

DERBYSHIRE SCHOOLS FORUM

27th January 2022

6:00pm

Virtual Meeting

AGENDA

1. Apologies for Absence
2. Minutes of the Schools Forum meeting held on 1st December 2021 p.2
3. Minutes of the Schools Forum meeting held on 12th January 2022 p.9
4. Schools Insurance update – (presentation)
5. Schools Block 2022-23 – final settlement and outcomes (oral update)
6. High Needs Block Budgets 2022-23 p.12
7. Early Years Block budgets 2022-23 p.23
8. Date and venue of next meeting:

29th June 2022 5:00 p.m. Post Mill Centre, South Normanton?

Please remember to send any apologies to

schoolsforum@derbyshire.gov.uk

DERBYSHIRE COUNTY COUNCIL DERBYSHIRE SCHOOLS' FORUM

Minutes of the Meeting Held on 1st December 2021 At 6pm on Microsoft Teams

Present

Members	School / Organisation
George Wolfe	Curbar Primary
Alan Thomas	Northfield Junior
Peter Johnston	The Village Federation
Siobhan Johnston	The Brigg Infants
Jennifer Murphy	Hunloke Park Primary
Thomas Osborn	Baslow St Anne's
Chris Greenhough	Swanwick School & Sports College
Martin Brader	Dronfield Henry Fanshawe
Tom England	Esteem MAT
Julian Scholefield	Esteem MAT
Joy Williams	David Neiper Academy
Tim Croft	Redhill Academy Trust
Laura Needham	Cavendish Learning Trust
Keith Hirst	Brookfield Community School
Sarah Le-Good	16-19 Rep Derby College Group
Jeannie Haigh	Willows Academy
Sarah Baker	Team Education Trust
Peter Crowe	ASCL
Canon Carolyn Lewis	Church of England Diocese - Derby
Deborah Turner	NEU
Michelle Jenkins	Etwall Primary School

Substitutes

Members	School / Organisation
Cilla Holman	Hadfield Infants School

Observers

Members	School / Organisation
Cllr Robert Flatley	Elected Member DCC

DCC Officers/others

Members	School / Organisation
Saranjit Shetra	Assistant Director, Education & Improvement
Iain Peel	Service Director, Schools and Learning
Chris Allcock	CCP Finance
Ankush Sharma	CS Business Development Manager
Phil Burrows	CCP Finance
Amanda Gordon	Childcare Improvement Manager
Elena Beard	CCP Finance
Shelley Kerslake	CCP Finance
Scott Davis	Pay and Reward Manager
Andy Walker	CCP Finance
Ruth Lane	CCP Finance

Martin Brader chaired the meeting. Chris Allcock confirmed that the meeting was quorate and gave the Forum details of recent changes to its membership. David Baker

from The Pingle Academy has resigned, Laura Needham from Cavendish Learning Trust, Joy Williams from David Neiper Academy and Sarah Le-Good from Derby College Group have joined.

21/26 Apologies

Members	School / Organisation
Peter Hallsworth	South Normanton Nursery
Nick Goforth	Belper Secondary School
Lisa Key	QEGSMAT
Margaret Mason	Children 1st
Ben Riggott	Parkside Community
Chris Wayment	ASCL
Cllr Alex Dale	Elected Member DCC
Cllr Ruth George	Elected Member DCC

21/27 Minutes of the meeting held on 13th October 2021

The minutes were approved for accuracy. Chris Allcock raised a matter arising on page 4 to say that the further report regarding school insurance arrangements has been delayed and an update will now be provided to the January 2022 Forum meeting.

21/28 Schools Forum – Membership Update

Chris Allcock presented a paper to inform the Schools Forum of a change to its membership.

Mainstream schools' membership of the Forum was last reviewed in June 2020 and a refreshed calculation based on October 2021 census pupil numbers indicates that an additional academy place is now required. Rather than reduce the LA maintained sector places by one, it is proposed to increase the mainstream membership by one place to 18 and to reduce the number back to 17 when an appropriate vacancy arises.

Deborah Turner asked if academy representatives should be split between the primary and secondary sectors in line with the maintained sector. Chris Allcock replied that the DfE guidance states that there is no requirement to do this. A simple primary secondary distinction would become increasingly difficult to determine as Trusts are often multiphase. The election of academy representatives is a matter for academy proprietors so it would be difficult for the Authority to enforce a position. However, Chris agreed this issue should be reviewed at the next refresh.

Forum agreed to note the report.

21/29 Salary Sacrifice Shared Cost Additional Voluntary Contributions

Scott Davis, Pay and Reward Manager, presented an information item to advise the Schools Forum of the new Salary Sacrifice Shared Cost Additional Voluntary Contribution (SSSCAVC) scheme.

The new SSSCAVC is very similar to the current one but has the additional benefit for employees & employers of paying lower National Insurance contributions. A table indicated the employer savings after commission charges had been applied.

Carolyn Lewis asked if this scheme applied to staff employed in Voluntary Aided (VA) schools as staff are employed by the governors rather than the Authority. Scott replied that it is the plan to make this available to staff in VA schools but the school must be using the LA payroll system for the appropriate deductions to be made from salaries.

The Schools Forum agreed to note the report.

21/30 DSG monitoring 2021-22

Shelly Kerslake presented a report to provide the Schools Forum with an update of the Revenue Budget position of the Dedicated Schools Grant for 2021-22 up to the end of September 2021 (Quarter 2).

Shelley explained that the DSG monitoring will be updated again in December 2021 and reported to the Forum in January. Shelley explained that the main underspend (£0.723m) was in the Central Services Schools Block (CSSB). This was a planned underspend that reflected the decision of Forum to leave some of this block unallocated at the start of the year to allow the underspend to help reduce the overall DSG deficit.

The main overspend is in the High Needs Block (HNB), predominantly due to rising costs of top ups in the primary, independent and non-maintained sectors. There is an additional risk due to increasing number of children requiring support of between £0.3m and £1.5m to the HNB overspend.

The forecast accumulated deficit at 31 March 2022 is now estimated to be at least £3.945m, this figure could increase to £5.445m if the top up and placements risks materialise. On a positive note, the 0.5% transfer from Schools Block to HNB for 2022-23 agreed at the last meeting will be available to reduce the accumulated deficit next year by around £2.6m.

No comments were raised by members.

The Schools Forum agreed to note the report, the forecast overspend for 2021-22 and the projected increase in the accumulated DSG deficit at 31st March 2022.

21/31 DfE consultation - Reforming how local authorities' school improvement functions are funded

Iain Peel and Chris Allcock presented a paper to inform the Schools Forum of the above national consultation and to consider the issues arising locally.

Iain began by saying the DfE are not looking to reduce local authority funding for school improvement functions but just how they are funded. The consultation suggests a reduction in the school improvement monitoring and brokering grant of 50% in 2022 - 23 and to eliminate it completely in 2023-24. The DfE proposes removing the grant and allowing LAs to fund all of their school improvement activity for maintained schools (outside of their traded services offer) via de-delegating resources from school budgets. The results of the consultation will not be available until late December/January 2022.

