

DERBYSHIRE SCHOOLS FORUM

15th December 2022

4:00pm

County Hall, Committee Room 1

AGENDA

1. Apologies for Absence
2. Election of Vice Chair
3. Minutes of the Schools Forum meeting held on 19th October 2022 and actions arising p.2
4. Autumn budget statement p.10
5. Update from Dan Careless, Schools & Learning strategic Lead (not attending) - DSG and HNB Management Plan p.13
6. High Needs Block planning 2023-24 p.15
7. Pupil Growth Fund 2023-24 p.20
8. Central Schools Services Block 2023-24 p.26
9. Exceptional site factors p.31

Please remember to send any apologies to
CAYA.BSHQSupport@derbyshire.gov.uk

DERBYSHIRE COUNTY COUNCIL DERBYSHIRE SCHOOLS' FORUM

Minutes of the Meeting Held on 19th October 2022 Committee Room 1, County Hall at 4pm

Present

Members

Name	School / Organisation
Alan Thomas	Northfield Junior
George Wolfe	Curbar Primary
Peter Johnston	The Village Federation
Michelle Jenkins	Etwall Primary
Nick Goforth	Belper Secondary
Peter Hallsworth	South Normanton Nursery
Julian Scholefield	Esteem MAT
Sarah Baker	TEAM Education Trust
Margaret Mason	Children 1st
Deborah Turner	NEU

Substitutes

Name	School / Organisation
Cilla Holman	Hadfield Infants School
Ben Riggott	Parkside Secondary

Observers

Name	School / Organisation
Patrick Grant	DFE

DCC Officers/others

Name	School / Organisation
Saranjit Shetra	Assistant Director, Education & Improvement
Amanda Gordon	Early Years Manager
Phil Burrows	CS & T Finance
Shelley Kerlake	CS & T Finance
Andy Walker	CS & T Finance
Ruth Lane	CS & T Finance

Shelley Kerlake opening the meeting with the election of the Chair and Vice Chair. Peter Johnston was appointed Chair. Expressions of interest for Vice Chair would be welcomed before the next meeting.

Peter Johnston then chaired the meeting.

22/18 Apologies

Name	School / Organisation
Siobhan Johnson	The Brigg Infants
Jennifer Murphy	Hunloke Park Primary
Thomas Osborn	Baslow St Anne's

Name	School / Organisation
Chris Greenhough	Swanwick School & Sports College
Donna Wakefield	Redhill Academy Trust
Emma Hill	Castle View Primary
Keith Hirst	Brookfield Community School
Simon Redfern	St Ralph Sherwin CMAT
Kate Martin	Derby College Group
Canon Carolyn Lewis	Church of England Diocese
Cllr Alex Dale	DCC
Cllr Ruth George	DCC
Cllr Julie Patten	DCC
Dan Careless	Strategic Lead Schools & Learning, Children's Services
Peter Crowe	ASCL

The Clerk confirmed the meeting was quorate.

22/19 Minutes of The Schools Forum 29th June 2022

Matters arising;

It was noted that Michelle Jenkins said she has attended the previous meeting but was not listed.

Alan Thomas asked if there were any developments on item 22/14. SS confirmed the SEND white paper has been pushed back by the DfE and SK confirmed there was no related financial scoping.

22/20 Dedicated Schools Grant (DSG) monitoring 2022-23 Q2

SK presented the paper to provide the Schools Forum with an update of the revenue budget position of the Dedicated Schools Grant (DSG) for 2022- 23 up to the end of September 2022.

The opening position of the DSG for 2022-23 was a total deficit of £5.05m but with an uncommitted DSG deficit of £8.177m.

The latest monitoring indicates an overall underspend on the DSG of £1.739m. This largely comprises of the £2.6m, 0.5% transfer from the Schools Block (SB) to the High Needs Block (HNB) and other planned underspends on Central Services Schools Block (CSSB) £0.58m, Pupil Growth Fund (PGF) £0.138m and a HNB contingency of £1.8m. The underspend would enable Derbyshire to reduce the overall deficit.

We are still experiencing pressure on the HNB. 84% of High Needs funding is spent on places and element three top ups for which there was an overspend of £2.5m across all sectors this year. The other 16% which funds centrally provided services is forecast to be £1.1m overspent, mainly due to increased pay awards and delays in planned service changes. There is a risk of an overall end of year overspend in the HNB, however, this is not expected to exceed the 0.5% transfer from SB.

JS commented that the increased pay awards apply to all schools as well as central services.

DT thought it would be useful to breakdown costs between LA and Academy provision and JS would like to see a breakdown for maintained and independent provision, internal and external to DCC.

SK added that a report on the HNB would be brought to the December meeting.

NG asked if now is a good time to reduce the DSG deficit when schools are experiencing funding pressures and SK replied if we don't reduce the deficit now, then when.

The Chair said we will discuss this matter next time and it is generally the HNB that overspends within the DSG.

SS confirmed that Dan Careless has been attending Headteachers' meetings and indeed one with Special Heads was planned tomorrow. His first priority is to look at the HNB and he is working on the financial aspects with SK and he should be invited to the next Forum meeting to discuss his plans. He is new to Derbyshire but is very experienced in SEND and inclusion.

MM wanted to bring to the Forum's attention the issues in SEN assessments for Under 5's. They are waiting between 12 and 18 months to be assessed and the priority should be to assess such young children and put support in place to address problems earlier and help to relieve the issues in primary and secondary sectors. The increase problems are substantial, and no support is being received from the LA, we should look at prevention. SS agreed and indeed the Nursery forum met yesterday, and a similar conversation took place. The Authority is looking at early intervention.

The Forum noted the report and the forecast overspend for 2022-23 and the projected decrease in the DSG deficit.

Action point	Responsibility	Timeline
HNB report	SK	December Forum meeting
Invite Dan Careless to present SEND update	SK	Prior to December Forum meeting

22/21 De-delegation 2023-24

SK presented the paper to ask representatives of LA maintained primary, secondary and special schools on the School Forum to consider the delegation (re-pooling) of funds for 2023-24.

She ran through Table 1 - Responses to de-delegation consultation.

NG asked if members were being asked to vote for this reduction in budgets on top of figures already quoted to schools and AW confirmed that the de-delegation was already included within School Support Finance projections for 2023-24 and future years.

Votes then took place;

- Primary schools agreed to the delegation in all areas by a vote of 4-0.
- Secondary schools agreed to the delegation in all areas with a vote of 1-0.

- No representative was available from Special schools and it was agreed that SK would ask their representative to seek views from special schools and report directly to her.

Action point	Responsibility	Timeline
Approach CG for Special School decision on de-delegation	SK	Prior to December Forum meeting

22/2 Indicative Funding settlement 2023-24

SK presented the paper to inform the Schools Forum of the indicative national school funding settlement for 2023-24 and the potential implications for Derbyshire.

Derbyshire's provisional settlement is an increase of £13.2m (2.4%) from 2022-23. This does take account of the supplementary grant being rolled into SB. The Minimum Per Pupil Level (MPPL) is only increasing by 0.5%, National Funding Formula (NFF) deprivation multipliers are increasing on average by 4.1% and basic entitlement increases by 2.5% however, an overall increase of 2.4% is likely to fall below inflation.

