

Date: Tuesday 14 November 2023 at 1.30 pm

Venue: Microsoft Teams

Susan Richardson (Chair)

Julia Armstrong
Helen Danby
Lesley Graham
Richard Henderson
Claire Humble
David Leane
Andrew McClurg
Ryan Powner
Louise Spellman
Judith Stanyard
Caroline Thomas
Colin Wilkinson
Andy Bryson
Joanne Mills

Cllr Carol Clark
Cllr Lisa Evans
Helen Gregory
Emma Higgins
Tristan Keates
Michael Little
Lindsay Oyston
Lester Russell
Edwin Squire
Andrea Swift
Graham Waller
Kay Wilkinson
Eddie Huntington
Elaine Redding

AGENDA

- 1 Apologies for Absence**
- 2 Declarations of Interest**
- 3 Minutes**

To approve the minutes of the last meeting held on 10 October 2023 (Pages 7 - 10)
To Follow
- 4 Matters Arising**
- 5 Delegation De Delegation Report** (Pages 11 - 22)
- 6 High Needs Update Report** (Pages 23 - 30)
- 7 Schools Funding Consultation** (Pages 31 - 42)
- 8 Any Other Business**
- 9 Date & Time of Next Meeting, 16 January 2024**

Members of the Public - Rights to Attend Meeting

With the exception of any item identified above as containing exempt or confidential information under the Local Government Act 1972 Section 100A(4), members of the public are entitled to attend this meeting and/or have access to the agenda papers.

Persons wishing to obtain any further information on this meeting, including the opportunities available for any member of the public to speak at the meeting; or for details of access to the meeting for disabled people, please

Contact: Katie Gallagher on e mail Katie.Gallagher@stockton.gov.uk on email
Katie.Gallagher@stockton.gov.uk

KEY - Declarable interests are:-

- Disclosable Pecuniary Interests (DPI's)
- Other Registerable Interests (ORI's)
- Non Registerable Interests (NRI's)

Members – Declaration of Interest Guidance



Table 1 - Disclosable Pecuniary Interests

Subject	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain
Sponsorship	Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract made between the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council — (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land and property	Any beneficial interest in land which is within the area of the council. 'Land' excludes an easement, servitude, interest or right in or over land which does not give the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/ civil partners (alone or jointly with another) a right to occupy or to receive income.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer.
Corporate tenancies	Any tenancy where (to the councillor's knowledge)— (a) the landlord is the council; and (b) the tenant is a body that the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/ civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.
Securities	Any beneficial interest in securities* of a body where— (a) that body (to the councillor's knowledge) has a place of business or land in the area of the council; and (b) either— (i) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the councillor, or his/ her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners have a beneficial interest exceeds one hundredth of the total issued share capital of that class.

* 'director' includes a member of the committee of management of an industrial and provident society.

* 'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Table 2 – Other Registerable Interest

You must register as an Other Registrable Interest:

- a) any unpaid directorships
- b) any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority
- c) any body
 - (i) exercising functions of a public nature
 - (ii) directed to charitable purposes or
 - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a member or in a position of general control or management

SCHOOLS FORUM

VIRTUAL MEETING HELD ON 10th OCTOBER 2023

PRESENT:

Primary Maintained School Headteacher: Mrs H Gregory

Primary Academy Headteacher: Mrs J Armstrong

Primary School Governor Representatives: Ms K Wilkinson and Mr R Powner

Secondary Maintained Headteacher: Mr R Henderson

Secondary Academy Headteachers: Mrs C Humble and Mrs K Riley (Substitute for Mrs L Spellman)

Secondary School Governor Representative: Mr C Wilkinson

Special School Representative: Mr M Little

14-19 Representative: Mrs L Graham

Trade Union Representative: Mr L Russell (Chair)

LA Representative: Councillor C Clark

Pupil Referral Unit Representative: Mr T Keates

Observers: Councillor L Evans
Mrs H Dalby

OFFICIALS: Mr A Bryson – Chief Accountant
Mr G Waller – Senior Accountant
Miss K Gallagher - Secretary to the Forum
Mrs J Mills – SEND
Mrs V Housley – Education Improvement Service (Substitute for Mr E Huntington)
Mrs E Redding – Interim Director of Childrens Services

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Mrs L Spellman, Mr E Squire, Mr E Huntington, Mrs L Oyston, Mrs S Richardson, Mr A McClurg, Mrs A Swift and Mrs J Stanyard.