The LA has replied to the consultation saying that the time scales suggested are very tight for reducing the grant.

Chris Allcock went on to explain the financial implications. If the government implements its proposals the 50% reduction in grant funding would result in a loss to the LA equivalent to £1,800 per school next year and the LA would need to consider the impact locally both on funding streams and the school improvement service. The timing of the consultation leaves little or no time for major changes to be planned to services in the short term. The options to recover the loss of 50% grant are;

Option 1 - to follow the route expected by the DfE and fund the loss of grant by de-delegating the sum of £1,800 from each LA maintained mainstream school and/or

Option 2 - utilise some of the accumulated de-delegation surplus to offset the impact on schools.

Due to the recent Forum decision to top-slice 0.5% from schools' 2022-23 budgets to help fund our collective high needs pressures, option 1 would represent a further erosion to the increase in school budgets next year. Option 2 would avoid this but would utilise funds that would otherwise be applied against our general DSG deficit.

The LA proposes a compromise solution with £1,800 per school being de-delegated from maintained primary and secondary schools in 2022-23, with 50% of this sum being released to schools from the re-pooled reserve to reduce the cost at institution level. The net cost to each school is £900 which is an average of 0.12% (primary) and 0.01% (secondary) of schools block allocations.

Chris Greenhough asked why a lump sum per school is proposed rather than an amount per pupil as for other the delegated elements. Chris Allcock replied that the current grant is received as a flat rate per school and the proposed de-delegation would reflect this.

Chris also added that he had confirmed that a similar approach would be adopted for special schools and this would be covered in the high needs report to Schools Forum in January 2022.

Carolyn Lewis asked what financial modelling has been done on the impact on different sizes of schools.

Chris confirmed the amount would be £900 for 2022- 23. Derbyshire has 111 schools with less than 100 pupils on roll and £900 would be 0.25% of the budget share on average, for schools with 200+ pupils this would be 0.07%.

Chris reminded the Forum that the 0.5% transfer from Schools Block to High Needs Block had a greater impact on large schools' budgets than smaller ones as the majority of the funding captured was on a per pupil basis. Both of these deductions from school budgets need to be seen in the context of an increase in most national funding formula multipliers of ~3% for 2022-23.

Iain Peel confirmed he has raised the issue of the impact on small schools with the Regional Schools Commissioner.

Deborah Turner said that if this increase caused a particular financial burden on small schools could they apply for a grant from LA to reduce its impact.

Chris replied that the only fund is the contingency fund and it was difficult to see schools qualifying purely on the basis of the school improvement issue as the sums involved were modest. If schools have financial problems, they were likely to be due to other reasons.

A vote then took place on the LA's proposals which were agreed by a majority of 6 to 1 by the primary LA school representatives and 1 to 0 by the secondary sector representative.

The Forum agreed to the Authority's request to de-delegate an additional £1,800 from schools to cover the loss of grant; and supported the release of £900 per primary and secondary school of funds from the accumulated de-delegated surplus in 2022-22. These decisions are subject to the national proposals being implemented from April 2022.

21/32 Central School Services Block budgets 2022-23

Chris Allcock presented the paper to seek Schools Forum approval to the 2022-23 Central School Services Block (CSSB) budgets.

Chris explained that the CSSB budget consists of two elements: ongoing responsibilities and historic commitments. The 2022-23 ongoing responsibilities per-pupil funding rate is 2.5% lower than for 2021-22, the historic responsibilities allocation for 2022-23 is 20% lower than for 2021-22.

The projected CSSB grant for 2022-23, £4.594m, has been based on estimated pupil census numbers from October 2021, which are considered sufficiently robust to be a good indicator of funding for next year.

There was a minor change to the proposed ongoing responsibilities budgets in Table 2 with the cost of pensions for centrally funded staff reducing to £0.130m instead of the £0.172m shown. Forum was asked to pass on the historic commitments allocation, £0.889m, to support the Authority's early help offer and also maximise the historic commitment allocation in future years' settlements.

The total cost of the proposals is £3.964m leaving an uncommitted balance of £0.630m to help towards the accumulated DSG deficit.

No comments were raised from members.

The Schools Forum agreed to the 2022-23 CSSB budgets requested by the Authority as set out in Table 2 of the report, adjusted for the change in pension funding.

21/33 High Needs Block (HNB) 2022-23 – initial review

Chris Allcock presented a paper to report the indicative High Needs Block settlement for 2022-23 and consider the potential implications for spending next year.

The report was a first look at the high needs block and will be reviewed in more detail at the next meeting in January 2022. When the final settlement is received in December the figure will be slightly different due to pupil data changes and changes to imports and exports between LAs.

The current 2021-22 overspend on the HNB reported earlier to this meeting is £3.898m and this will utilise a large part of the additional funding next year.

In the last few weeks work has been undertaken to agree with providers the places to be commissioned for 2022-23. The additional places cost is estimated to be £0.618m with most of the increase being for special schools.

Element 3 top ups are expected to increase due to further demographic changes and if special school places are increasing then, by definition, additional top ups will be required.

No increase in central spend on high needs services has been factored in.

Assuming these estimates are correct next year's high needs block budget is expected to be over-committed by at least £0.931m. If the risk analysis in the earlier monitoring report is correct the overspend in 2021-22 will be even greater by between £0.3m to £1.5m and this will increase the over-commitment in 2022-23.

Key to our DSG recovery plan is keeping high needs costs within the level of the annual grant and the Authority will have to consider as soon as possible the options for how

this can be achieved. Failure to balance high needs budget and spend is likely to result in the accumulated DSG deficit increasing still further.

Iain Peel said that work was already being done by Paula Williams with special schools and Out of Area providers. Paula is looking at pupil level plans and deployment of central support, however, changes need parental agreement. Paula is also working on school exclusions and alternative provision. The HNB currently funds £1.5m of dual registered pupils and this is an area of support that needs to be looked at.

Martin Brader commented that we have been hearing about problems within the HNB for years now and other LAs are in even worse positions. What will happen if we do not address this?

Iain Peel said the DfE are intervening in other LAs and directing cuts rather than them being able to manage their own reductions. The Authority does not want to be in the position of having decisions made for it. Whilst the LA have an absolute duty to deliver SEND support, schools just have the requirement to do their best endeavours. It is worth noting that across the country overspends on SEND budgets for 2020-21 totalled ~£650m.

Julian Schofield said the scale of Derbyshire's deficit is much better than other LAs and whatever reductions we make will take time to show benefits. What time do we get from the DfE?

Iain Peel said most of the LAs he knows are in a deficit position but a small number aren't. Specifically, Nottingham City are doing OK and Nottinghamshire, whilst still in surplus, are very close to a deficit position: however, they both fund SEND in a very different way. Both LAs provide very little funding to schools via EHCPs. He doesn't know what time scales the DfE will operate to in allowing Derbyshire to address its position but agreed with Chris Allcock's analysis that we must first contain our high needs spend before we can look at reducing the accumulated deficit.