NG noted that the increase for schools on MPPL at 0.5% is much lower than most schools who can expect increases of around 3%, and therefore the gap between schools funded on this basis and other schools is going to grow larger which is unfair. SK replied this is mandatory figure from the DfE. PB added that the MPPL calculation comes after the Minimum Funding Guarantee (MFG) calculation so changes in the MFG level are unlikely to have an impact on those schools falling with the MPPL. He also confirmed that the MFG parameters from the DfE this year are 0 – +0.5% and the consultation suggested Derbyshire adopted an MFG of +0.5%, the maximum allowed.

NG said if the MPPL could not be altered he thinks we should be lobbying the F40 group on this issue and it was agreed that SK would request counsellor Alex Dale to do so.

SK confirmed that papers regarding the HNB, Early Years Block, CSSB and PGF will be brought to the next meetings in December and January.

The Forum noted the report.

Action point	Responsibility	Timeline
Request Cllr Alex Dale to lobby F40 regarding the MPPL	SK	Immediately

22/23 Proposed Changes to School and Academy Funding 2023-24

SK presented a paper to provide Schools Forum with a summary of responses received to the Authority's consultation with schools and academies on proposed changes to funding for 2023-24, and invite Schools Forum views on the Authority's proposals to pare back all NFF multipliers should the full NFF multipliers be unaffordable within the SB allocation for 2023-24, as set out in the consultation.

Derbyshire is working towards the full NFF and it's already adopting the NFF multipliers as far as possible within the funding allocated. We don't have the final SB figures and are waiting for confirmation of October 2022 census data but anticipate we won't get enough funding to do the NFF in full due to the estimated increase in free school meal eligibility. To make Derbyshire's funding formula affordable within the SB allocation the need to either cap gains or scale back multipliers is anticipated. The shortfall is estimated at £2.5m which is the equivalent of 0.55%. Options were laid out in Table 1 and Authority's recommendation was option 1 and options 2-4 were alternatives for schools to consider.

PB confirmed that 110 responses to the consultation were received which is 28% of maintained schools, of these 79% choose option one, 5% chose option 2b, none chose option three and 3.6% option 4, with 9% of respondents choosing others, suggesting mainly the MLLP is too low at an increase of 0.5%, which has already been discussed.

89% of respondents indicated they would like to MFG set at +0.5%

DT asked what was the split of respondents between primary and secondary sectors and PB replied 86% of respondents were from the primary sector and 14% from the secondary sector.

PJ asked if the shortfall in funding to enable the full NFF was Derbyshire specific or whether it was widespread across the country and PB replied that last year this was widespread amongst our neighbours. There is an estimated 9% increase in free school meal eligibility in Derbyshire, compared to last year, which was causing the shortfall.

NG was keen that we should look at the MPPL level because of the disparity between increases for schools under MPPL and most other schools, but PB confirmed we have very restrictive movement within factors laid out by the DfE and were unable to increase the level from 0.5% unless a disapplication request was made to Secretary of State.

MM then said we topped up the HNB by a transfer from SB last year and it is still unable to balance in 2022-23, how is it supposed to balance in 2023-24 without a transfer again. SK confirmed this paper is just about SB, however, the Authority is not asking for a transfer from SB to HNB, as it is not affordable to schools in general and pressures in the HNB will be considered at the next meeting.

The Chair summed up saying 79% schools were choosing option one and this should be our starting point in the decision-making process.

SK confirmed that the formula is a decision for the Authority in consultation with schools and the Schools Forum.

The Forum noted the consultation and the views expressed by respondents and generally supported LA principles if the full NFF multipliers are unaffordable within the final NFF allocation, however, one member wished to note that the increase of only 0.5% in MPPL was unfair.

22/24 National consultations

SK presented paper to inform the Schools Forum of national consultations and surveys which took place over the summer.

“Early years funding formula” consultation
DLUHC Dedicated School Grant Deficit/Statutory Override Voluntary Survey
“Implementing the Direct National Funding Formula” consultation

The Early years consultation has been concluded and the LA input is included within appendix 1.

The “Implementing the Direct National Funding Formula” consultation has now concluded and was discussed at the last Forum meeting.

The DLUHC Dedicated School Grant Deficit/Statutory Override Voluntary Survey is around whether the DSG should be kept separate from LA funding and is really of importance to Accountancy professionals. The current legal position is that the two are kept entirely separate, but this is coming an end and the consultation is about how it should be replaced. For some LA’s this is important as they may need to issue a section 114 notice, if they conclude the council cannot balance its budget in-year. This separation will need to be kept in place otherwise many LA’s will be issuing section 114 notices.

DT asked that if the hard NFF has been pushed back again to 2027-28, will Schools Forum be required until then to which SK replied, Schools Forum would exist even after that time, but its role would be different, and we do not know what that will look like at this stage.

The Forum noted the report.

22/25 Dates and venues of next meetings, and planned programme of work

A detailed discussion took place about future meetings regarding dates and venues, in particular whether meetings should be in person or virtual. The conclusion was that members would be e-mailed with a couple of alternative dates for the next meeting and asked to indicate availability, and that future meetings would be held in-person at County Hall, Matlock at 4pm with the proviso that if the weather looked like making travel unacceptable, the meeting would be changed to a virtual one with members being notified on the morning of the meeting. It was also agreed that use of a microphone in Committee Room 1 should be investigated, or meetings be held in the Council Chamber with microphones, to aid the ability of members to hear what was being said.

Action point	Responsibility	Timeline
Arrange to e-mail members with two alternative dates for January and June meetings	SK	Immediately
Investigate microphone options for future meetings	SK	Prior to December Forum meeting

Action point	Responsibility	Timeline
Set up system for changing meetings to Virtual in the event of bad weather	SK/PJ	Prior to December Forum meeting

22/26 AOB

The following items of any other business were discussed and agreed:

- To cease sending paper copies of the agenda to members unless specifically requested them;
- If anyone receives definite information regarding staff pay awards this should be shared amongst members as soon as possible;
- Remove AOB off the agenda for future meetings. Matters arising questions must be asked in advance unless they were action points from the previous meeting;
- Include action items in minutes with a box at the end of each agenda item and the summary box at the end of the minutes.

PJ asked for feedback on his running of Schools Forum meetings.

Anybody interested in being vice chair should talk to PJ at the end of the meeting.

AW confirmed that Joe Banks the LA Energy Officer is still not certain how school's energy support from the government will work but thinks that the increases recommended by School Support Finance of +200% for gas and +75% for electricity in April 2022, compared with the previous year should be sufficient.