2. DECLARATION OF INTERESTS

Members were invited to declare any personal or business interests they may have in any item included on the agenda.

No interests were declared.

3. MINUTES OF THE LAST MEETING – 27th JUNE 2023

RESOLVED that the minutes of the meeting held on 27th June 2023 be approved.

4. MATTERS ARISING

4.1 High Needs Funding

It had been reported that Mrs J Mills would discuss High Needs funding further at the November 2023 meeting, in line with the submission of the High Needs Funding report.

J Mills

At this juncture, it had been agreed that Mrs E Redding, Interim Director of Children Services, would provide an update.

INTERIM DIRECTOR OF CHILDRENS SERVICES UPDATE

Mrs E Redding explained that she had commenced her position in July 2023 and her focus was moving forward in a clear direction of travel away from the requires improvement judgement, which children's services currently holds.

It was reported that the Leadership team were reviewing the 'new normal' following the covid 19 pandemic and the potential increased vulnerabilities. With reference to education there were concerns regarding attainment gaps, which were above national figures and an increase in permanent exclusions and elective home education. An appreciative enquiry approach had been adopted to look at these areas.

Mrs H Dalby joined the meeting.

It had been reported that the appreciative enquiry would be a collaborative approach and members of school's forum were invited to participate.

With regard to SEND, it had been reported that there would be a review of the current banding system. This would link to complexities and the current SEND reforms. Mrs J Mills leads on the reform pilot and would provide an update at the next meeting. In addition, it had been identified that there was a need for a different approach to look at allocation, approach, funding, and interventions of EHCP's. This would also be in line with changes in Early Years for 2025.

J Mills

Schools' Forum members were informed that any new approach would need to be sustainable, and the focus would be that the lived experience for children to ensure that this would not be lost in the process. Schools' Forum members were asked to participate within the banding review.

Mr T Keates joined the meeting.

It was agreed that Schools Forum members would participate within the proposed groups. With the following members forming part of the working party.

- Mrs H Gregory
- Mr M Little
- Mr R Henderson
- Mrs J Armstrong
- Mr R Powner
- Mrs C Humble
- Mr A Bryson
- Mr G Waller

The working party would have a monthly conversation between October -January 2024.

Mrs E Redding and Councillor L Evans withdrew from the meeting.

5. BUDGET MONITORING SEPTEMBER 2023

Mr A Bryson provided members of the Forum with the current projected outturn position on the schools Budget based on information to the end of September 2023.

It had been noted from previous reports that the 2023/24 High Needs budget was set anticipating an in-year saving of £1.1m. However, based on a review of and increased expenditure on High Needs at quarter 2, it is now expected that this target will not be met. Instead, an in-year saving of £352k was now expected which will reduce the cumulative deficit brought forward from 2022/23 of £3.87m down to £3.51m instead of the budgeted position of £2.7m. It was reported that the revised position would be reflected in the medium-term financial plan.

Additional information was requested in the meeting on a variance that was included within the September Budgetary Control Report. With additional information on the breakdown of a £1.4m overspend being requested. In response, Mr A Bryson provided the below information.

The £1.4m overspend projected at quarter 2 was made up of the following:

£573k of this relates to young person remaining in high-cost placements post-16 (12 placements). Mainly resulting from Covid as the young person weren't really able to move on to other more mainstream college placements.

£475k of fee increases (incl. some backdated from 2022/23)

£352k net cost of further new placements and package changes since the budget was set. Currently 136 placements although the original baseline budget was based on 129 placements which already including growth for an additional 5 placements (@ £54k each)).