Peter Crowe said this is a very difficult situation and every LA has similar challenges. The government must review the nationwide position and SEND legislation. We have a finite budget but issues in schools are not finite. The legal requirement placed on LAs to support each child makes the budget very difficult to control. It is very difficult for LAs to manage the position without central government support and help.

Forum agreed to note the report's recommendations.

21/34 Venue(s) for physical meetings – open discussion

A general discussion led by the Chair, Martin Brader, took place regarding suitable venues for future in-person meetings.

Some people felt the Post Mill Centre in South Normanton was a suitable location and other felt Matlock would be better. Derbyshire is a large county and individual opinions were aligned with their individual locations. Members commented that they would like some in-person meetings and a hybrid option solution was discussed, although it was felt that the technology available did not always make this a suitable option.

The conclusion was to hold the June 2022 meeting at Matlock and then decide on a suitable venue or venues for future in-person meetings.

21/35 Dates of future meetings

27th January 2022 6:00 p.m. (Virtual)

29th June 2022 5:00 p.m. (Matlock)

The meeting closed at 7.05pm.

DERBYSHIRE COUNTY COUNCIL

DERBYSHIRE SCHOOLS' FORUM

Minutes of the Meeting Held on 12th January 2022 At 6pm on Microsoft Teams

Present

Members	School / Organisation
Alan Thomas	Northfield Junior
Siobhan Johnston	The Brigg Infants
Michelle Jenkins	Etwall Primary
Thomas Osborn	Baslow St Anne's
Chris Greenhough	Swanwick School & Sports College
Nick Goforth	Belper Secondary School
Martin Brader	Dronfield Henry Fanshawe
Peter Hallsworth	South Normanton Nursery
Tom England	Esteem MAT
Julian Scholefield	Esteem MAT
Joy Williams	David Neiper Academy
Tim Croft	Redhill Academy Trust
Keith Hirst	Brookfield Community School
Sarah Le-Good	16-19 Rep Derby College Group
Sarah Baker	Team Education Trust
Peter Crowe	ASCL
Deborah Turner	NEU

Substitutes

Members	School / Organisation
Cilla Holman	Hadfield Infants School
Chris Wayment	ASCL
Ben Riggott	Parkside Community School

Observers

None

DCC Officers/others

Members	School / Organisation
Saranjit Shetra	Ass't Director, Education and Improvement
Iain Peel	Service Director, Schools and Learning
Chris Allcock	CS & T Finance
Phil Burrows	CS & T Finance
Elena Beard	CS & T Finance
Shelley Kerslake	CS & T Finance
Andy Walker	CS & T Finance
Ruth Lane	CS & T Finance

Martin Brader chaired the meeting. Chris Allcock confirmed that the meeting was quorate and reported that Simon Redfern was replacing Philip Curtis on behalf of the Catholic Dioceses of Nottingham and Hallam.

22/01 Apologies

Members	School / Organisation
Jennifer Murphy	Hunloke Park Primary
Peter Johnston	The Village Federation
Jeannie Haigh	Willows Academy Trust

Members	School / Organisation
Simon Redfern	Catholic Dioceses of Nott'm and Hallam
Canon Carolyn Lewis	Church of England Diocese - Derby
Margaret Mason	Children 1st
Carol Cammiss	Executive Director, Children's Services
Cllr Julie Patten	Elected Member DCC

22/02 Schools Block Budgets 2022 - 23

Chris Allcock presented the paper to inform the Forum of the Authority's Schools Block allocation for 2022-23, including the pupil growth fund (PGF), and to seek the Forum's approval to utilise some of the PGF to support school and academy budgets for 2022-23.

Chris confirmed that the DfE announced the 2022-23 Schools Block allocation on 16th December 2021. In addition, the announcement included an unexpected but welcome supplementary grant for schools worth £1.2bn nationally, to provide support for the cost of the health and social care levy and wider costs. This grant, which is outside of the NFF, is estimated to be worth £15.661m for Derbyshire. An average 200 pupil primary school could expect to receive around £27,000 and an average 900 pupil secondary school around £162,000.

The Forum has previously agreed to a transfer of 0.5% from Schools Block to High Needs Block. As part of the formula impacts, the Authority has asked the DfE for permission to reduce the Minimum Per Pupil Level (MPPL) for 2022-23. At the time of the meeting the Authority was still awaiting a decision, if the application were refused it would be necessary to take an extra £6.25 and £10.25 from the KS1/2 and KS3/4 multipliers.

Based on the DfE's formula data published on 20th December 2021, the cost of funding formula budgets locally would be £2.006m more than the grant. The main reasons for this being demographic increases in FSM, both current and Ever 6, increased PFI costs, less a saving in low prior attainment costs due to reductions in pupil numbers. The £2m over commitment must be addressed as the Authority would not sanction any outcome that would increase the projected DSG deficit, which at 31st March 2022 is estimated will be around £5.5m. Three options to cover the shortfall were set out in Table 2, namely:

- 1) pare back one or more of the multipliers driving the shortfall e.g. FSM
- 2) pare back all formula multipliers
- 3) supplement the available funding by using pupil growth fund resources.

A discussion then took place.

Deborah Turner asked if we are reducing funding to schools via schools block because of the supplementary grant. Nick Goforth asked if the supplementary grant covers the increase in national insurance costs from April.

Chris Allcock replied that the increase in national insurance costs is covered by the supplementary grant. The total grant is worth £15.661m for Derbyshire and in addition to the national insurance increase, the grant will also be needed to cover wider cost pressures in the system, for example future pay awards and the impact on energy price rises.

Chris said he suspected the DfE would reference the additional grant should pressures in the schools system continue to rise. Chris Wayment said she agreed with the comment on future budget pressures but aren't we doing the same when reducing schools block

budgets? Would we feel morally more secure if we didn't consider the supplementary grant in connection with the Schools Block?

Chris Allcock accepted the comparison but contended that in planning the best use of resources, although we could not access the supplementary grant funding, it was reasonable for the Forum to be aware of it.

The decision for the Forum is what level of support to give to school budgets from the PGF. The Authority's proposal is to adopt a combination of options 2 and 3. Specifically, to utilise £1.221m of the PGF to fund the in-year increase in free schools' budgets (£0.221m) and a fixed contribution of £1.000m towards the shortfall. The residual shortfall, estimated to be £0.785m, would be closed by paring back all formula multipliers by around 0.21%.

The contributions would utilise £1.221m of the £2.509m PGF and the report set out proposals for how the remaining PGF funds should be utilised. The main change would be a tightening of the support for Key Stage 1, where the Authority is currently more generous than many other LAs. In future support would be focussed on small to medium sized schools only with schools expected to make a greater contribution to costs from their own resources. Appendix 5 set out the KS1 funding allocated in 2020-21 and showed that very few schools needed this income when judged against their end of year balances.

The new arrangements would have a core KS1 budget of £0.300m with a £0.100m contingency to support schools needing greater support.

A number of comments and questions were raised by Forum members.