Action point	Responsibility	Timeline
Cease sending paper copies of the agenda to members unless specifically requested.	SK – members to contact SK if they would like to continue receiving a paper copy	Immediately
On receipt of definite information regarding staff pay awards, share such information.	This will be available in national press	
Remove AOB from the agenda for future meetings	SK	Prior to December forum meeting
Matters arising questions must be asked in advance	All members to e-mail	On receipt of each meeting agenda
Feedback on PJ as Chair	All members	On-going
Expressions of interest in Vice-Chair position	All members to contact PJ	Prior to December forum meeting

The meeting closed at 5.45pm

Summary of action points

Action point	Responsibility	Timeline
HNB report	SK	December Forum meeting
Invite Dan Careless to present SEND update	SK	Prior to December forum meeting
Approach CG for Special School decision on de-delegation	SK	Prior to December forum meeting
Request Cllr Alex Dale to lobby F40 regarding the MPPL	SK	Immediately
Arrange to e-mail members with two alternative dates for January and June meetings	SK	Immediately
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On receipt of definite information regarding staff pay awards, share such information.	This will be available in national press	
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Schools Forum**15th December 2022****Joint Report of the Executive Director for Children's Services &
Director of Finance and ICT****Autumn Statement 2022****1. Purpose of the Report**

To update the Schools Forum regarding the potential implications of the Autumn Statement 2022 for school funding.

2. Information and Analysis

The Chancellor of the Exchequer, Jeremy Hunt, presented the government's Autumn Statement to Parliament on 17th November 2022. The Statement included revised departmental spending totals for 2023-24 and 2024-25. The figures for core schools' funding are set out in the table below, together with the baseline (Autumn Statement 2021) totals for comparison.

Core Schools planned funding

	2021 Autumn Statement	2022 Autumn Statement	Change
	£bn	£bn	£bn
2022-23	53.8	53.8	-
2023-24	55.3	57.3	+2.0
2024-25	56.8	58.8	+2.0

The core schools budget in England will receive an additional £2.3 billion of funding in 2023-24 and £2.3 billion in 2024-25. After adjusting Spending Review 2021 budgets down by £0.3bn to account for the removal of the compensation for employer costs of the Health and Social Care Levy, this brings the core schools budget to a total of £58.8 billion in 2024-25, £2 billion greater than published at Spending Review 2021. The Autumn Statement 2022 provides an overall increase in resources of 6.5% for 2023-24.

On 6th December 2022 the DfE confirmed that £0.4bn of the increase would go to local authorities to help meet pressures within the high needs budget with the balance being allocated to mainstream schools and academies. Academies, maintained mainstream schools and special schools will all be guaranteed a funding boost from April 2023. The DfE have yet to confirm how the additional funding will be distributed. In terms of the mainstream funding, it will be allocated via a specific grant (as in 2022-23) outside of the Schools Block as this avoids any complications arising from interactions with other areas of the funding formulae e.g. MFG and MPPL protection related problems.

In order to estimate what the scale of the impacts might be next year, it is worth revisiting the arrangements which applied for 2022-23 following the additional £1.5bn increase in the Autumn Statement 2021. Of that increase, £0.325bn was allocated for high needs and

£1.194bn for mainstream schools and academies via the new School Supplementary Grant (SSG). Derbyshire's shares of these national increases were £3.84m (high needs) and £15.67m (SSG) respectively. If Derbyshire were to receive the same proportion of the funding increase next year, Derbyshire's high needs block would increase be ~£5.12m higher than the indicative 2023-24 figure, £105.902m, announced in July. On this basis Derbyshire's total high needs resources in 2023-24 would be ~£10.73m (10.7%) higher than 2022-23. Similarly, there would be an aggregate increase in school and academy resources of ~£20.9m for 2023-24. Overall mainstream school and academy funding would rise to ~£572.666m, an increase of £34.121m (6.3%) compared with 2022-23.

According to the DfE, a typical primary school with 200 pupils will get approximately £28,000 extra, secondary schools with around 900 pupils will receive approximately £170,000 more from the additional funding.

N.B. The above LA level estimates are intended to give an indication of the potential size of the increases, the actual increases will vary depending upon both the methodology used by the DfE and changes in formula data.

One final important point to note, the announcement states that the current support provided to schools via the energy price guarantee scheme will cease in April with support for higher bills coming from the additional funding instead.

2.2 Additional funding for school energy efficiency

In addition to the above, a DfE press release today (6/12/22) announced an additional £447m investment to shield schools from high energy bills (sixth form and FE colleges will receive £53m). Schools and colleges in England will be allocated the funds to spend on energy efficiency upgrades, help save on bills during the winter months and manage energy consumption. Improvements could include installing better heating controls, insulation to reduce heat loss from pipes or switching to energy efficient lighting.

Funding will be allocated at the rate of £20.06 per weighted pupil plus £10,000 per institution, which the DfE estimates will be worth £16,000 to an average primary school, whilst an average secondary school will receive approximately £42,000. It is estimated that institutions in Derbyshire will receive around £7m from this announcement. The funding for schools is expected to be released later this month.

Further details, including individual institution allocations, can be found at:
<https://www.gov.uk/guidance/school-capital-funding#what-you-can-spend-it-on>

The funding will be made available to institutions already eligible for Devolved Formula Capital (DFC) allocations in the financial year 2022-23. This includes eligible maintained nursery, primary, secondary, and special schools, academies and free schools, pupil referral units, non-maintained special schools, sixth form colleges and specialist post-16 institutions with eligible students.

Schools can decide how best to invest the capital funding on energy efficiency measures. Where they judge this is not appropriate based on local circumstances, they have discretion to spend this on other capital projects. Schools are expected to spend the funding in the financial year 2022 to 2023. However, normal terms of DFC apply.

3. Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, human resources, legal & human rights, environmental, financial, health, property and transport considerations.

4. Background Papers

Papers held in Corporate Services and Transformation Finance.

5. Officers' Recommendation

- (i) That the Schools Forum note the report.

Carol Cammiss
Executive Director for Children's Services

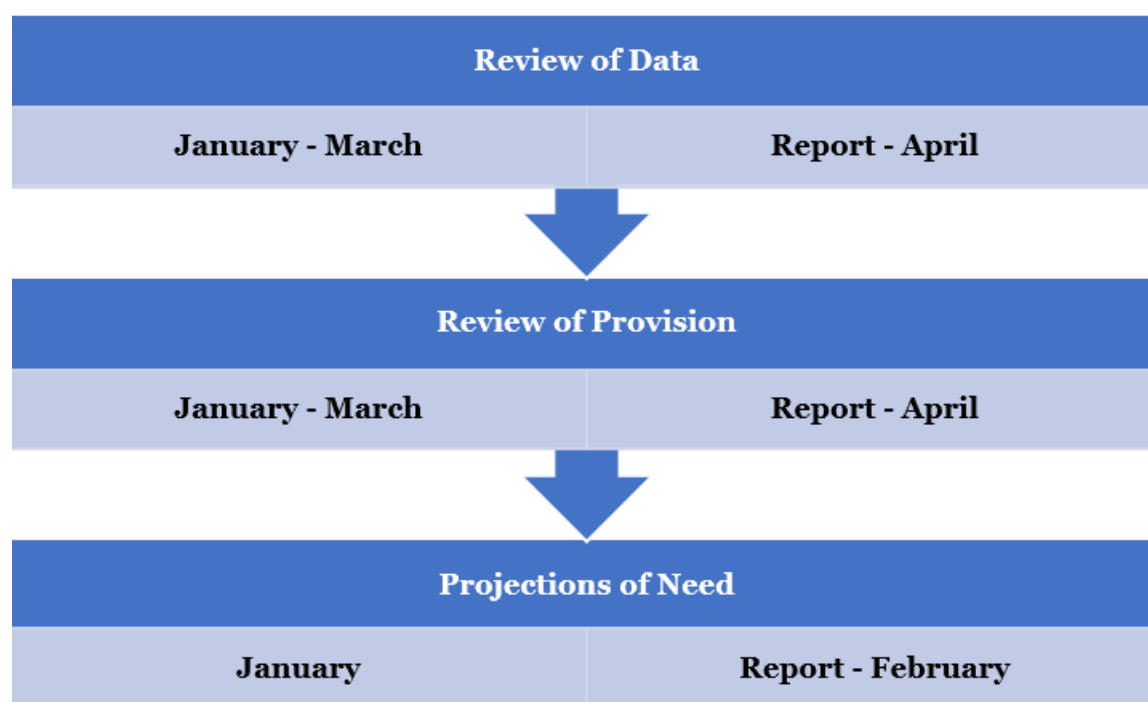
Peter Handford
Director of Finance & ICT

DSG and HNB Management Plan.

