

Report to:	EDUCATION ATTAINMENT IMPROVEMENT BOARD
Date:	18 January 2022
Reporting Officer:	Tim Bowman – Director, Education (Tameside and Stockport) Caroline Barlow – Assistant Director, Finance
Subject:	SCHOOL FUNDING DECISIONS
Report Summary:	This report provides an update on the latest school funding announcements
Recommendations:	For Members to note this report and changes to funding for Schools and the Local Authority arising from the grant allocations announcements for 2022-23.
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)	<p>The Dedicated Schools Grant is a ring fenced grant solely for the purposes of schools and pupil related expenditure. The provisional allocations for 2022-23 are outlined within the report. The allocation of the High Needs element of this grant is insufficient to meet current spending or growth in number of pupils requiring support.</p> <p>The Local Authority and Schools Forum must continue to look for savings to address the growing High Needs deficit and continue to update DfE with progress against the DSG deficit recovery plan.</p>
Legal Implications: (Authorised by the Borough Solicitor)	<p>The legal framework for school budgets is based on legislative provisions contained in sections 45-53 of the School Standards and Framework Act 1998 and accompanying regulations. The School and Early Years Finance (England) Regulations 2014 provide the framework for the funding of maintained schools including how the local authority may allocate their schools budget.</p> <p>The School and Early Years Finance Regulations 2014 gave effect to the decision to reform school funding through a simplified local formula with greater delegation to schools and new arrangements for funding pupils with high needs. In addition the School and Early Years Finance (England) (No. 2) Regulations set out the requirements for determining the 2022/2023 financial year.</p> <p>The Department for Education and Skills Funding Agency has also issued Operational Guidance for local authorities relating to school and early years budget setting for the 2022/23 financial year to support Council's compliance with the Regulations.</p>
Risk Management:	The Dedicated Schools Grant is a ring fenced grant solely for the purposes of schools and pupil related expenditure. This report sets out the proposed allocation basis for all Tameside schools for 2022-23.

The allocation of the High Needs element of this grant is insufficient to meet current spending or growth in number of pupils requiring support.

The Schools Forum and the Authority must continue to look for savings to address the growing High Needs deficit and continue to update DfE with progress against the DSG deficit recovery plan.

Schools Forum de-delegated decisions may present financial pressures for the authorities budgets.

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 Christine Mullins – Finance Business Partner, Financial Management, Children’s and Safeguarding Services



Telephone: 0161 342 3216



e-mail: christine.mullins@tameside.gov.uk

1. INTRODUCTION

1.1 This report sets out information on the allocation of the Dedicated Schools Grant (DSG) for 2022-23 and details of the supplementary grant provided to address increased costs to schools, and proposed changes to the Schools Improvement Grant by the DfE.

2. PROVISIONAL DSG SETTLEMENT FOR 2022-23

2.1 The provisional DSG settlement for 2022-23 of £240.507m was received on 16 December 2021, with accompanying essential data released on 20 December 2021. All DSG funding must be deployed to schools and / or pupils in accordance with the School and Early Years Finance (England) Regulations 2022.

2.2 In addition to the DSG, supplementary funding for 2022-23 has been allocated totalling mainstream schools totalling £5.605m. The additional funding in the primary and secondary sector is to cover both the Health and Social Care Levy and other cost pressures and £1.300m supplementary funding has been received to support the High Needs Block.

2.3 Table 1 provides the breakdown of the provisional settlement for the four blocks within the DSG announced in December 2021, compared with the 2021-22 latest settlement figures.

TABLE 1 – DSG Settlement as at December 2021

DSG Blocks	2021-22 £000	2022-23 £000	Increase £000	% Inc	Supplementary Funding £m
Schools Block (includes Academies)*	183,081	190,743	7,662	4.19%	5,605
High Needs Block	28,196	31,617	3,421	12.13%	1,300
Early Years Block	17,494	16,965	(529)	-3.02%	
Central Schools Services Block	1,114	1,182	68	6.10%	
Total	229,885	240,507	10,622	4.62%	6,905

Note: the table above includes roundings

* It should be noted Academy funding is recouped by the ESFA. The amount recouped by the ESFA is calculated using the formula set out in Section 3.