Michelle Jenkins said schools are currently struggling with supply costs due to COVID, the 2021-22 carry forwards are disappearing quickly and some schools of course did not have a high carry forward.

Deborah Turner said Appendix 5 didn't provide any balances for academy schools so there was a big hole in the data. Some schools have huge carry forwards, others don't and we don't know what the carry forwards will be at the end of 2021- 22.

Joy Williams said supply costs were rising quickly in schools and she was expecting electricity costs to double. Although other grants have been rolled up into schools block previously, she didn't expect the supplementary grant to be the same.

Chris Wayment agreed with all the comments regarding the pressures on school budgets in the future. Looking at the 95 schools in Appendix 5, only seven of those really needed the KS1 funding, which is the point she thought Chris Allcock was making. Chris Wayment agreed with the proposal to reduce KS1 support.

Chris Allcock responded that each school's movement in balances would be different but noted that between 2019-20 and 2020-21 total school balances increased from £22m to £33m in Derbyshire. He also stated that the DfE have confirmed that the supplementary grant will form part of the national funding formula in future, this will add the grant into the funding baseline for future years which is good news.

No further comments were made and the Forum approved the report's recommendations.

The meeting closed at 6.30pm.

DERBYSHIRE COUNTY COUNCIL**SCHOOLS FORUM****27th January 2022****Joint Report of the Executive Director for Children's Services
and Executive Director of Corporate Services and Transformation****High Needs Block Budgets 2022-23****1. Purpose of the Report**

To report the High Needs Block settlement for 2022-23 and seek the views of the Schools Forum on its allocation.

2. Information and Analysis

The High Needs Block settlement for 2022-23 was published on 16th December 2021, summary details are set out in Appendix 1. Derbyshire's allocation is set to increase by £11.638m next year, equivalent to 13.13% of the 2021-22 figure. The announcement was better than the indicative sum signalled back in July 2021, with all LAs' allocations being increased by a further 4.12% resulting in an additional £3.839m for Derbyshire. The DfE have stated that "*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*".

Two other points to consider. First, the DfE have indicated that the 13% increase in funding for 2022-23 is unprecedented and that, whilst further growth is planned for 2023-24 and 2024-25, future years' increases will be more modest. The DfE have advised LAs engaged in the deficit recovery process to assume a 5% increase for 2023-24 and 3% per annum beyond that.

The corollary to the above is that the increases beyond 2023-24 are unlikely to have sufficient headroom over and above inflation, to make a significant contribution to our accumulated DSG deficit or resolve any overspend resulting from decisions in 2022-23. It is therefore essential that the allocations for next year are affordable and provide sufficient scope to contain demographic pressures within the grant.

The second point is that the latest provisional monitoring, based on expenditure to the end of December 2021, shows a forecast HNB overspend for 2021-22 of £4.787m. This projection is £0.889m higher than the £3.898m reported to the December Forum meeting.

This report looks at the proposed allocation of high needs resources for 2022-23 and seeks the views of the Forum on the issues raised.

2.1 Places

Following the annual commissioning process, the Authority has now agreed the number of places required in special schools, ER schools, PRUs and FE Colleges etc. for 2022-23. The planned cost is £15.879m which is a £0.618m (4.0%)

increase on the 2021-22 base (£15.261m). An analysis of the current and provisional places for 2022-23 is provided at Appendix 2. The main increase is in respect of special schools and academies (65.25 places at a cost of £652,500, a 6.62% increase on 2021-22).

2.2 Top ups

The proposed top up budgets and the comparison with previous years is summarised overleaf in Table 1 and in Appendix 3.

Table 1 – Proposed top up budgets 2022-23 & previous years' actual/forecasts

Sector	Actual 2018-19 £m	Actual 2019-20 £m	Actual 2020-21 £m	Budget 2021-22 £m	F'cast 2021-22 £m	Budget 2022-23 £m
Early Years	0.434	0.531	0.590	0.549	0.780	0.804
Primary	7.657	9.706	11.442	11.132	13.137	13.254
Secondary	6.585	6.506	7.591	7.512	8.031	8.428
Special	11.583	12.350	13.863	14.601	15.193	16.406
Special - Other LAs	1.656	1.567	1.825	2.391	2.290	2.665
Independent/Non	6.144	6.797	9.473	8.100	12.256	14.637
Section 75 pooled budget	2.027	2.367	2.335	2.376	2.376	2.026
Contrib'n to social care	0.850	1.500	1.500	1.500	1.500	0.660
Post 16	3.369	3.000	3.670	4.039	3.802	4.004
Pupil Referral Units	1.710	1.991	2.224	2.396	2.507	2.877
Contingency	0.000	0.000	0.000	1.492	0.000	2.193
TOTAL	42.015	46.315	54.513	56.088	61.872	67.954

The figures in Table 1 reflect the full year impact of the current year's increases in top ups together with the anticipated further increases during 2022-23, including the impact of the additional special school places commissioned.

As well as reflecting changes in the number of children expected to need support, the totals also assume an increase in the Element 3 pupil profiles for special schools and academies, Pupil Referral Units (PRUs) and Enhanced Resources Schools (ERS). This has only been possible as a result of the further increase in high needs block funding announced by the government. The totals in Table 1 include the following profile increases:

Provision	Core uplift	Ratio*	Uplift to profile
Special Schools	3.0%	1.67	5.02%
PRUs	3.0%	2.35	7.06%
ER Schools	3.0%	1.68	5.03%

* Reflects ratio of top ups to top ups plus places

At this stage the budget for top ups in mainstream schools resulting from EHCPs and GRIPs allows for a 2% increase in rates. Finally, Table 1 includes a

contingency of £2.193m which is available to meet overspends against individual budget lines. Given the trend of recent increases in top up expenditures, this contingency is relatively modest.

3. **Services**

Services' budgets are included at Appendix 3 and the 2022-23 include 2% for inflation and an allocation to cover the Health and Social Care Levy. A snapshot indicating the number of children supported by various services is provided in Appendix 4.

It is worth noting that the proposed spend has been reduced by £0.818m. Achievement of this reduction relies on further analysis being undertaken to determine whether any places supported by the LA's HNB funded services are dual funded i.e. funded by the high needs block and where a school already holds the pupil's formula funds. Where this occurs, consultations will be held to determine whether this continued dual funding is feasible going forward.

4. **Summary**

The implications of the assumptions in sections 2 and 3 are summarised in Table 2 below. The allocations would fully utilise the 2022-23 High Need Block grant.

Table 2 – Summary of Proposed High Needs allocations 2022-23

Budget head	2021-22 base budget £000	Places £000	Inflation £000	Demographic pressure £000	Savings £000	2022-23 provisional base £000
Places	15,261	618	0	0	0	15,879
Top ups	56,088	0	1,955	9,910	0	67,953
Services/other	17,616	0	173	-509	-818	16,462
Total	88,965	618	2,128	9,401	-818	100,294

Final allocations are a matter for the Council to determine and will be considered at its Cabinet meeting in March 2022.

The views of the Forum on the proposals are welcomed.