The SEND Strategic Board has recently been reconfigured and as such the SEND Strategy and action plan will be developed over the next 3-4 months.

Part of the board's responsibility will be to support the work streams that will impact our DSG management plan.

Below is a rough outline of the process to build this management plan to bring to school's forum in February for questions and support.



Key themes

1. Current Capacity – Early Years, Primary, Secondary, Post 16 (all encompassing)
2. Current Need – as above
3. Projected Need – High, Medium, Low
 - a. County Wide 3 projections
 - b. Broken down to 6 localities
 - c. Total of 21 projection lines to use as barometer for provision
4. Banding and financing of provision
5. 20 Proposed strands of work to reduce the deficit to be agreed at school's forum in principle and working groups agreed and arranged to align with the SEND Strategic Board.

Derbyshire is currently in a position that will provide pressure and stress to the HNB and although it sits outside of the level of pressure other Local Areas are facing it is one that needs a formal plan. This needs to be driven and owned by the services and schools. Due to my short time in the area, I have spent the first four months working through our risk areas internally and for children and young people.

The areas of risk all make the work highlighted above difficult until we have attended to them. They all directly affect the current risk and deficit.

Risk / Work:

1. Grip As communicated at the recent Education Partnership briefing and proposal, we are removing the large backlog of GRIP, and EHCA the early indicators of 608 backlog, is more than £2.5m.
2. We have a backlog of EHCA that we are attending to now and on mass in January, we currently have 4 panels running a week and the EP service will receive significant funding to support this work.
3. SEND Panel reconfiguration has begun and in March we will be asking for schools to join.
4. TAPS and GRIP Panel will be moved to a new model piloted in the new year with school membership
5. SEND Transport Panel has been created and will part of business as usual by March
6. Complex Cases and Commissioning will be reconfigured January

As the 6 internal work streams are in effect and either finishing or becoming business as usual around February this will give schools forum and finance a better reflection of the current position. In affect we will know what we are dealing with, and we can then enact a management plan with the foundations in place.

I propose to come to school's forum in the new year with a details proposal to manage the deficit and the work in partnership that is required.

I can also update on the work around Education Partnership, SENDCO network and Service operating model all areas that will impact the ability to manage the deficit.

DERBYSHIRE COUNTY COUNCIL

SCHOOLS FORUM

15th December 2022

Joint Report of the Executive Director for Children's Services & Director of Finance and ICT

High Needs Block planning 2023-24

1. Purpose of the Report

To inform the Schools Forum of the provisional indicative High Needs Block settlement for 2023-24 and the potential spend for next year.

2. Information and Analysis

As previously reported to the Forum, in July 2022 the DfE released indicative High Needs Block (HNB) allocations for 2023-24. On 6th December 2022 the DfE confirmed that £0.4bn of the increased funding for schools in the Autumn Statement would go to local authorities to help meet pressures within the high needs budget. The DfE have yet to confirm how the additional funding will be distributed but have indicated special schools will be guaranteed a funding boost from April 2023.

2.1 High Needs Block grant increase

Derbyshire's indicative settlement for 2023-24 announced in July, and a comparison with 2022-23, is provided in Appendix 2 and shows an overall increase of £5.6m. It is thought Derbyshire's share of the additional funding is likely to provide a further increase of around £5.1m, making a total estimated increase of £10.7m (10.7%) compared to 2022-23. The 2023-24 HNB allocation for Derbyshire should be confirmed later this month.

2.2 High Needs Block forecast spend 2023-24

A first look at the estimated costs for 2023-24 is summarised in Appendix 1. The forecast budget requirement reflects current and expected patterns of spend. Inflation estimates includes estimated pay awards in 2023-24. As a result, the following pay inflation indices have been used for next year:

Teachers' pay – 5% (5/12^{ths} of September 2022 award + assumed pay award in September 2023 is a further 5%)
Other groups' pay – 3%

A broad estimate of the costs of meeting these inflationary pressures would be:

- Top ups - **£3.5m**
- Central services - **£0.7m**

Demographic pressures are difficult to predict, however based on historic local and national trends and current levels of backlog, the cost of meeting rising demand for EHCPs and GRIPs are estimated at:

- Demographic increase in places, mainly special schools - **£0.7m**
- Demographic increase for top ups and place fees - **£8.3m**

2022-23 quarter 2 budget monitoring forecasts spending in excess of budget by **£1.8m**

In total a funding increase of around £15m would be required to fully meet expected pressures for 2023-24. The total potential budget requirement for 2023-24 is estimated to exceed the expected grant settlement by around £5.3m.

There is considerable uncertainty in those estimates, for example demographic pressures are difficult to predict and pay awards, utility costs and general inflation for 2023-24 are unknown. The impact of the DSG and HNB Management plan needs factoring into forecasts for 2023-24 and the medium-term financial plan and work on that will be taking place over the next couple of months. However, the size of the gap from these initial estimates highlights that setting a balanced budget and avoiding an increase to the overall DSG deficit will be challenging. Local authority officers will need to await the final settlement and further information on how the additional funding will be allocated before making any recommendations on the HNB allocations for 2023-24. A further report will be presented at the next meeting of Schools Forum in January setting out the final grant settlement and proposed allocations.

Decisions on the high needs block are a matter for the local authority rather than the Schools Forum. However, the views of the Schools Forum are welcomed and will be considered when the Authority makes its final decisions in March 2023.

In the meantime, the Forum is encouraged to utilise opportunities available to counteract an increase in the DSG deficit by securing underspends in other areas wherever possible. Reports to Schools Forum on proposed allocations of the Pupil Growth Fund and Central Schools Services Block Schools are to follow. These are a matter for Forum decision and will pick up on this issue further.

3. Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, HR, legal & human rights, environmental, health, property and transport considerations.

4. Background Papers

Held on file within Corporate Services and Transformation Department. Officer contact details – Shelley Kerslake, shelly.kerslake@derbyshire.gov.uk.

5. Executive Director's Recommendations

That the Schools Forum notes the report and offers its views on the issues raised.