RESOLVED that the Budget Monitoring Report be received and noted.

6. SCHOOLS FUNDING ARRANGEMENTS 2024/25

A copy of the Schools Funding Arrangements for 2024/25 report had been presented prior to the meeting for consideration. The Chair reported that there had been an amended report issued due to a technical error by the DfE. The error was due to incorrect processing of pupil numbers in the initial calculations. This error meant that the overall cost of the schools NFF was underestimated, and incorrect factor values were published in July.

Mr A Bryson reported that the paper was intended to inform the Schools Forum of the latest information regarding the 2024/25 national funding formula (NFF) for schools and High Needs which was published by the DfE in July 2023 but updated in October 2023 following the technical error being discovered.

A formal consultation would be undertaken follow the meeting to ascertain schools views. The results of this would be reported at the next meeting.

A Bryson

Mrs L Graham withdrew from the meeting.

7. DELEGATION/DE-DELEGATION 2024/25

Mr A Bryson reported that the funding for de-delegated services must be allocated through the formula but can be passed back, or de-delegated for maintained primary and secondary schools with school forum approval. It had been proposed by the local authority to de-delegate all of the areas covered within the previously circulated report.

It was proposed by the Local Authority that the decision be deferred to the next meeting to enable eligible voting members time to seek the views of their respective representative on the options open to them. It was agreed that this would be undertaken by Mrs H Gregory, Headteacher of Durham Lane Primary School.

H Gregory

A copy of the letter from the Trade Unions supporting the de-delegation of facilities time had also been circulated.

It had been noted that in the event of the proposal being rejected this would allow time to plan for the transfer of budgets and responsibilities.

RESOLVED that this item be deferred to the next meeting.

8. ANY OTHER BUSINESS

There were no further items of business.

9. DATE AND TIME OF NEXT MEETING

RESOLVED that the next meeting of Schools Forum would be held on 14th November 2023 at 1.30pm.

DRAFT

AGENDA ITEM 5

REPORT TO SCHOOLS FORUM

14th NOVEMBER 2023

DELEGATION – DEDELEGATION 2024/25

SUMMARY

1. Funding for de-delegated services must be allocated through the formula but can be passed back, or de-delegated for maintained primary and secondary schools with school forum approval.
2. The authority is proposing the option of de-delegation (i.e. central management) for all of the areas covered in this report for 2024/25.
3. An equivalent paper was presented and discussed at the last Forum on 10th October so members were aware of voting at today's meeting. Also in the event of any of the proposals being rejected this would allow time to plan for the transfer of budgets and responsibilities.

RECOMMENDATION

4. That the eligible **Schools Forum members representing maintained schools** vote separately according to their sector on the proposals to de-delegate services set out in the report.

DETAIL

5. Under the government's funding reforms there is an assumption of delegation for a number of budget areas which are currently held centrally for maintained schools and are delegated for academies. **Maintained schools' primary and secondary representatives on the Schools Forum can vote, by sector**, to de-delegate these areas where it is proposed by the local authority. The outcome of the vote is binding for all maintained schools in that sector.
6. If the Schools Forum voted against the proposals for de-delegation then a range of costs and associated responsibilities currently met centrally by the local authority will transfer to maintained schools for them to manage themselves. The budget for these costs would also transfer to schools on a formula basis which was previously consulted on and agreed.
7. Academies are not part of these arrangements since these responsibilities and the funding for them are automatically delegated to academies through the ESFA using the local funding formula.
8. Responsibility for a number of services and associated funding that falls within the regulations has been delegated for several years and it is proposed that this continues for those areas namely, insurances, museum and library services and staff supply costs (other than trade union duties).
9. The Schools Forum agreed to de-delegation last year for services in the section below for all primary and secondary maintained schools (i.e. excluding academies).

BUDGETS PROPOSED FOR CONTINUED DE-DELEGATION

10. A summary table of the services, their related estimated funding and the basis the funding which would be removed from the formula is shown in the table below.