2.4 The Schools Block increase relates to an increase in pupil numbers, uplift for RPIX on PFI and an increase in DfE funding rates.

2.5 The High Needs block increase relates to an increase in pupil numbers and the per head gain Tameside is seeing as a result of the National Funding Formula. The gains cap is set at 12% for 2022-23, allowing Local Authority's (LAs) to see an increase up to this amount compared to the 2021-22 actual high needs allocation. Tameside are seeing an increase of 12.13% including growth in pupil numbers.

2.6 The Early Years Block overall reduction relates to the numbers of children (PTE) reducing. There is an increase in the DfE funding rate rates and further details can be found in Section 6.

2.7 The CSSB increase relates to an increase in pupil numbers and an increase in the DfE funding rate, further information is provided in Section 7.

3. SCHOOLS BLOCK

- 3.1 The Schools Block is the largest element of DSG funding which provides the majority of funding for Mainstream Schools and Academies, with additional elements potentially being allocated through the Early Years and High Needs blocks. The schools block settlement from the DfE is made up of the following funding:
- A primary unit of funding (PUF) of £4,734.84
 - A secondary unit of funding (SUF) of £6,097.80
- 3.2 This core school funding covers funding for all pupil and school led factors in the funding formula. The PUF and SUF are multiplied by the pupil numbers in reception to year 6 plus pupils aged 4 to 10 not assigned to a year group for primary and pupils in years 7 to 11, plus pupils aged 11 to 15, not assigned to a year group for secondary.
- Premises – this includes PFI and business rates which are based on historical spend. Whilst rates are included in the calculation of the DSG grant, this will not be allocated to Schools or Academies in 2022-23. This 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.
 - Mobility – to support schools in which a high proportion of pupils first join on a non-standard date.
 - Growth – this is calculated using the difference between the primary and secondary numbers on roll on the October 2020 and October 2021 school censuses.

TABLE 2 – Schools Block Settlement from DfE

Element of Funding	Schools Block £000
Primary Funding (20,372 Pupils)	96,458
Secondary Funding (14,571.5 Pupils)	88,854
Premises	3,992
Growth	1,439
Total	190,743
Business Rates included within Schools Block	(2,011)
Total Allocation less NNDR	188,731

Proposed funding Formula for Mainstream Schools

- 3.3 The rates used for each sector to allocate the funding to each individual school are included at **Appendix A**.
- 3.4 The PFI funding continues to be delegated to the relevant schools. The delegated figures have been uplifted by RPIX of 3.17% which reflects the increase in the unitary charge paid for the delivery of PFI services. This element of funding will be recovered by the LA in 2022-23 as in previous years.
- 3.5 Business Rates are funded to the equivalent value of the Business Rates charge for 2022-23. This funding is estimated and will be removed from Tameside's allocations and retained by the DfE who will pay this over to rating authorities directly on behalf of all Tameside Schools and Academies.
- 3.6 In 2022-23 LAs are able to set the Minimum Funding Guarantee (MFG) between +0.5% and +2% per pupil. In the Schools' Forum paper in November 2021 the proposals were to include a 0.5% MFG which is the rate at which MFG has been set. It should be noted that MFG does not protect a reduction in funding due to a reduction in pupil numbers.

3.7 The Gains Cap is a limiting factor which limits the gain in pupil led funding per pupil that a School receives. This is a necessary factor to enable the LA to meet its statutory duty to set a balanced DSG budget. For 2022-23 the gains cap will be 4.61% as opposed to the 3.64% cap consulted upon in November 2021. This means that a gaining school will receive up to a 4.61% increase. Any gain above this is used to partly offset the MFG and allow a balanced Schools Block budget to be set.

Growth

3.8 The policy for the growth fund was agreed by Schools' Forum in June 2019 and continues to be the method for allocating explicit growth.