Carol Cammiss
Executive Director
for Children's Services

Peter Handford
Director of Finance & ICT

Report Author: Shelley Kerlake

Contact Details: X38731

High Needs Block cost projections 2023-24

Appendix 1

High Needs block	22-23 Budget	Qtr 2 22- 23	Projected Year End	Estimated potential		Potential total
		Projected Net Spend	Variance - (under) /over	Demand	inflation	requirement 2023-24
<u>Places / School budgets</u>	£m	£m	£m	£m	£m	£m
HNB - Special Places	3.890	3.890	-	0.417	-	4.307
HNB - ERS Places	0.668	0.668	-	0.013	-	0.681
HNB - P16 SEN in maintained schools	0.140	0.140	-	0.008	-	0.148
HNB - Recoupment	11.505	11.505	-	0.267	-	11.772
SLA arrangements	0.354	0.354	-	-	-	0.354
Subtotal	16.557	16.557	-	0.705	-	17.262
<u>Top-ups</u>	-	-	-	-	-	-
HNB - Nursery Top-ups	0.658	0.683	0.025	0.061	0.030	0.774
HNB - Primary Top-ups	13.245	14.439	1.194	2.455	0.676	17.569
HNB - Secondary Top-ups	8.428	9.093	0.665	1.546	0.426	11.065
HNB - Special Top-ups - Derbyshire Schools & Academies	16.135	16.444	0.310	1.763	1.214	19.421
HNB - Special Top-ups - OLA & INMSS	20.757	20.877	0.120	1.879	0.910	23.666
HNB - Post 16 Top-ups	4.004	4.077	0.073	0.367	0.178	4.622
HNB - PRU Top-ups	2.108	2.186	0.078	0.197	0.095	2.542
HNB - Behaviour Support - TAPS	0.324	0.324	-	-	0.013	0.337
HNB - Hospital Tution	0.110	0.115	0.005	-	0.005	0.119
Top-ups subtotal	65.767	68.237	2.470	8.267	3.546	80.113
<u>Central services & other</u>	-	-	-	-	-	-
Behaviour Services	2.000	2.057	0.057	-	0.103	2.160
HNB - Unallocated efficiencies target	- 0.450	-	0.450	-	-	-
HNB - Inclusion Pathways	0.887	0.897	0.010	-	0.045	0.942
HNB - Inclusion Pathways - OOST	1.250	1.343	0.093	-	0.067	1.410
HNB - Inclusion Pathways - TMP	0.827	1.200	0.374	-	0.060	1.261
HNB - Inclusion Pathways - Virtual classroom	0.210	0.214	0.004	-	0.011	0.225
HNB - Inclusion Pathways - Hasland	0.016	0.016	-	-	0.002	0.018
HNB - Access & Inclusion	0.115	0.105	- 0.010	-	-	0.115
HNB - Access & Inclusion - Project	0.314	0.314	-	-	-	-
HNB Inclusion	0.519	0.519	-	-	-	0.519
HNB - Ed Psychologists	0.400	0.400	-	-	-	0.400
HNB - Specialist SEN Services	2.273	2.330	0.056	-	0.116	2.446
HNB - SSEN	5.034	5.034	-	-	0.252	5.286
HNB - Community Care worker posts	0.088	0.088	-	-	0.003	0.090
HNB Ctnb EY SEN	0.748	0.748	-	-	0.022	0.770
Education Personal Budgets	0.225	0.310	0.085	0.053	0.012	0.375
Gn Dt Spec Top Slice	0.018	0.018	-	-	0.001	0.019
Spec Redncy topslice	0.005	0.005	-	-	0.000	0.005
Virtual School	1.040	1.040	-	-	0.036	1.221
HNB - Primary Exclusions	- 0.071	- 0.068	0.003	-	-	- 0.071
HNB - Secondary Exclusions	- 0.365	- 0.362	0.003	-	-	- 0.365
PRU to Provision Transport	0.100	0.086	- 0.014	-	-	0.100
SEND Transprt Contbn	0.080	0.080	-	-	-	0.080
	15.263	16.375	1.111	0.053	0.729	17.006
<u>Contingency</u>	0.500	0.500	- 0.000	-	-	0.500
HNB - Unallocated	1.793	-	- 1.793	-	-	-
	-	-	-	-	-	-
Total HNB	99.881	101.669	1.788	9.025	4.275	114.881

High Needs Block - Indicative settlement 2023-24

Appendix 2

	2022-23			2023-24		
	Count	Multiplier	Total	Count	Multiplier	Total
		£	£m		£	£m
Pop'n 2-18	149,240	203.48	30.367	149,716	236.89	35.466
Health Dis - Ch bad health	670	5,487.59	3.677	670	6,412.48	4.296
Health Dis - DLA	6,335	756.17	4.790	6,933	822.44	5.702
Deprivation - current free meals	25,984	254.58	6.615	28,927	272.24	7.875
Deprivation - IDACI - Band F	11,800	61.41	0.725	11,863	71.10	0.843
Deprivation - IDACI - Band E	16,202	81.06	1.313	16,399	93.96	1.541
Deprivation - IDACI - Band D	5,943	110.85	0.659	6,036	128.82	0.778
Deprivation - IDACI - Band C	7,422	117.63	0.873	7,400	136.49	1.010
Deprivation - IDACI - Band B	6,988	130.75	0.914	6,950	151.63	1.054
Deprivation - IDACI - Band A	1,683	172.56	0.290	1,685	199.70	0.336
Low Attainment @KS2	1,260	3,896.15	4.909	1,220	4,615.78	5.631
Low Attainment @KS4	1,556	2,755.36	4.287	1,551	3,167.64	4.913
Historic spend			33.499			33.499
Funding floor			0.163			0.000
Sub total			93.082			102.945
Memo item funding per 2-18 (£)			£623.70			£687.60
Hospital education			0.063			0.067
Historic teachers pay and pensions			0.231			0.231
Basic entitlement	1,246	4,660.00	5.806	1,246	4,660.00	5.806
Import/export adjustment	-454.5	6,000.00	-2.727	-524.5	6,000.00	-3.147
Sub total			96.455			105.902
2022-23 additional allocation			3.839			
High needs total			100.294			105.902
Increase (£M)						5.608
Increase (%)						5.59%

Schools Forum**15th December 2022****Joint Report of the Executive Director for Children's Services & Director of Finance and ICT****Schools Block Budgets 2023-24 – Pupil Growth Fund****1. Purpose of the Report**

To seek the Schools Forum approval for plans in principle for use of the Pupil Growth Fund (PGF) for 2023-24, pending final settlement figures due later this month.

2. Information and Analysis**2.1 The Pupil Growth Fund**

The PGF element of the DSG funds in-year pupil growth as well as supporting new free schools and Key Stage 1 class sizes. The distribution of the PGF is a matter for the Schools Forum rather than the County Council.

2.2 Estimated Settlement 2023-24

On 19th July 2022, the DfE published the *National Funding Formula (NFF) for schools and high needs: 2023 to 2024*, providing indicative settlement information for 2023-24. No PGF allocations have been published at this stage as the calculation for 2023-24 relies on a comparison of pupil numbers increases for October 2022 with October 2021 at Middle Super Output Area (MSOA) level. Reductions in pupil numbers at MSOA level are ignored. Each additional primary pupil attracts £1,520 and each secondary pupil £2,275. In addition, LAs receive £74,700 for each new institution registered for the first time on the October 2022 census. Derbyshire has no qualifying academies in 2023-24.