5. **De-delegation of funding**

Approval was given at the October Forum meeting to top-slice funds from special schools' budgets for 2022-23 for former ESG-funded services and redundancy costs. This leaves the outstanding issue of replacement funding to cover the now-confirmed 50% reduction in the School Improvement Monitoring and Brokering grant from April 2022.

Forum has agreed that mainstream schools will have £1,800 de-delegated for 2022-23 with half of the cost being offset by a contribution from re-pooled reserves. There is no scope within the regulations to adopt a lump sum approach for special schools, any funding must be removed on a per place basis.

It is proposed that maintained special schools should have £14.42 per pre 16 place top-sliced, this rate will ensure that the school with the most places, Brackenfield, will make the same £1,800 contribution. The three other special schools will pay a reduced sum as their places are lower and all of the contributions will be offset by a 50% contribution from reserves, in line with mainstream schools.

The special school representative on the Schools Forum is asked to agree to this top-slicing of funds.

6. **Other Considerations** In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, finance, human resources, legal & human rights, environmental, health, property and transport considerations.
7. **Background Papers** Held in Corporate Services and Transformation.
8. **Officers' Recommendations.**
 - i. That the Schools Forum notes the settlement and gives its views on the provisional base budgets for 2022-23; and
 - ii. The Schools Forum representative of LA maintained special schools is asked to consider and agree to top-slice funding to cover the loss of School Improvement Monitoring and Brokering Grant for 2022-23 as set out in section 5.

Carol Cammiss
Executive Director for
Children's Services

Peter Handford
Executive Service Director of
Corporate Services and
Transformation

High Needs Block Settlement 2022-23

Appendix 1

High Needs Block Settlement 2022-23	2021-22 Count £	2021-22 Multiplier £	2021-22 Total £m		2021-22 Count £	2021-22 Multiplier £	2021-22 Total £m
Population aged 2-18	148,497	181.74	26.988		149,240	203.48	30.367
Health/Dis. - Children bad health	670	4,872.38	3.264		670	5,487.59	3.677
Health/Dis. - Children DLA	5,928	713.24	4.228		6,335	756.166	4.790
Deprivation - Current free meals	21,422	268.27	5.747		25,984	254.582	6.615
Deprivation - IDACI Band F	11,811	55.03	0.650		11,800	61.406	0.725
Deprivation - IDACI Band E	16,028	72.57	1.163		16,202	81.057	1.313
Deprivation - IDACI Band D	5,922	99.13	0.587		5,943	110.854	0.659
Deprivation - IDACI Band C	7,363	105.27	0.775		7,422	117.629	0.873
Deprivation - IDACI Band B	6,940	117.28	0.814		6,988	130.748	0.914
Deprivation - IDACI Band A	1,674	155.23	0.260		1,683	172.555	0.290
Low Attainment @ KS2	1,323	3,241.14	4.288		1,260	3,896.15	4.909
Low Attainment @ KS4	1,664	2,380.89	3.962		1,556	2,755.36	4.287
Historic spend			33.032				33.499
Funding floor			0.000				0.163
Sub total			85.758				93.082
Memo item: Funding per pop'n aged 2-18 (£)			£577.51				£623.70
Hospital Education			0.289				0.294
Basic entitlement	1,145	4,660.00	5.336		1,246	4,660.00	5.806
Import/export adjustment	-454.5	6,000.00	-2.727		-454.5	6,000.00	-2.727
Sub total			88.656				96.455
2022-23 additional allocation (+4.12%)			0.000				3.839
High Needs Block total			88.656				100.294
Increase (£m)							+11.638
Increase (%)							+13.12%

High Needs Places 2022-23

Appendix 2

DfE	School Enhanced Resource Schools (ERS)	Places 2022-23 April	Places 2022-23 Sept	2022-23 FTE	Places 2021-22 April	Places 2021- 22 Sept	2021-22 FTE	Budget 2022-23 £	Budget 2021-22 £	Change £
2025	Springfield Junior School	11.00	14.00	12.75	8.00	11.00	9.75	76,500	58,500	18,000
2026	New Whittington Primary School	10.00	8.00	8.83	9.00	10.00	9.58	53,000	57,500	-4,500
2036	Dunston Primary and Nursery Academy	6.00	6.00	6.00	6.00	6.00	6.00	36,000	36,000	0
2037	Langley Mill Academy	8.00	9.00	8.58	6.00	8.00	7.17	51,500	43,000	8,500
2116	Aldercar Infant School	4.00	3.00	3.42	6.00	4.00	4.83	20,500	29,000	-8,500
2356	Elmsleigh Infant & Nursery School	16.00	16.00	16.00	16.00	16.00	16.00	96,000	96,000	0
4004	Outwood Academy Newbold	17.00	16.00	16.42	16.00	17.00	16.58	98,500	99,500	-1,000
4052	The Long Eaton School	11.00	11.00	11.00	11.00	11.00	11.00	66,000	66,000	0
5410a	The Pingle Academy(Area)	29.00	33.00	31.33	29.00	29.00	29.00	188,000	174,000	14,000
5410c	The Pingle Academy(Autism)	15.00	15.00	15.00	15.00	15.00	15.00	90,000	90,000	0
4013	Hope Valley College(Post 16)	18.00	18.00	18.00	18.00	18.00	18.00	108,000	108,000	0
2011	Brampton Primary School	14.00	14.00	14.00	14.00	14.00	14.00	84,000	84,000	0
2013	Chapel-en-le-Frith CofE VC Prim. School	19.00	19.00	19.00	19.00	19.00	19.00	114,000	114,000	0
2190	Pilsley Primary School	10.00	10.00	10.00	10.00	10.00	10.00	60,000	60,000	0
2268	Whaley Bridge Primary School	8.00	8.00	8.00	8.00	8.00	8.00	48,000	48,000	0
2333	Ashbourne Hilltop Prim & Nursery School	4.00	3.00	3.42	5.00	4.00	4.42	20,500	26,500	-6,000
4019	Chapel-en-le-Frith High School	34.00	35.00	34.58	34.00	34.00	34.00	207,500	204,000	3,500
4074	William Allitt School	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0
4089b	Aldercar High School(HI)	8.00	6.00	6.83	8.00	8.00	8.00	41,000	48,000	-7,000
4089d	Aldercar High School(Phys)	1.00	0.00	0.42	1.00	1.00	1.00	2,500	6,000	-3,500
4173	Tibshelf Community School	15.00	15.00	15.00	18.00	15.00	16.25	90,000	97,500	-7,500
	Sub total - ERS	258.00	259.00	258.58	257.00	258.00	257.58	1,551,500	1,545,500	6,000