Service	Primary £	Primary Basis	Secondary £	Secondary Basis	Total £
Contingencies	£11,074	£2.18 per child (NoR)	£3,535	£2.37 per child (NoR)	£14,609
Support to Schools Partnership Fund	£25,553	£5.02 per child (NoR)	£8,537	£5.72 per child (NoR)	£34,090
Staff costs supply cover – Union facilities time	£7,727	£1.52 per child (NoR)	£2,546	£1.71 per child (NoR)	£10,273
Behaviour and Support Services	£47,756	Low Att Total Primary Units	£25,446	Low Att Total Secondary Units	£73,202
Free school meals eligibility	£0	No longer de-delegated	£3,985	£2.67 per child (NoR)	£3,985
School Improvement Functions	£33,636	£6.61 per child (NoR)	£9,864	£6.61 per child (NoR)	£43,500
TOTAL	£125,746		£53,913		£179,659 *

*above takes account of schools known to be converting to academy status before 4th January 2024.

The number of maintained schools on which the above estimates are based is:-

Primary Schools - 17
Secondary Schools - 1

11. **Contingencies Formula Errors (1.1.1):** This budget relates to a contingency for correction of errors in the funding formula. If this budget wasn't in place then the schools budget would have to be asked to absorb these costs or corrections made in future years.
12. **Partnership Fund (1.1.1) -** Relates to support to the Schools Partnership Fund. In line with the Stockton Borough Council School Improvement Framework, a fund is in place to support maintained schools experiencing challenging circumstances. Schools may be those in Ofsted categories or vulnerable to weak outcomes.
13. **Staff costs supply cover (not sickness) (1.1.9):** This budget relates to trade union facility time. Under the Employment Acts Trade Union representatives have a statutory right to reasonable paid time off from employment to carry out trade union duties and training. The following considerations should be taken into account:-
- a. **Maintained Schools:**
 - i. In the past facility time for senior teacher trade union representatives based in schools has always been funded by centrally retained DSG funding. This report recommends this continues by approving de-delegation for maintained schools.
 - ii. If this is not supported the budget will be delegated and schools will have to make their own arrangements for negotiating and consulting with the trade

unions on changes to HR policies which will lead to duplication of effort and inconsistencies across schools.

- iii. Trade union representatives have a legal right to time off to participate in the collective bargaining arrangements of their employer and to represent their members. If the de-delegation were not agreed individual schools would have to bear the cost of the time off for the senior TU reps nominated by their union to participate in these discussions.

b. Academies (receive funding for TU facilitation in their budget) - options:-

- i. They contribute in the same way maintained schools do;
- ii. They are invoiced for TU time spent in their establishment by the trade union representatives, which has been paid for by the LA, and then reimburse the LA accordingly. They invoice the authority for time spent by TU reps, employed by the academy, spent in maintained schools; or
- iii. They make their own arrangements with the trade unions for representatives from the trade unions amongst their own workforce.

14. Letters from the various trade unions and NASUWT supporting de-delegation are attached to this paper. If de-delegation is agreed for trade union facilitation arrangements then the LA would be willing to manage the pooled arrangements and contact academies to make them the offer to buy into the arrangements in support of good industrial relations across the borough. Resources are limited to contributions only and payments will only be made up to the value of the budget.

15. Behaviour and Support Services (1.1.2): This budget relates to provision of advice, support and training to schools, on behaviour, social and emotional aspects of learning in order to avoid wherever possible exclusions and incidences of disruptive behaviour. The SEMH service is made up highly skilled teachers and caseworkers whose role is to support schools and staff in Stockton to further improve their understanding of the needs of their pupils. Maintained schools have received their de-delegated credits for 23-24 alongside a copy of the new offer. Academies and independent schools and colleges can continue to purchase support through the SEMH offer. The offer includes strategic support, offers of Continuous Professional Development sessions and individual pupil and staff support. Other routes of support from this team can be accessed through One Point panels and/or EHCP panels for pupils who are undergoing statutory assessment or who have an EHCP

16. **Free school meals eligibility** (1.1.4): This budget relates to the administration of the free school meal eligibility scheme currently undertaken by Customer Services.