3.9 There are 2 types of growth that are funded from the growth fund. Explicit Growth and Implicit Growth.

- Explicit growth relates to the specific growth fund and is allocated based on the growth criteria agreed by Schools Forum.
- Implicit growth relates to adjustments to pupil numbers when calculating the funding; in this case for new and growing schools.

3.10 The estimated Growth Fund required in 2022-23 is £1.3m and detail of this is included in tables 3 and 4. The final growth allocation will be based on actual numbers which will be taken from the October 2022 census.

TABLE 3 – Explicit Growth

School	£000
Milton St John's CofE Primary School	33
Alder Community High School	66
Mossley Hollins High School	64
Hyde Community College	79
Denton Community College	79
St. Thomas More RC College	40
All Saints Catholic College	79
Audenshaw High	79
Total	519

Note: the table above includes rounding's

3.11 There are currently two new and growing schools in Tameside. Implicit Growth is required for these schools as the intake increases each year. The growth for these schools is allocated by adjusting pupil numbers to reflect the estimated intake in September. The breakdown of allocations is included in Table 4.

TABLE 4 – Implicit Growth

School	£000
Discovery Academy	77
Laurus Ryecroft	718
Total	795

3.12 As in previous financial years, Schools are asked to support safeguarding in the borough, by agreeing to make a contribution of £2.99 per pupil towards the cost of the TSCP (Tameside Safeguarding Children Partnership). All schools are asked support the continuation of this arrangement in 2022-23. This equates to approximately £0.105m.

- 3.13 In addition to the Schools Block DSG settlement for 2022-23 DfE have announced funding of a separate supplementary grant for mainstream schools. The purpose of this grant is to provide support for the cost of the Health and Social Care Levy and wider costs. This will be paid as a separate grant for 2022-23 it is the DfE's intention for this to be included in the DSG allocation from 2023-24.
The final figures provided will not be provided until spring 2022.

The allocation will be based on the October 2021 census with the exception of the early years element as this will be based on January 2022 census. Final figures will be provided in spring 2022. The allocation funding basis in the schools block is as follows;

- basic per pupil rate for pupils 5 to 16, with different rates for primary and key stages 3 and 4
- a lump sum of £3,680 per school
- A rate for FSM ever6 different rates for primary and secondary.

4. OUTCOME OF SCHOOLS FUNDING CONSULTATION

- 4.1 In line with funding regulation requirements consultation has been carried out with all schools and Academies in Tameside with regards to the funding for 2022-23, in line with proposals outlined in the 28 September 2021 Schools Forum report.
- 4.2 Schools' Forum were asked to consider a disapplication request to the Secretary of State to move 1% from the Schools Block to the High Needs block due to the significant pressure in the High Needs spending, Schools Forum do not support this request, however Schools' Forum agreed to support a 0.5% transfer. This transfer moves £0.954m from Schools Block funding to the High Needs Block.
- 4.3 Consultation took place with all Schools and Academies between 19 October and 19 November. The consultation was carried out via survey monkey, and shared with the Head teachers via Tameside Primary Consortium, Tameside Association of Secondary Head and Special School Sector Partnership, Governor Services also shared the consultation with Chairs of Governors.
- 4.4 Tameside proposals in relation to the applying NFF continues to be applying the NFF rates in line with DfE allocations, as far as possible whilst supporting a transfer from the Schools Block to the High Needs Block, the consultation questions focused on the percentage of transfer. Schools and Academies were asked if they supported 0.5% transfer and were separately asked if they supported a 1% transfer and to approach the Secretary of State for making a disapplication request.
- 4.5 The outcome of the consultation is as follows;
- a. Support is given for a 0.5% transfer from the Schools Block to the High Needs block. 67% (20 respondents) supported the transfer, 33% (10 respondents) did not.
 - b. Support is not given for a 1% transfer. 74% (23 respondents) do not support this proposal, 26% (8 respondents) did support the transfer
- 4.6 Various comments have been made by schools as part of the consultation, in relation to not supporting the 1% transfer. A number of schools have cited increasing cost pressures in schools arising from term time only costs and increased national insurance contributions. Some schools have commented that they did not believe even if schools supported the 1% that the Secretary of State would not allow it.
- 4.7 Schools Forum have been asked to note the outcome of consultation when making the schools block transfer decision.