Derbyshire received £2.509m in 2022-23 and our own, very tentative, estimates suggest a similar level of funding for 2023-24. Derbyshire's estimated Pupil Growth funding for 2023-24 is shown in Table 1 below:

Table 1 – Estimated Pupil Growth Fund allocation 2023-24

	Pupil Increase	2023-24 Rate	Pupil growth funding
Primary	469	£1,520	£713,513
Secondary	766	£2,275	£1,742,650
Sub total			£2,456,163
New Institutions			-
Total allocation			£2,456,163

2.3 Proposed allocation

The Authority proposes the following allocations:

- (i) In year support for Free Schools - £0.250m – this is the additional funding the four new free schools in Derbyshire are estimated to need to reflect their increased pupil rolls from September 2023.
- (ii) Free School Reserve – a contribution of £0.500m towards the pre and post opening support costs of existing and potential new free schools. Further details are set out in Appendix 1.
- (iii) In year pupil increase - £0.300m – this fund is available to help schools and academies meet the costs of significant in-year increases in pupil numbers. The eligibility criteria are unchanged from 2022-23. Further details regarding this fund are set out in Appendix 2.
- (iv) Support for Infant Class Sizes - £0.450m - This budget helps support infant and primary schools to meet national infant (Key Stage 1) class size requirements. Locally, the distribution of funding for this purpose includes two key features:
 - Schools with more than 150 on roll are ineligible for support; and
 - Schools are expected to self-fund £600 per month of any claim.

Excluding larger schools recognises that running an extra class is a proportionately lesser burden for a large school than a small one. The £600 per month contribution was introduced several years ago to reduce the net cost of the support.

A core budget of £0.300m would be applied and apportioned as follows:

£0.125m for the 5 months April to August; and
£0.175m for the 7 months September to March.

Eligible claims for each period would, if necessary, be scaled to contain costs.

A contingency fund of £0.150m would be held to meet exceptional cases e.g. additional support for schools in deficit and where the £600 monthly contribution is waived. Schools seeking such support would have to demonstrate a significant financial need. The total budget would also provide for an administrative fee of £4,000 (1% of the total) to cover central processing costs.

- (v) Pupil Growth Fund contingency – the balance of the overall pupil growth allocation would be retained as a contingency. Predicting the level of claims against the infant class sizes contingency and in-year pupil growth funds is difficult and this residual sum would be available to offset any overspends in these areas.

Any underspend for 2023-24 would contribute towards addressing the overall DSG deficit.

The proposals in (i) to (v) above are summarised in Table 2 overleaf.

Table 2 – Proposed Pupil Growth allocations 2023-24

	2023-24
Budget	£m
In year pupil growth – Free Schools	0.250
Contribution to Free School reserve	0.500
In year pupil growth – Other schools	0.300
Key Stage 1 class sizes	0.450
Residual contingency*	0.956
Total	2.456

* the size of the balance of funding remaining will be confirmed later in December when the final DSG settlement for Derbyshire is announced

2.4 Alternative uses of Pupil Growth fund

The growth fund can only be used to:

- support growth in pre-16 pupil numbers to meet basic need
- support additional classes needed to meet the infant class size regulation
- meet the costs of new schools

The growth fund must not be used to support:

- schools in financial difficulty: any such support for maintained schools should be provided from a de-delegated contingency
- general growth due to popularity; this is managed through lagged funding

However, as it is within the schools block, the growth fund can be used to support schools formula budgets and this would not be treated as a transfer between blocks.

As outlined in the Autumn Statement briefing paper, the impact of the additional funding announced for schools is as yet unknown. Prior to the announcement, based on the indicative Schools Block settlement for 2023-24, it was projected that Derbyshire could face a funding shortfall of around £2.5m next year because of rising eligibility for free school meals (FSM). As discussed at the October meeting of the Schools Forum, the outcome of our local consultation with schools was that the majority of schools supported a paring back of all NFF multipliers as the preferred approach to making Derbyshire's formula allocations affordable within the funding available. Initial indications from October census and FSM data suggests the shortfall may be higher than originally projected but this will not be confirmed until the final settlement is announced later this month.

If the Forum wishes it is permitted to make a contribution from the PGF to support mainstream budgets. To do so Forum would have to approve the value of such support. However, any contribution to mainstream and academy budgets would reduce the residual contingency, thus reducing the fund's ability to offset any overspends in individual Pupil Growth budgets and/or other areas of the DSG.

For example, making a fixed contribution of £0.500m to support mainstream school and academy budgets would reduce the estimated Schools Block shortfall and reduce the pare back of multipliers.

Given the ongoing pressures elsewhere in the DSG, the Authority's view is that it would be unwise to allocate the residual contingency fully to cover the shortfall in the main Schools Block. If the Forum were minded to agree a contribution to mainstream school budgets, then a transfer of up to 50% of the residual contingency – estimated at ~£0.500m - is the maximum that could be afforded.

The Forum is asked to determine the basis for allocating the PGF for 2023-24.

3. Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, human resources, legal & human rights, environmental, financial, health, property and transport considerations.

4. Background Papers

Papers held in Corporate Services and Transformation Finance.

5. Officer's Recommendations

R1 – That the Schools Forum agree to fund the cost of the Free Schools in year increases at an estimated cost of £0.250m.

R2 – That the Schools Forum consider and determine the basis for supporting maintained and academy schools' Key Stage 1 class costs from April 2023.

R3 – That the Schools Forum agree a Key Stage 1 budget of £0.450m for 2023-24.

R4 – That the Schools Forum approve an in-year pupil increases budget of £0.300m for 2023-24;

R5 – That the Schools Forum retain the existing eligibility arrangements for 2023-24.

R6 – The Schools Forum is asked to note the forecast funding requirement in respect of Free Schools and agree to contribute £0.500m to the Free Schools Reserve for 2023-24.

R7 – The Schools Forum is asked to note the residual pupil growth balance and the potential for it to contribute towards the overall DSG deficit.

R8 That the Schools Forum note the potential alternative use of the Pupil Growth Fund and determine what contribution, if any, it wishes to make towards closing the residual Schools Block shortfall from the residual contingency budget.

Carol Cammiss
Executive Director for Children's Services

Peter Handford
Director of Finance & ICT

Under the DfE's Presumptive process four new primary free schools have opened locally, The Mease at Hilton & Chellaston Fields (September 2019), Highfields Farm (September 2020) and Clover Leys (September 2021). A further primary school, Drakelow, has been approved for September 2024 with a further three - Clowne North, Staveley and Radbourne Primary - planned for September 2025 at the earliest.

There are three other schools under consideration outside of the presumptive process, namely: New House Farm, Mickleover, The Avenue, Wingerworth and Infinity Park, a secondary school near Chellaston. If approved, these schools would be administered directly by the DfE and would not have a claim on DSG funding.

LAs are responsible for funding the pre-opening & post-opening support costs of presumptive schools. Pre-opening support provides funding to meet some initial costs in advance of the school opening e.g. employing key staff. Post opening support recognises that in the initial years after opening the formula allocation is unlikely to provide sufficient resources to run a school.