17. **School Improvement Fund** (1.6.7): The Government proceeded with reducing the local authority school improvement monitoring and brokering grant by 50% for financial year 2022 to 2023, with full removal in financial year 2023 to 2024. Provision has been included in the School and Early Years Finance Regulations 2022 (England) to allow local authorities to deduct funding for local authorities' core school improvement activities from maintained school budgets via the de-delegation process. The authority is requesting de-delegation (i.e. central management) for the school improvement functions for financial year 2024/25. The figure requested is the same as requested for financial year 2023-24 which was based on 50% of the final grant payment.

18. **National Copyright Licenses**: The Secretary of State will continue to negotiate a number of licences on behalf of Local Authorities and "top-slice" LA DSG budgets to cover the cost. The 2024/25 figure will be provided by DFE as part of the DSG budget in December 2023 (2023/24 £174k). The licences covered under this arrangement in 2024/25 will be:-

- i. Copyright Licensing Agency (CLA)
- ii. School Printed Music License (SPML)
- iii. Newspaper Licensing Agency (NLA)
- iv. Education Recording Agency (ERA)
- v. Public Video Screening Licence (PVSL), managed by Filmbank
- vi. Motion Picture Licensing Company (MPLC)
- vii. Performing Rights Society License (PRSL)
- viii. Phonographic Performance License (PPL)
- ix. Mechanical Copyright Protection Society License (MCPS)
- x. Christian Copyright Licensing International License (CCLI)

Contact Officer: Andy Bryson, Chief Accountant

Tel No: 01642 528850

The provision for funding for facility time to be delegated to schools was enacted in 2013, and since then in many authorities, facility time has been de-delegated to form a local authority central pool, which academies can also access.

Schools Forums are likely to revisit this issue on an annual basis, and the continuation or adoption of dedelegated arrangements should be made.

The case for de-delegation

- Good industrial relations and constructive solutions to issues are vital for schools to be happy and productive workplaces and educational standards to be improved.

The Trade Unions share the employers' desire for every school to be the best that it can be.

- There is plentiful evidence that where union representatives work collaboratively with employers, significant savings were made in the following areas: lower dismissal rates and voluntary exit rates that reduced recruitment costs, lower rates of employment tribunal cases, lower workplace injuries and lower workplace-related illnesses. In 2007, a government report found that facility time contributed to savings across the economy of up to £1bn.

- Section 168 of the Trade Unions and Labour Relations Act 1992 (TULRA) gives representatives of recognised trade unions the right to claim reasonable paid time off for specified purposes.

- The specified purposes include negotiations over collective bargaining, which is defined in law as relating to terms and conditions of employment, the physical conditions in which workers are required to work, engagement and termination of workers, allocation of duties, matters of discipline, trade union membership, facilities for officers of trade unions, and arrangements for consultation or negotiation.

- Other specified purposes include consultations over redundancies and Transfer of Undertakings (Protection of Employment) Regulations (TUPE) and this continues to be a driver of casework in the Stockton area. Employers may also agree other functions which

representatives may perform. The amount of 'reasonable' time off is not defined in the statute.

- De-delegated arrangements are the most cost-effective way for schools to meet their legal obligations.