		Places 2022-23 April	Places 2022-23 Sept	2022-23 FTE	Places 2021- 22 April	Places 2021-22 Sept	2021- 22 FTE	Budget 2022-23 £	Budget 2021-22 £	Change £
	Special Schools									
7001	Holbrook School for Autism	128.00	132.00	130.33	127.00	128.00	127.58	1,303,333	1,275,833	27,500
7006	Ashgate Croft School	142.00	142.00	142.00	139.00	142.00	140.75	1,420,000	1,407,500	12,500
7012	Stubbin Wood School	165.00	180.00	173.75	150.00	165.00	158.75	1,737,500	1,587,500	150,000
7014	Bennerley Fields School	91.00	91.00	91.00	88.00	91.00	89.75	910,000	897,500	12,500
7017	Peak School	65.00	73.00	69.67	60.00	65.00	62.92	696,667	629,167	67,500
7019	Stanton Vale School	90.00	85.00	87.08	93.00	90.00	91.25	870,833	912,500	-41,667
7000	Holly House Special School	43.00	43.00	43.00	43.00	43.00	43.00	430,000	430,000	0
7005	Brackenfield Special School	112.00	134.00	124.83	82.00	112.00	99.50	1,248,333	995,000	253,333
7009	Swanwick School & Sports College	85.00	85.00	85.00	82.00	85.00	83.75	850,000	837,500	12,500
7018	Alfreton Park Comm. Special School	90.00	115.00	104.58	87.00	90.00	88.75	1,045,833	887,500	158,333
	Sub total - Special Schools	1,011.00	1,080.00	1,051.25	951.00	1,011.00	986.00	10,512,500	9,860,000	652,500
	Support Centres									
1106	South Derbyshire Support Centre	26.00	26.00	26.00	26.00	26.00	26.00	260,000	260,000	0
1102	A Valley & Erewash Support Centre	150.00	135.00	141.25	156.00	150.00	152.50	1,412,500	1,525,000	-112,500
1111	North East Derbys Support Centre	100.00	100.00	100.00	100.00	100.00	100.00	1,000,000	1,000,000	0
	Sub total Support Centres	276.00	261.00	267.25	282.00	276.00	278.50	2,672,500	2,785,000	-112,500

		Places 2022-23 April	Places 2022-23 August	2022-23 FTE	Places 2021- 22 April	Places 2021-22 August	2021- 22 FTE	Budget 2022-23 £	2Budget 2021-22 £	Change £
	FE Colleges									
	South Derbyshire Support Centre	67.00	67.00	67.00	67.00	67.00	67.00	402,000	402,000	0
	A Valley & Erewash Support Centre	73.00	73.00	73.00	61.00	73.00	69.00	438,000	414,000	24,000
	Sub total - FE Colleges	140.00	140.00	140.00	128.00	140.00	136.00	840,000	816,000	24,000

	Post 16	Places 2022-23 April	Places 2022-23 August	2022-23 FTE	Places 2021-22 April	Places 2021-22 August	2021-22 FTE	Budget 2022-23 £	Budget 2021-22 £	Change £
4000	Swanwick Hall School	1.00	1.00	1.00	0.00	1.00	0.67	6,000	4,000	2,000
4004s	Outwood Academy Newbold	1.00	1.00	1.00	1.00	1.00	1.00	6,000	6,000	0
4006	David Nieper Academy	0.00	1.00	0.67	0.00	0.00	0.00	4,000	0	4,000
4009	John Port Spencer Academy	2.00	2.00	2.00	0.00	2.00	1.33	12,000	8,000	4,000
4012	Glossopdale School	1.00	1.00	1.00	1.00	1.00	1.00	6,000	6,000	0
4052s	The Long Eaton School	1.00	1.00	1.00	1.00	1.00	1.00	6,000	6,000	0
4013s	Hope Valley College	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0
4174	Highfields	1.00	1.00	1.00	2.00	1.00	1.33	6,000	8,000	-2,000
4196	Brookfield Community School	1.00	2.00	1.67	1.00	1.00	1.00	10,000	6,000	4,000
4500	Queen Elizabeth's Grammar	3.00	2.00	2.33	3.00	3.00	3.00	14,000	18,000	-4,000
5400	Netherthorpe School	3.00	3.00	3.00	1.00	3.00	2.33	18,000	14,000	4,000
5401	The Ecclesbourne School	4.00	3.00	3.33	6.00	4.00	4.67	20,000	28,000	-8,000
5408	Heanor Gate Science College	2.00	1.00	1.33	0.00	2.00	1.33	8,000	8,000	0
5409	Friesland School	1.00	1.00	1.00	0.00	1.00	0.67	6,000	4,000	2,000
5410	The Pingle Academy	1.00	1.00	1.00	2.00	1.00	1.33	6,000	8,000	-2,000
5413	St Mary's Catholic Academy	4.00	5.00	4.67	2.00	4.00	3.33	28,000	20,000	8,000
5416	The Ripley Academy	1.00	1.00	1.00	0.00	1.00	0.67	6,000	4,000	2,000
4089	Aldercar High School	9.00	20.00	16.33	13.00	9.00	10.33	98,000	62,000	36,000
4505	Anthony Gell School	2.00	3.00	2.67	2.00	2.00	2.00	16,000	12,000	4,000
4509	Dronfield Henry Fanshawe	1.00	1.00	1.00	2.00	1.00	1.33	6,000	8,000	-2,000
4510	Buxton Community School	0.00	1.00	0.67	1.00	0.00	0.33	4,000	2,000	2,000
5404	Belper School & 6th Form	0.00	0.00	0.00	0.00	0.00	0.00	0	0	0
5411	Lady Manners School	4.00	2.00	2.67	3.00	4.00	3.67	16,000	22,000	-6,000
	Sub total - Post 16	43.00	54.00	50.33	41.00	43.00	42.33	302,000	254,000	48,000
	TOTAL PLACES	1,728.00	1,794.00	1,767.42	1,659.00	1,728.00	1,700.42	15,878,500	15,260,500	618,000

Budget Head	HNB budget 2021-22 £000s	Place increase/ (decreases) £000s	Inflation £000s	Demographic pressure £000s	Savings £000s	HNB budget 2022-23 £000s
Places - total	15,261	618	0	0	0	15,879
EY SEN Inclusion	160	0	3	0	0	163
Nursery Units/Schools SENTA	249	0	10	235	0	494
Nursery schools ER SEN	140	0	7	0	0	147
DCC Primary Schls/academies	11,132	0	293	1,828	0	13,253
DCC Secondary Schls/academies	6,997	0	191	831	0	8,019
Other LAs' secondary schools/academies	515	0	8	-115	0	408
DCC Special Schls/academies	14,601	0	784	1,021	0	16,406
Other LAs' special schools/academies	2,391	0	65	209	0	2,665
Post 16/FE Coll/Ind spec providers	4,039	0	79	-114	0	4,004
PRUs	1,976	0	139	-7	0	2,108
Independent/NMSS	10,476	0	357	5,830	0	16,663
SEN Alternative Provision	420	0	19	330	0	769
Ind/NMSS – contrib'n to care placements	1,500	0	0	-840	0	660
Top ups contingency	1,492	0	0	702	0	2,194
Sub total - Top ups	56,088	0	1,955	9,910	0	67,953

Memo item:

Primary top ups - proposed base (£13.253m) includes £5.383m for GRIPS & £6.459m for EHCPs