- (i) Pre-opening support - Support negotiated within a £172k to £212k range, the lower figure is more usual where a single Trust is opening more than one school in the same local authority in the same academic year and reflects an expectation that there will be some economies of scale in the planning stages.
- (ii) Post-opening support (Leadership) - provides an average of £13,500 per empty cohort per annum, the maximum support being £283,000 during the first six years.
- (iii) Post-opening support (Resources) - provides additional resources to support a growing pupil roll. Funding is based on a flat rate £250 per additional pupil, a total cost of £52,500 for a 210 pupil school.

Based on the four schools that have opened to date, the cost of the above support is estimated to be ~£2.027m, an average of £0.507m per school. Extrapolating this unit rate for the four additional schools increases the total cost for all 8 to around £4.054m at current prices. To meet liability, the following contributions to the Free School Reserve have been approved by the Schools Forum:

Contributions to the Free School Reserve

Year	Contribution	Cumulative	Year	Contribution	Cumulative
	£	£		£	£
2015-16	500,000	500,000	2020-21	725,000	2,827,000
2017-18	600,000	1,100,000	2021-22	500,000	3,327,000
2019-20	1,002,000	2,102,000	2022-23	500,000-	3,827,000
			Total	-	3,827,000

Given that the pre and post opening support is provided over an eight year period, the £4.054m estimated cost would not be fully incurred until 2031-32. It is proposed that a contribution of £0.500m be allocated to the reserve for 2022-23 and 2023-24. This would bring the aggregate contributions to £4.327m, sufficient to meet the estimated liability with a margin of £0.273m to meet inflationary pressures (the reserve will need to cover

increases in DfE academy funding rates over several years). Any unused funds would ultimately be returned to the General DSG reserve

Growth in pre-16 pupil numbers to meet basic need

Appendix 2

Purpose

The need for support arises from the lagged nature of schools and academies' funding. Children admitted in September 2022 would not generate additional funding until the start of the 2023-24 financial year (LA maintained schools) or 2023/24 academic year (academies). This leaves the school and academy having to support any in-year additional costs for seven and twelve months respectively.

It is important to note that institutions would only be considered eligible for support where the increase in pupil numbers arose as a direct consequence of a basic need issue i.e. where the Authority has required the school or academy to admit a significant number of children. DfE guidance specifically prohibits general growth due to popularity as this should be managed through lagged funding. However, in exceptional circumstances, the LA is able to provide support to mainstream schools in financial difficulty via the contingency fund and this can include the impact of in-year increases in pupil numbers.

Eligibility

Any claims for support from the pupil growth fund would be carefully vetted with an expectation that the relevant institution should meet some of the extra costs from its own resources. Institutions would normally be expected to contribute a sum equivalent to 1% of their Schools Block budget. Costs above this threshold, net of the 1% contribution, would be eligible for consideration for support. Even if the 1% test were met the starting presumption would be that the institution would absorb all the additional costs with any support being subject to rigorous scrutiny, including an assessment of:

- The actual cost of the pupils, relative to the size of the institution's budget; and
- The institution's current/forecast balances.

DERBYSHIRE COUNTY COUNCIL

SCHOOLS FORUM

15th December 2022

Joint Report of the Executive Director for Children’s Services

and the Director of Finance and ICT

Central School Services Block (CSSB) Budgets 2023-24

1. Purpose of the Report

To seek Schools Forum approval to the 2023-24 Central School Services Block budgets.

2. Information and Analysis

This block of the Dedicated Schools Grant was introduced in 2018-19 to fund local authorities for the statutory duties that they hold for both maintained schools and academies. The Central School Services Block (CSSB) brings together:

Item	Basis for funding
Ongoing responsibilities - previously funded from the Retained Duties element of the former Education Services Grant – see Appendix 1	Rate per primary/secondary pupil
Ongoing responsibilities - central functions previously funded from the Schools Block (Admissions, Schools Forum, defined Copyright Licences)	Rate per primary/secondary pupil
Historic commitments previously held within the Schools Block	LA-specific cash sum based on previous spend

Where local authorities hold duties in relation to all schools (as set out in Schedule 2, Parts 1 to 3 of the School and Early Years Finance Regulations 2018 (No 2)), all schools must be treated on an equivalent basis.

Decisions on budgets funded by the CSSB are a matter for Schools Forums rather than local authorities.

Details of the 2023-24 CSSB funding rates were announced in July 2022. Derbyshire’s rate for its ongoing responsibilities reduced slightly from £37.49 to £37.40 per pupil. The historic commitments element – which in Derbyshire’s case, contributes to our Early Help offer - has been reduced by 20%, from £0.889m to £0.711m. This reduction was expected and broadly in line with previous assumptions. The figure is unlikely to change in the final settlement.

At the time of writing the final CSSB allocation for 2023-24 had yet to be confirmed. However, the only variable now is the number of children in mainstream schools and

academies for October 2022. A summary of the indicative CSSB allocation for 2023-24 and a comparison with 2022-23 are provided in the table below.

Table 1 – Estimated CSSB Allocation 2023-24

	Indicative	Actual
	2023-24	2022-23
<u>Ongoing responsibilities</u>		
CSSB per pupil rate for year	£37.40	£37.49
Pupil numbers Oct 2022 (Est) / Oct 2021	98,957	98,743
Ongoing responsibilities total	£3,700,992	£3,701,876
Historic commitments total	£711,475	£889,344
Total indicative/actual CSSB funding	£4,412,467	£4,591,220

Given that the impact of any changes in pupil numbers will be marginal, the Authority considers it has sufficient information to make budget recommendations to the Schools Forum. The proposed allocation of CSSB funding for 2023-24 is set out in Table 2 below.

Table 2 – Proposed Central Schools Block spend

	2023-24	2022-23	
<u>Item</u>	£m	£m	Note
<u>Ongoing responsibilities</u>			
Admissions Service	0.590	0.535	Inflation
Schools Forum	0.044	0.041	Inflation
Former ESG Retained duties (App 1)	1.891	1.751	Inflation
Pensions for centrally funded teachers	0.172	0.172	Working estimate
Copyright Licences (2022-23 estimate, DfE to confirm)	0.618	0.618	DfE pay & recharge LAs. Forum approval not req'd.
Ongoing responsibilities sub total	3.315	3.117	
<u>Historic commitments</u>			
Contribution to combined budgets	0.711	0.889	20% reduction
Historic commitments sub total	0.711	0.889	
Total Central Services Schools Block	4.026	4.006	
Balance – (towards DSG deficit)	0.386	0.585	

3. Ongoing responsibilities

Admissions Service - the updated budget reflects higher than anticipated 2022-23 pay awards and estimated pay awards for 2023-24.

Schools Forum – Increased for inflation.

Former ESG Retained Duties - the costs of the services previously funded by the Education Services Grant (ESG) were estimated in late 2020 and informed the 2021-22 budget, details are shown in Appendix 1. The proposed allocation for 2023-24 updates the current budget for inflation.

Pensions for centrally funded teachers – From September 2019 employers' pension contributions for teachers rose from 16.48% to 23.68% of gross pay. In 2020-21 LAs received a specific grant to cover the increase in costs for teaching staff funded outside of the DSG. However, since 2021-22 funding for the extra costs has been included in the CSSB instead with national regulations being amended to allow LAs to transfer relevant funds out of the DSG to meet their costs. The budget requirement for 2023-24 reflects the estimated additional pension costs next year for relevant teachers.