5. HIGH NEEDS BLOCK

- 5.1 In December 2021, the government released the provisional 2022-23 High Needs Block Allocation of £31.617m (before academy recoupment). This is an increase in funding of £3.422m (12%) compared to 2021-22 budget settlement and includes an additional £0.350m to cover growth in pupil numbers.
- 5.2 In addition the local authority has received supplementary funding of £1.300m. These allocations are on top of the DSG high needs allocations calculated under the national funding but are subject to the same DSG conditions of grant. This extra funding recognises the additional costs that local authorities and schools will face in the coming year, which were not foreseen when the original high needs block allocations were calculated, including the Health and Social Care Levy.
- 5.3 Table 5 shows the increase in funding compared to 2021-22, note the allocation is subject to further adjustments outlined below:
- The outcome of the Place change request in November 2021 which adjusts recoupment of academy places in September 2022, an expected adjustment to funding of £0.298m is included.
 - Import and Export adjustments to reflect cross border movement of pupils living in one borough and accessing provision in another (a further update to this data will follow in June 2022 when January 2022 school census for Pre 16 and February 2022 R06 individualised Learner Record (ILR data) for Post 16 is available)

TABLE 5 – Changes in settlement compared to 2021-22

	Forecast 2021-22 £000	Forecast 2022-23 £000	Difference £000
Total high needs elements in the funding floor and gains calculation	£25,468	£28,533	£3,064
Basic Entitlement	£3,282	£3,633	£351
Total Formula Allocation	£28,751	£32,165	£3,415
Plus AP Funding Factor	£180	£187	£7
Less Import/export	(£735)	(£735)	£0
Total Allocation (before Recoupment)	£28,196	£31,617	£3,422
Less Recoupment	(£1,853)	(£1,964)	(£111)
Total Allocation (after Recoupment)	£26,343	£29,653	£3,311
Further Recoupment Adjust (place Change Sept 22)	£0	(£298)	(£298)
Supplementary Funding	£0	£1,300	£1,300
Funding Available	£26,343	£30,656	£4,313

Basic Entitlement	2021-21	2021-22	Difference
Increase in Numbers	698.50	773.00	74.50
Cash Value £	4,698.96	4,699.67	0.71
Total £	3,282,224	3,632,846	350,622

Supplementary Funding 2022-23

- 5.4 In light of the recent announcement and additional funding the local authority is currently considering how the additional £1.300m will be utilised, a number of GM authorities facing financial difficulty are retaining this funding to support the High Need Deficit.

High Needs Funding Allocations to Schools

- 5.5 The number of commissioned places have been agreed with special schools and resourced units for September 2022. These are included below in table 6a, 6b and 6c.

TABLE 6a : Special School Places Commissioned September 2022

Special Schools	Current No's	Commissioned No's
	Sep-21	Sep-22
Hawthorns	140	170
Thomas Ashton	90	90
Oakdale	130	135
Cromwell High	116	120
Samuel Laycock	170	190
Total	646	705

AP Places Commissioned Sept 2022

Tameside Pupil Referral service numbers were 130 in September 2021. There will be ongoing conversations with TPRS with regards to the commissioned numbers for September 2022.

TABLE 6b: Resourced Base Places Commissioned September 2022

Resourced Units	Current No's	Commissioned No's
	Sep-21	Sep-22
Oakfield	8	16
Russell Scott	6	10
Greenside	10	20
Rosehill	0	10
Corrie	0	10
Linden Road	4	4
St John Fisher	15	12
Hyde	2	2
St Thomas Moore	19	18
Total	64	102

High Needs Deficit Projected Position

- 5.6 The table below show budget forecast after the 0.50% transfer from schools for 2022-23 and shows and impact expected growth will have on the budget position going forward. An update on the recovery plan will be brought back to Schools Forum at a future meeting.