Secondary top ups - proposed base (£8.019m) includes £0.961m for GRIPS & £5.853m for EHCPs

Budget Head	HNB budget 2021-22 £000s	Place increase/ (decreases) £000s	Inflation £000s	Demographic pressure £000s	Savings £000s	HNB budget 2022-23 £000s
Access and Inclusion	115	0	0	0	0	115
Support for inclusion	519	0	0	0	0	519
Hospital tuition	82	0	0	28	0	110
Virtual School	1,018	0	19	3	0	1,040
PRU to provision transport	510	0	0	-410	0	100
Contribution to Education Psychology Service	400	0	0	0	0	400
Visually Impaired Support Service	669	0	8	13	0	690
Physical Impaired Support Service	557	0	6	-27	0	536
Hearing Impaired Support Service	570	0	6	24	0	600
SEN Equipment fund	250	0	0	0	0	250
Specialist Services overheads	197	0	0	0	0	197
Support Service for SEN (SSSEN)	4,982	0	52	0	0	5,034
Early Years SEN service (contribution to)	624	0	0	124	0	748
Behaviour Support Service	1,150	0	18	0	0	1,168
Behaviour Support/IPT overheads	374	0	0	0	0	374
Behaviour Support (TAPS)	319	0	0	5	0	324
Positive Play	205	0	4	-33	0	176
Derbyshire Nurture	321	0	5	-43	0	283
Integration Pathways Team	3,753	0	47	-243	-818	2,739
Excluded pupils income	-436	0	0	0	0	-436
Contribution to SEN transport	80	0	0	0	0	80
School Improvement	114	0	0	0	0	114
Vulnerable Children's fund	150	0	0	50	0	200
High Needs Mainstream Contingency fund	500	0	0	0	0	500
Direct Payments	225	0	0	0	0	225
Community Care posts	88	0	0	0	0	88
School based SLAs	280	0	8	0	0	288
Sub total – Services/Other	17,616	0	173	-509	-818	16,462
TOTAL	88,965	618	2,172	9,357	-818	100,294

Snapshot of number of children supported by services**Appendix 4**

Service	Number of children being supported	Primary sources of referral for support
Virtual School	899	Statutory provision and referred by safeguarding teams, schools, settings and carers
Visually Impaired Support Service	391 children are active and 20 children being assessed 1 in-active but not closed	Primarily schools and health (Health are the ones who refer the majority of VI children) with some referrals from early years settings, colleges and parents / carers
Physical Impaired Support Service	385 children currently on active caseload with 25 more children being monitored. Many more historical children known to service who are seen ad hoc and often during transition to new settings when or if a school/parent/health requests a follow up.	Primarily schools and health with some referrals from early years settings, colleges and parents / carers
Hearing Impaired Support Service	592 currently on active caseload with a further 58 who are being monitored and visited on request. In addition, there are a number of ERS/OofC children who have a link teacher within the HI Team and are seen ad hoc when or if a school/parent/health requests.	Primarily schools and health (Health are the ones who refer the majority of HI children) with some referrals from early years settings, colleges and parents / carers
Support Service for SEN (SSSEN)	890	Primarily from primary phase schools with some requests from parents and carers
Early Years SEN service (contrib'n to)	200	
Behaviour Support Service	971	School referrals
Positive Play	28 children 68 schools	School referrals (direct intervention is more for the staff than directly to the children)
Derbyshire Nurture	50	School referrals (placements only last 6 or 12 weeks so this changes regularly)

DERBYSHIRE COUNTY COUNCIL**SCHOOLS FORUM****27 JANUARY 2022****Joint Report of the Executive Director for Children's Services and
Executive Director for Corporate Services and Transformation****Early Years Block Funding Settlement 2022-23****1. Purpose**

- 1.1 To update the Schools Forum on the Early Years Block announcements for 2022-23 and to seek approval to central early years budgets for next year.

2. Information and Analysis**2.1 Settlement – Key Points**

The early years funding rates for 2022-23, and implied funding totals, were published by the Department for Education on 16th December 2021. The allocations are summarised in Table 1 below and further background details of each element are provided in Appendix 2.

Table 1 – Early Years Indicative Settlement 2022-23

Item	2022-23	2021-22	
Early Years Block:			
No. 3 & 4 year olds - universal prov'n (part time equiv, PTE)	9,465.53	9,795.12	
Universal entitlement - 3 & 4 year old hourly rate	£4.61	£4.44	
Sub total universal hours 3&4 yr old funding (£m)	24.873	24.789	
No. 3 & 4 year olds - add'l 15 hours for working parents (PTE)	4,219.72	4,364.81	
Additional entitlement - 3 & 4 year old hourly rate	£4.61	£4.44	
Sub total additional hours 3&4 yr old funding (£m)	11.088	11.046	
Total hours 3& 4 yr old funding – Passporting baseline	35.961	35.835	a
Other Early Years allocations:			
Maintained Nursery School (MNS) Grant (£m)	0.984	0.998	
Funding for disadvantaged 2 year olds (£m)	4.032	4.397	
Early Years Pupil Premium (£m)	0.464	0.381	
Early Years Disability Access Fund (£m)	0.208	0.179	
Sub total – Other EY allocations	5.688	5.955	b
TOTAL EARLY YEARS BLOCK (£m)	41.649	41.790	c=b+a

In addition to the DSG allocations, early years provision in mainstream & nursery schools will receive a share of the additional £1.2bn allocated to schools for 2022-23. Funding will be paid at the rate of £24 per pupil. The published allocations in Table 1 have been based on January 2021 census data. The actual early years quantum for 2022-23 will be driven by the January 2022 and January 2023 census data.

No technical changes to the distribution of funding have been announced for 2022-23, LAs will therefore continue to have to meet a passporting test. This test requires that at least 95% of the universal and additional hours funding for 3 and 4 year olds must be delegated to providers, with a maximum of 5% allowed to be held centrally. In terms of decision making, early years central budgets are a matter for the Schools Forum whilst the Early Years Single Funding Formula is the responsibility of the Council.

2.2 Early Years Single Funding Formula (EYSFF)

This is the basis for funding nursery schools, nursery units attached to mainstream schools and private, voluntary and independent early years provision. The formula must include a basic hourly rate for all providers and a deprivation indicator, in addition LAs can include indicators for rurality/sparsity, flexibility, quality and a lump sum for nursery schools.

The Authority proposes the following for 2022-23:

- (i) A universal hourly rate of £4.30, an increase of £0.14 (3.36%) on 2021-22;
- (ii) An enhanced hourly rate for nursery schools of £0.56, an increase of £0.02 (3.7%), the current rate (£0.54) has been in place since 2019-20;
- (iii) Retention of the existing deprivation multiplier of £1.31 per hour per eligible child: the Early Years Pupil Premium, which applies to the same cohort of children, will increase by 13.2% in 2022-23;
- (iv) A nursery school lump sum of £92,500, an increase of £2,686 (2.99%). This would be in line with the increase for mainstream schools and academies: the current value has been unchanged for several years.