Copyright licences - the DfE determine the amounts to be paid to the various copyright organisations at a national level and the cost is then recharged to LAs based on the number of pupils in schools and academies. The Schools Forum has no discretion in funding the amount recharged. The licences covered by this arrangement are as follows:

- Copyright Licensing Agency: - copying text and still images from most books, journals and magazines plus a range of digital publications.
- Printed Music Licencing Ltd: - copying and arranging from printed music publications. The Copyright Licensing Agency administers this licence.
- NLA Media Access: - copying from newspapers and magazines. The Copyright Licensing Agency administers this licence and has information on copying from print and digital newspapers
- Educational Recording Agency: - recording and use of radio and television programmes and clips, including catch-up services like BBC iPlayer, for educational use. The Centre for Education & Finance Management administers this licence and operates a helpdesk for schools providing information about the licence
- Performing Right Society Ltd: - for musical performances. The Centre for Education and Finance Management administers this licence
- Phonographic Performance Ltd: - for playing recorded music. The Centre for Education and Finance Management administers this licence.
- The Mechanical Copyright Protection Society: - for making CDs and DVDs containing copyright music. The Centre for Education and Finance Management administers this licence
- Filmbankmedia and Motion Picture Licensing Company: - for showing films
- Christian Copyright Licensing International: - copying and projecting hymns and other Christian music

4. Historic Commitments

Derbyshire's 2023-24 historic commitments allocation of £0.711m is a 20% reduction on the 2022-23 figure. This replicates the pattern of previous years. The DfE intend phasing out LAs' historic funding over the next few years.

The Authority is seeking permission to retain the full £0.711m in 2023-24. If the Schools Forum were to agree, the proposed budget would continue to fund the contribution to the Authority's early help offer. The Council believes that this contribution from the DSG will help to ensure that the most vulnerable children and their families continue to receive the support they require.

From a purely financial perspective, it continues to be in the Authority's, schools and academies' collective interests to commit the resources for early help once again as any reduction in reported planned spend is likely to reduce future years' CSSB grant allocations. As its name suggests, allocations of grant from the DfE are based on historic spend: if Derbyshire were to report a lower planned spend in 2023-24 our allocation for 2024-25 would be reduced accordingly, before any further national percentage reduction was applied.

Final decisions on the level of CSSB spend are a matter for the Schools Forum. The LA is now seeking formal approval to be allowed to retain the amounts set out in Table 2 for 2023-24. If Schools Forum approval were not granted the Authority would have to consider making an application to the Secretary of State for Education for permission to retain the funding.

The unallocated grant, estimated to be £0.386m, is sufficient to cover the impact of any variations between actual and estimated pupil data and/or any variation in the DfE licencing costs recharge. The residual CSSB funds would remain uncommitted and thus help repay the accumulated DSG deficit.

5. Other Considerations

In preparing this report the relevance of the following factors have been considered: prevention of crime & disorder, equality of opportunity, finance, human resources, legal & human rights, environmental, health, property and transport considerations.

6. Background Papers

Held in Corporate Services and Transformation, Finance.

7. Officers' Recommendations

That the Schools Forum:

- (i) consider the report; and
- (ii) agree to the 2023-24 CSSB budgets requested by the Authority, as set out in Table 2 above.

Carol Cammiss
Executive Director
For Children's Services

Peter Handford
Director of Finance & ICT

Former ESG-funded responsibilities LAs hold for all schools & academies

Appendix 1

Item	Estimated Cost 2020-21
<u>Statutory and Regulatory Duties</u>	(£K)
Director of children’s services and personal staff for director (Sch 2, 15a)	118
Planning for the education service as a whole (Sch 2, 15b)	517
Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)	25
Authorisation and monitoring of expenditure not met from schools’ budget shares (Sch 2, 15c)	231
Formulation and review of local authority schools funding formula (Sch 2, 15d)	78
Internal audit and other tasks related to the authority’s chief finance officer’s responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e)	60
Consultation costs relating to non-staffing issues (Sch 2, 19)	-
Plans involving collaboration with other LA services or public/voluntary bodies (Sch 2, 15f)	-
Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)	11
Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)	-
<u>Education Welfare</u>	
Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)	-
School attendance (Sch 2, 16)	117
Responsibilities regarding the employment of children (Sch 2, 18)	35
<u>Asset Management</u>	
Management of the LA’s capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a)	500
General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)	
TOTAL ESTIMATED COST (2020-21 figures)	1,692
Inflation for 2021-22	1.4%
Inflation for 2021-22	2.1%
Inflation for 2023-24	8.0%
Inflation adjusted costs for 2023-24	1,891

Schools Forum**15th December 2022****Exceptional site factors disapplication request****Background**

The schools block National Funding Formula (NFF) has an optional factor for exceptional site factors which Local Authorities can apply to use that relate to school premises only, for example rents or joint-use sports facilities, and where the value of the factor is more than 1% of a school's budget and applies to fewer than 5% of the schools in the Local Authority's area.

Where LAs have already received approval for exceptional circumstances from 2018-19 onwards, they can continue to use the approved factors if the criteria are still being met. Where the latest approval was prior to 2018-19, the local authority will need to submit a new disapplication request for consideration.

Exceptional site factors - Derbyshire

There are 7 schools that qualify who operate in buildings that are entirely rented from a 3rd party. The current agreement with the DfE is that these schools will contribute the costs equating to the first 1% of their 2022-23 budget with the remainder paid as an Exceptional Circumstances (Rents) formula factor.

The list of schools, with 2022-23 levels of funding, is shown in the table below.

	2022-23 Rents Budget	2022-23 Formula Budget	% of Total Budget	School Responsibility (First 1%)	School Exc.Circ. Allocation
	£	£	%	£	£
Milford Primary	18,350	516,981	3.55	5,170	13,180
Eggington Primary	13,000	411,557	3.16	4,116	8,884
Sudbury Primary	14,250	352,423	4.04	3,524	10,726
Combs Infant	8,600	292,785	2.94	2,928	5,672
Wessington Primary	8,800	426,674	2.06	4,267	4,533
Castleton Primary	5,300	253,626	2.09	2,536	2,764
Belper Secondary	151,642	5,913,924	2.56	59,139	92,503
	219,942	-	-	81,680	138,262

Derbyshire's exceptional circumstances (rents) factor was approved in in 2012-13 and so the Authority will need to reapply to the DfE to continue to use this factor.

If the request is not approved, Minimum Funding Guarantee (MFG) would be the alternative for these schools. However, early indications are that this would not provide sufficient resources (~£100k shortfall).

The recent NFF consultation on exceptional circumstances being a factor in the future, states that the specific issue sought by Derbyshire is proposed to be retained, specifically "Schools which rent additional premises in order to deliver their curriculum because they have inadequate facilities."

Derbyshire is therefore seeking to retain this factor for 2023-24 within the NFF and seeks School Forum support for this request. In order to meet DfE deadlines an application has already been submitted and is being in the process of being considered.

Officers' Recommendation

Forum is asked to approve Derbyshire's disapplication request to continue to use the exceptional circumstances (rents) factor.