TABLE 7 - Forecast High Needs Deficit

High Needs Deficit Forecast	DSG Balance bfwd. £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000
Funding Available (after Recoupment)		26,342	30,656	30,969	31,110	31,449
Expected Spend based on Growth Projections		29,521	35,887	38,940	41,305	42,774
Schools Block Transfer		878	954			
In Year Deficit		(2,301)	(4,277)	(7,970)	(10,195)	(11,325)
Plus DSG Overall Deficit	(1,686)					
Overall Cumulative DSG Deficit		(3,987)	(8,264)	(16,234)	(26,429)	(37,754)

6. EARLY YEARS BLOCK

- 6.1 Table 8 provides the current funding settlement for Early Years for 2021-22 and 2022-23. The settlement for 2021-22 is based on the Schools, Early Years and Alternative Provision censuses data from January 2020. Confirmation of the basis of the settlement for the provisional 2022-23 information is being sought but this will be updated based on January 2022 and January 2023 census data.

TABLE 8 – Early Years Funding

Early Years Funding Streams	2021-22 Early Years Allocation at Nov 2021 £000	2022-23 Provisional Early Years Allocation £000	Increase / (Decrease) in Funding £000
3 & 4 Year Old Universal Entitlement	9,819	9,712	(107)
3 & 4 Year Old Extended Entitlement	4,560	4,308	(252)
2 Year Old Entitlement	2,906	2,670	(235)
Early Years Pupil Premium (EYPP)	136	179	44
Disability Access Fund (DAF)	73	94	21
Total	17,494	16,965	(529)

- 6.2 The reduction in funding for 3 and 4 Year Olds and 2 Year Olds is as a result of a reduction in the numbers of children (PTE). The rate the LA is funded on for 3 and 4 year olds has increased by £0.17 from £4.65 to £4.82 and by £0.21 for 2 year olds from £5.46 to £5.67.
- 6.3 The increase in funding for EYPP and DAF is as a result of an increase in the rates. The allocation rate for DAF has increased by £185 from £615 to £800. The allocation rate for EYPP has increased by £0.07 from £0.53 to £0.60 per hour per eligible pupil up to a maximum of 570 hours.
- 6.4 Consultation will need to be held with Early Years providers regarding the increased rates and therefore an additional Schools Forum meeting will be required to agree the rates of allocation for this element of funding. A report will be completed for this additional meeting

proposed for 15 March 2022 with further information on the funding arrangements for the LA and for providers.

6.5 Approval is sought to centrally retain 5% (in line with the operational guidance) of 3 & 4 Year Old funding (£0.701m based on the current settlement) and £0.13 per hour (as a minimum) of 2 Year Old funding (£0.061m based in the current settlement).

6.6 The centrally retained funding will continue to support:

- Early Education Funding Team – This fully supports the administration of Early Years funding, the annual costs associated with the Servelec IT system which is used to calculate and process the payments to Schools and Private, Voluntary and Independent providers.
- Family Information Services – This supports an Information Officer. This post provides advice, guidance and information to families wishing to access Children’s services and was implemented to support the increased demands from the early years extended provision.
- Early Years Quality Improvement Team – This currently supports 6 Quality Officers which includes specialist SEND Quality Officers. Support is primarily in relation to: signposting and promoting the standard 15 hours offer and extended 30 hours offer; OFSTED regulations and standards; practice development; and Special Educational Needs and Disabilities related issues. The focus of the team going forward is weighted heavily towards SEND and language development.
- SEN Team – funding support for an Early Years SEN Caseworker as specific support for SEN in early years.
- Social Emotional and Mental Health service – funding support for an Early Year Co-ordinator as specific support in early year.
- Sensory Support – funding support for a Hearing Impaired Teacher as specific support for Early Years.
- Making it REAL (Raising Early Achievement in Literacy). This is aimed at supporting practitioners to build parents’ knowledge and confidence so that they can help their children with reading and writing and create a positive early home learning environment. This programme is evidence-based, has been very successful in Oldham at raising GLD. We have run test cohorts in eight primary schools in Tameside and have rolled out the programme to 12 settings and three further schools for the 2021-22 academic year. The funding will be used to bring PVIs and more school nurseries on board with Making it REAL.