- If funds are delegated, each individual school will need to fund the cover the additional requirements for representatives to be trained, and the supply costs of cover that will be required for the school-based representatives to undertake duties.
- The cover costs of training alone will be a minimum of £2000 per year (one representative for NASUWT, NEU, GMB, and UNISON each receiving 2-3 days training). The actual cost is likely to be significantly higher however, as the Employment Tribunal ruled in *Bennett v London Borough of Camden* that up to 36 days paid leave for training was reasonable.
- In addition to the visible work local trade union representatives undertake in schools and with the authority, there is also substantial hidden work primarily advising members and resolving issues before they even come to the attention of school managements.
- This unseen work saves schools considerable amounts of both time and money. If this facility is removed, it is likely that schools would see a considerable upsurge in cases.
- There are substantial benefits of working with local and regional teaching and support staff trade unions in cases involving individual employees, who are entitled to trade union representation.
- Effective employee relations between the authority, Academy Trusts, the school and the trade union helps to ensure that casework is quickly resolved via negotiations or consultation without the necessity for cases to result in an employment tribunal, which is costly for the school and employer or authority.
- Many workforce disputes, exit arrangements and effective solutions to workforce matters in schools are resolved at local level, again preventing the need for employment tribunal or court cases.
- Unions, authorities and academy trusts work in partnership to develop model policies and procedures suitable for schools and are consulted on guidance to schools on many aspects of national and local terms and conditions. These benefits also apply to academies, whether or not they buy HR services from the authority.
- Although many of the unions employ regionally-based staff to deal with high level cases, it is beneficial to all parties to resolve issues at the earliest opportunity. This is why supporting paid time off for local union representatives makes sound business sense.
- Schools within the local authority will be requested to release accredited union representatives appointed in accordance with the facility time agreements, in order to carry out the bargaining and representation functions across the authority.
- These accredited union representatives are normally more highly qualified and experienced than school-based representatives. De-delegated funds allows the release of these authority-wide

representatives, which all schools and academies can benefit from.

- Schools benefit from good employee relations across the authority as well as from the model policies, procedures and guidance, specifically for schools published by the authority in consultation with the unions.
- The importance of an adequate amount of facilities time cannot be overestimated. Section 1 of the ACAS Code of Practice says “Union representatives undertake a variety of roles in collective bargaining and in working with management, communicating with union members, liaising with their trade union and in handling individual disciplinary and grievance matters on behalf of employees.
- There are positive benefits for employers, employees and union members in encouraging the efficient performance of union representatives’ work, for example in aiding the resolution of problems and conflicts at work. The role can be both demanding and complex. In order to perform effectively union representatives need to have reasonable paid time off from their normal job in appropriate circumstances.”

Abridged from NASUWT Briefing note “Schools Forum & Facility Time”

July 2020

Lester Russell

Stockton-on-Tees

Negotiating Secretary, Caseworker

National Executive Member for District 2,

Stockton-On-Tees, Hartlepool, Middlesbrough and Redcar & Cleveland

NASUWT

Reviewed Sept 2023

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Dear Director,

We are writing on behalf of all employees working in your local authority area who are members of NAHT, ASCL and the National Education Union (NEU).

Acting in accordance with advice issued by the Local Government Association and the National Employers' Organisation for School Teachers, the vast majority of schools made the right decision last year by agreeing through their Schools Forum to 'de-delegate' funding for supply cover costs, including for trade union facilities time.

We believe that the central retention and distribution of this funding is the most effective and efficient arrangement, and we would like to work with you to ensure that this arrangement continues. Discussions are now taking place in your authority on funding arrangements for supply cover costs from April next year and we are asking you to pass the information in this letter to members in your Schools Forum and to encourage them to vote for de-delegation of funding arrangements for supply cover costs.

Successive governments have recognised the importance of good industrial relations and have legislated to provide a statutory basis for facilities time as follows:

- Paid time off for union representatives to accompany a worker to a disciplinary or grievance hearing.
- Paid time off for union representatives to carry out trade union duties.
- Paid time off for union representatives to attend union training.
- Paid time off for union 'learning representatives' to carry out relevant learning activities.
- Paid time for union health and safety representatives during working hours to carry out health and safety functions.

These provisions are contained within the Employment Relations Act 1999 and the Trade Union Labour Relations (Consolidation) Act 1992 and the Safety Representatives and Safety Committees Regulations 1977.

NAHT, ASCL and NEU have members and union representatives in academies as well as maintained schools within your local authority area and, in addition to seeking your

support for de-delegation, we are seeking your agreement for the local trade union funding arrangement to be formally extended to academies within your local authority boundary.