The estimated costs of applying the above EYSFF multipliers to the January 2021 data used to calculate the income in Table 1 are set out in Table 2 overleaf.

Table 2 – EYSFF Allocations 2022-23

	Nursery schools	Nursery units	PVI	Total	
Proposed Universal hourly rate	£4.30	£4.30	£4.30	-	
Proposed Enhanced hourly rate	£0.56	£0.00	£0.00	-	
Proposed Overall hourly rate	£4.86	£4.30	£4.30	-	A
3&4 year olds universal hrs	535.93	3,107.44	5,822.16	9,465.53	B
3&4 year olds additional hrs	184.63	861.48	3,173.61	4,219.72	C
Delegated funding	£m	£m	£m	£m	
Universal allocation	1.485	7.616	14.270	23.371	=AxBx570hrs
Additional hours allocation	0.511	2.111	7.779	10.401	=AxCx570hrs
Sub total - hourly rate allocations	1.996	9.727	22.049	33.772	
Formula supplements:					
Lump sum	0.741	0.000	0.000	0.741	
Deprivation	0.087	0.572	0.355	1.014	
Rates	0.070	0.000	0.000	0.070	
Sub total - formula supplements	0.898	0.572	0.355	1.825	
Contingency – delegated	0.010	0.000	0.000	0.010	
Total delegated funding	2.904	10.299	22.404	35.607	

2.3 Early Years Central Budgets

These are a matter for the Schools Forum. The Authority's recommended budgets for 2022-23, together with the 2021-22 comparative figures, are set out in Table 3 below. The Authority proposes keeping overall central early years spend at broadly similar cash levels to 2021-22.

Table 3 – Central Early Years Budgets 2022-23

	Proposed	Approved
	2022-23	2021-22
Service	£m	£m
Early Years Improvement Service	1.267	1.177
Early Years SEN Service (part, balance funded by High Needs Block)	0.058	0.153
Nursery school licences & misc funds*	0.013	0.003
Total	1.338	1.333

*This includes the estimated cost of various copyright licences negotiated by the DfE and recharged to local authorities, with the balance set aside to cover the potential loss of the School Improvement Monitoring and Brokering grant and funds to help address cyber-related IT issues.

2.4 Early Years – Overall funding and passporting tests

The cost of the proposed allocations in sections 2.2 and 2.3 would fully allocate the hours-based funding for 3 and 4 year olds and the Maintained Nursery School Grant as shown in Table 4 overleaf.

Table 4 – Summary of estimated income and proposed spend 2022-23

	Cost
	£m
Delegated Allocations per Table 2	35.607
Central Budgets per Table 3	1.338
Total spend	36.945
Universal/additional hours grant – Table 1	35.961
Maintained Nursery School grant – Table 1	0.984
Total grant	36.945

The comparison in Table 4 shows a balanced financial position, however, both the income and proposed delegated allocations are based on the hours in the settlement. The actual levels of income and expenditure in 2022-23 will be largely determined by the number of hours of provision recorded on the census returns. If the number of hours provided were to fall, this would result in a deficit being incurred as the marginal loss of grant (funded at £4.61 per hour) would be greater than the reductions in allocations to providers (mainly funded at £4.30 per hour). Equally, if the hours were to increase, then the reverse would be true and an underspend would be generated. Any over or underspend would need to be considered in future DSG allocation decisions.

The proposals would meet the DfE's passporting test as shown in Table 5 below.

Table 5 – Estimated impact of allocations on passporting test

	£m
Delegated Allocations per Table 2	35.607
Less funded by MNS grant	(0.984)
Delegated spend for passporting purposes	34.623
Universal/additional hours income – Table 1	35.961
Percentage of funds passported	96.28%

The Schools Forum is invited to comment on the report, including the proposed EYSFF rates for 2022-23 outlined in section 2.2, and to consider the Authority's proposed central early years budgets set out in section 2.3

3. Implications

Appendix 1 sets out the relevant implications considered in the preparation of the report.

4. Background Papers

4.1 Schools Funding settlement announcement 16th December 2021

5. Appendices

5.1 Appendix 1 - Implications.

5.2 Appendix 2 – Early Years Funding Components 2022-23

6. Recommendations

That Schools Forum:

- a) Notes the national early years funding rates for 2022-23;
- b) Notes the additional £24 per pupil to be paid to school early years providers in 2022-23;
- c) Gives its views on the Authority's Early Years Single Funding Formula proposals for 2022-23 set out in section 2.2; and
- d) Considers and approves the central early years budgets proposed by the Authority set out in section 2.3.

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Implications

Financial

1.1 As set out in the report.

Legal

2.1 The proposed allocations are in line with DfE Guidance at:
<https://www.gov.uk/government/publications/early-years-funding-2022-to-2023/early-years-entitlements-local-authority-funding-of-providers-operational-guide-2022-to-2023>

Human Resources

3.1 None

Information Technology

4.1 None

Equalities Impact

5.1 None

Corporate objectives and priorities for change

6.1 The proposals will support the Council's objective to work creatively together to inspire and empower children, young people and their families and communities to be the best they can be: safe, healthy, happy, learning and working.

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

7.1 None

Early Years Funding Formula (EYFF) Components Appendix 2

Universal/additional hours for 3 and 4 year olds - For 2022-23 all LAs will receive a £0.17 increase on their unprotected EYFF hourly rate. Where the resultant hourly rate is less than £4.61 per hour LAs will be guaranteed £4.61 via protection arrangements.

Derbyshire's unprotected EYFF rate for 2021-22 is £4.30, the £0.17 uplift increases this to £4.47. As this is below the £4.61 minimum, Derbyshire's rate is further lifted by the application of £0.14 protection. In effect, Derbyshire's actual rate has increased from £4.44 in 2021-22 to £4.61 in 2022-23, an increase of 3.83%. The final rate will be applied to both universal hours and the extended hours for eligible 3 and 4 year olds.

Funding for disadvantaged 2 year olds – the rates for all LAs have increased by £0.21 per hour, Derbyshire's 2022-23 rate being £5.57 (from £5.36) an increase of 3.92%. This funding is provided as part of a national scheme to support eligible pupils access childcare.

Early Years' Pupil Premium (EYPP) - the DfE have also confirmed that the national rate for 2022-23 will be £0.60 per eligible child per hour an increase of £0.07 (13.2%) on 2021-22. The EYPP gives providers extra funding to support eligible 3 & 4 year olds for up to 15 hours per week.

Disability Access Fund (DAF) - the 2022-23 rate is £800 per eligible child per year, an increase of £185 (30.1%) on 2021-22. DAF supports 3 & 4 years olds in receipt of nursery entitlement and Disability Living Allowance to access provision.

Maintained Nursery Schools (MNS) grant – supports the higher operational costs of nursery schools. The £0.984m for 2022-23 is very close to the 2021-22 figure (£0.998m). The 2022-23 grant has been calculated as the number of universal hours per year multiplied by £3.22 per hour. The unit rate is £0.11 (3.5%) higher than 2021-22.