6.7 A detailed paper with proposed funding rates, SEN Inclusion Fund and outcome of consultation will be presented at the proposed 15 March 2022 meeting.

7. CENTRAL SCHOOL SERVICES BLOCK (CSSB)

7.1 The Central School Services Block to fund statutory duties the LA undertakes for both maintained schools and academies. The CSSB brings together:

- Funding previously allocated through the retained duties element of the Education Services Grant (ESG)
- Funding for ongoing central functions such as admissions which were previously top sliced from the schools block
- Residual funding for historic commitments of which there are none for Tameside MBC

7.2 The total allocation to the LA for 2022-23 is £1.182m. This is based on a per pupil element of £33.83 for ongoing duties (i.e. Admissions, Schools Forum, Copyright Licenses, former ESG duties).

- 7.3 National Copyright School Licenses are also funded from this block and the amount for 2022-23 is £0.189m.
- 7.4 The DSG operational guidance for 2022-23 requires the LA to formally request Schools Forum approval for the central retention of funding for the following:
- School Admissions
 - Servicing of Schools Forum
 - Contribution to responsibilities that LAs hold for all schools (formally the retained duties element of the ESG)
- 7.5 The budgets for the above are still being worked on but the costs overall are currently estimated in excess of £1.102m. There is £0.993m available to support these costs, which Schools' Forum is requested to approve.
- 7.6 Central Services has not received any supplementary funding to support the increased cost in this area expected to arise from the Health and Social Care Levy.

8. DE-DELEGATION DECISIONS FOR SCHOOLS FORUM

- 8.1 De-delegated funds are a deduction from a school's budget share and are held centrally to fund relevant services. De-delegation can only apply to maintained primary and secondary school budgets. Decisions on de-delegation have to be taken at the Schools Forum. The Schools Forum Primary and Secondary sector vote separately in relation to each of the services, following discussion with their wider stakeholder colleagues.
- 8.2 Academies do not have the option of de-delegating but can procure the service as a traded service. The charge would be on the same basis as de-delegation.
- 8.3 Decisions made to de-delegate are for one year only, so an annual vote is required. Schools Forum members for the primary maintained schools and secondary maintained schools must decide separately for each sector whether the specific service should be provided centrally and funding de-delegated. The decision made will apply to all maintained mainstream schools in that sector.
- 8.4 The services that are subject to de-delegation vote are
- Local Trade Union Support – A review of the service provision and charges can be has been carried out during the 2021/22 year which has resulted in a reduced per pupil cost from £6.13 to £4.80. Engagement with Trade Unions and Schools has taken place in devising the new offer.
 - Contingency – A contingency fund has been established with the support and consultation of Schools Funding Group and Schools Forum a review again has been carried out in year and a maximum fund value has been set at £424,000. The fund currently stands at £166,020.
 - School Improvement is a new de-delegation decision for Schools Forum due to proposed changes by DfE in a consultation held in November 2021 further details are outlined at section 9.

9. SCHOOLS IMPROVEMENT GRANT

- 9.1 The Local Authority (LA) currently receives an annual School Improvement and Brokerage grant direct from DfE of £213,000, to support statutory school improvement functions (i.e. school intervention, etc.). The DfE published a consultation document (hyperlink provided below) which closed 26 November 2021.

9.2 The DfE proposes to remove this grant. In 2022-23. The LA will receive transitional funding of 50% which therefore results in a need to seek de-delegation of schools funding to support ongoing statutory function activity.