As the DfE Advice on Trade Union Facility Time acknowledges, the trade union recognition agreement between the authority and the recognised unions will have transferred to each academy school as the new employer of the transferred staff as part of the conversion process to academy status under TUPE. We believe that, following conversion, academies should also become parties to local authority trade union facilities arrangements.

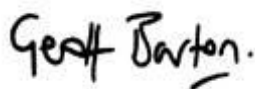
The academies within your authority will have received funding for trade union facilities time in their budgets and they are permitted to use that funding to buy-back into local authority arrangements. Indeed, many academies across England have already agreed to buy in to local authority trade union facilities arrangements.

Pooled funding will help the local authority and all schools to meet their statutory obligations on trade union facilities time. Setting up a central funding arrangement will allow academies to pay into a central pool if they wish to. But most importantly it will help maintain a coherent industrial relations environment where issues and concerns whether individual or collective can be dealt with more effectively. All these points are echoed in the advice issued by the LGA and NEOST.

We urge you therefore to support the de-delegation of funding for trade union facilities time and to continue or establish (if you did not do so previously) a mechanism whereby academies within your authority are able to buy into a central fund for trade union facilities time. If you agree to do so, we will write to academy principals to encourage them to buy in to your arrangement.

We will be writing to you again later in the year to find out the decisions made by your Schools Forum.

Yours sincerely



General Secretary
ASCL



General Secretary
NAHT



General Secretary
NEU

Shona Harvey
Bargaining Support Officer
Employment and Bargaining Department
National Education Union



www.neu.org.uk

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AGENDA ITEM 6

REPORT TO SCHOOLS FORUM

14 NOVEMBER
2023

HIGH NEEDS UPDATE REPORT

SUMMARY

To provide Schools Forum with an update on the financial position for High Needs factoring in any recent funding announcements.

RECOMMENDATION

1. It is recommended that Schools Forum notes the report.

SPENDING PRESSURES

2. The school budget outturn report which was presented to the Forum at the meeting on the 27th June 2023 showed that there was a net saving on Dedicated Schools Grant (DSG) of (£1.61m) during the 2022/23 financial year. The in-year net saving of (£1.61m) was made up of a (£1.7m) planned High Needs saving offset by a £0.3m in-year High Needs overspend plus further savings of (£0.21m) on other DSG areas.
3. Therefore the overall cumulative deficit at the end of 2022-23 was £3.87m which was a reduction against the brought forward deficit of £5.48m. The reduced deficit has been carried forward into 2023-24.
4. As noted in the Outturn report presented to the Forum and noted above, the High Needs element of the DSG continued to overspend, net £300k during 2022/23.
5. High Needs pressures in 2022/23 have related mainly to the following:-
 - a. Continuing increase in the number of pre 16 Agency placements
 - b. Additional top-ups, placement costs and one-off funding for pupils in SBC Special Academies
 - c. Increased cost and number of out of area placements with independent providers..
 - d. Increase in the number of pupils staying on to Post-16.
6. The High Needs pressures have continued during the first half of the current financial year. The Schools Budget Monitoring to the 30th September report presented to the Forum in October, identified that the budget was set

anticipating an in year saving of £1.1m. However, based on a review of and increased expenditure on High Needs at quarter 2 it is now expected that this target will not be met. Instead, an in-year saving of £352k is now expected which will reduce the cumulative deficit b/fwd from 2022/23 of £3.87m down to £3.51m instead of the budgeted position of £2.7m.

7. The increases related to the outturn position and in year budgetary control exercises have been built into the updated High Needs Medium Term Financial Plan.

HIGH NEEDS FUNDING 2024/25

8. Details of High Needs Funding for 2024/25 were provided to the Forum at its meeting in October 2023 as part of the Schools Funding report for 2024/25.
9. In summary High Needs Funding nationally is increasing by a further £440 million, or 4.3%, in 2024-25 – following the £970 million increase in 2023-24 and £1 billion increase in 2022-23. This brings the total high needs budget to £10.54 billion – an increase of over 60% since 2019-20. The high needs NFF will ensure that every local authority receives at least a 3% increase per head of their ages 2-18 population, with the majority of authorities seeing gains of more than 3%.

