone: 0161 342 3044 e-mail: Jerome.francis@tameside.gov.uk

1. INTRODUCTION

1.1 This report outlines the timetable and schedule of meetings and reports to be presented for the upcoming year, forming a forward plan. The plan will enable forum members to be kept informed of items to be tabled for consideration.

2. TIMETABLE

2.1 The meeting dates for the remainder of 2023/24 year for Forum have now been set and are outlined below. Setting the annual schedule of dates in advance assists Forum Members with diary planning.

2.2

Date	Venue
Tuesday 7 March 2023	Zoom
Tuesday 20 June 2023	Zoom
Tuesday 26 September 2023	Zoom
Tuesday 28 November 2023	Zoom
Tuesday 16 January 2024	Dukinfield Town Hall

3. FORWARD PLAN

3.1 The table below summarises the forward plan of reports to be considered at each meeting by Schools Forum.

Forum Meeting	Report	Purpose
March	Early Years Funding	Noting
	Schools Forum Forward Plan	Noting
June	DSG Outturn 2022/23 and 2023/24 Update	Noting
	School Balances	Noting / Approval
	Scheme of Financing for Schools	Noting/Approval
	High Needs & DBV Update	Noting/Approval
September	Forum Membership	Approval
	Schools Balances	Noting / Approval
	Schools Financial Values Standard Returns	Noting
	School Funding Update on NFF and Summer Announcements from DFE	Noting
	Consultation of Funding Formula (Schools Block)	Noting
	DSG Monitoring 2023/24 Update	Noting
	High Needs & DBV Update	Noting/Approval
	Deficit Recovery Plan Update	Noting
November	DSG Monitoring 2023/24 Update	Update
	High Needs & DBV Update	Noting/Approval
	Outcome of consultation of Funding Formula (Schools Block)	Noting
January	DSG Monitoring 2023/24 Update	Noting
	Formula Funding 2024/25	Approval
	High Needs & DBV Update	Noting/Approval
	Schools Forum Forward Plan	Noting

3.2 Further reports may be added to the agenda where Schools' Forum involvement is necessary throughout the year.

4. RECOMMENDATIONS

4.1 As set out at the front of the report.