<https://consult.education.gov.uk/simb-grant-team/local-authority-school-improvement-funding-reform/>

9.3 A formal response to the DfE was submitted in response to the proposal. Many concerns were raised including;

- Although formal powers of intervention had not been used a great deal, the grant is used to meet needs before schools reach this critical point of failure and therefore monies are used to support schools to prevent them from failing children before being eligible for intervention.
- School improvement activity in Tameside is not limited to maintained schools only, support is provided to academy schools too. Removal of this grant and funding would remove the ability to support the whole sector and be detrimental to the whole Education offer in Tameside.
- De-delegation would present an uneven playing field between MAT's and maintained schools, MATs do not need to seek permission of schools to top slice school budgets to provide improvement support.
- Removal of this central government grant to fund school improvement functions is transferring the cost and applying more pressure to the schools block funding of the DSG.
- The timeline for the change makes decision making and informed consultation very difficult.

9.4 The final decision and outcomes of this consultation are due be received from DfE early January 2022, these have not been received at the time of writing this report, which is extremely unhelpful in terms of budget planning for 2022-23. As the LA is required to outline all de-delegation decisions on the annual pro-forma return, which must be submitted to the DfE detailing all local schools funding formula arrangements (including de-delegation) by 20 January 2022.

9.5 As outlined at 3.13 the DfE is providing a supplementary grant to schools, alongside the DSG to support with the new Health and Social Care Levy and wider costs. As this announcement was made at a similar time as the end of this consultation, it is currently anticipated that the removal of this grant will be agreed.

9.6 The Schools Improvement service will not be able to deliver its statutory functions without the grant and placings a further pressure on the authorities budget. A request to de-delegation funds has been made to Schools Forum, to de-delegate the equivalent of 50% of the grant for 2022-23. The de-delegation contributions will only be taken should the DfE decision remove the grant. If the decision is to keep the grant the funds will be returned to schools.

9.7 The cost of Schools Improvement for 2022-23 is £6.12 per pupil, it should be noted that this would at least double in 2023-24, as the LA will receive 50% transitional grant in 2022-23, the cost of the service would need to be de-delegated in full from schools in 2023-24.

10. CONCLUSION

10.1 Additional funding will be received in the schools block for all schools and academies. An additional Supplementary Grant will also be received, however there will be additional costs in the system such as the Health and Social Care Grant, Term Time only pay rises and potentially Schools Improvement duties that will need to be met from this funding. Schools

support the transfer of 0.5% of schools block funding to the High Needs block to support financial pressures in supporting pupils with additional needs in the borough.

- 10.2 High Needs funding has increased, however this is still capped and insufficient to meet the growth in need presenting in borough. Supplementary funding has been provided but as outlined in 10.1 this funding is provided to support additional costs the LA and specialist providers will incur.
- 10.3 Early years funding has reduced as a result of a reduction in the numbers of children (PTE,). The funding rates have increased. The outcome of consultation and a more detailed paper will be presented to March Schools Forum.
- 10.4 Central Service Support Grant has increased but continues to be insufficient to meet the costs of delivering the associated service.
- 10.5 Proposed changes to the Schools Improvement Grant bring potential financial pressures for Schools and the LA.

11. RECOMMENDATIONS

- 11.1 As set out at the front of the report.

APPENDIX A

Rates for the Mainstream Funding Formula	Rates for Primary Sector 2022-23 £	Rates for Secondary Sector 2022-23 £
Basic Entitlement (AWPU)		
Primary	3,217	
Secondary - KS3		4,536
Secondary - KS4		5,112
Deprivation		
FSM	470	470
FSM6	590	865
IDACI band F	220	320
IDACI band E	270	425
IDACI band D	420	595
IDACI band C	460	650
IDACI band B	490	700
IDACI band A	640	890
English as an Additional Language (EAL)	565	1,530
Low Prior Attainment	1,130	1,710
Mobility	925	1,330
Minimum Funding Level	4,265	5,525
Lump Sum	121,300	121,300