HIGH NEEDS POSITION

10. The current high needs medium term financial plan is attached at **Appendix 1**. The figures which exclude any assumed future block transfer show that high needs expenditure is expected to rise from £39.817m in 2023/24 to £40.432m in 2024/25, then increase to £42.120m by the end of 2026/27.
11. Detailed forecasting work continues to be undertaken and over the last few months the High Needs Medium Term Financial Plan has been updated to reflect the outturn variations in spending during 2023/24 as detailed in paragraphs 2 to 6 above. All aspects of this plan are continually reviewed taking account of;
 - past trends,
 - the current budgetary control position,
 - increase in placement numbers,
 - inflationary increases,
 - changing service requirements,
 - current and future contract requirements,
 - latest funding announcements.
 - delivering better value programme.
12. Therefore based on the current MTFP forecasts presented in **Appendix 1** it is currently **estimated** that there will be a funding surplus of £0.456m in 2024/25, £0.652m surplus in 2025/26 and a £1.251m surplus in 2026/27. These surpluses will be utilised to reduce the current DSG deficit.

13. After taking account of the previously announced national funding allocations and the projected expenditure plans the estimated deficit on the DSG will reduce from £3.514m at the end of 2023/24 to £3.057m at the end of 2024/25, reduce further to £2.404m at the end of 2025/26 and it is estimated that there will be a **DSG deficit** of £1.153m by the end of 2026/27.
14. A point to note with regards to future funding. The figures presented in **Appendix 1** assume an annual increase of 3% in High Needs Block Funding for 2025/26 and 2026/27 which equates to approximately £1.25m per annum. This increase has not been formally announced and if it does not materialise this will increase the financial pressures within High Needs.
15. The Local Authority has a corporate and strategic duty to address the deficit position and pressures on the High Needs budget. Any additional funding is welcome but based on the current estimated expenditure plans this does not fully address the significant pressures the service will face across the medium term from increased service requirements and the current DSG deficit.
16. The way in which local authorities account for DSG deficits has been altered by the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2020 (SI 2020 No 1212), made by what is now the Department for Levelling Up, Housing and Communities (DLUHC), which require DSG deficits to be held in a separate reserve in local authorities' accounts. This is now the accounting treatment that local authorities must follow while those regulations are in force. DLUHC have announced that they are extending these regulations up to and including the accounts for 2025 to 2026.
17. However, as part of the Delivering Better Value programme outlined below, more detailed work on place planning projections has commenced in order that a more sophisticated needs analysis of the types of placements and provision we will need in future years can be developed. This work will result in a need to reprofile future spend.
18. In addition, there have been discussions with both Academy Trusts for the special schools in the Borough, based on evidence that other local authorities provide more funding for places with the same level of need. The outcome of this can be that more pupils from out of borough are placed in Stockton-on-Tees schools with a corresponding need to commission more places from the independent sector at greater cost. A range of options to address these challenges are currently being developed, and will also be factored into the Banding Review the Interim Director of Children's Services has proposed.
19. As a reminder any future accumulated overspend on the High Needs budget will be required to be repaid from future High Needs funding allocations.

HIGH NEEDS - ADDRESSING THE POSITION

20. Due to the ongoing pressures within high needs the authority with the support of the Schools Forum has agreed previous block transfers as detailed below;

2021/22	0.5%	£0.698m
2022/23	0.5%	£0.752m
2023/24	0.5%	£0.795m

During these years these transfers have still proved insufficient to counter the significant cost pressures being experienced from the key drivers as presented in the table below.

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Education, Health and Care Plans ***	1452	1548	1798	1881	2043	2099 (to date)
Permanent Exclusions	56	58	33	38	126	20 (to date)
Agency Placements (At 31/03) *	92	110	112	111	143	160 **

* Based on actual number of pupils in placements at 31/03 each year (please note numbers fluctuate throughout the year)

** Average number of full time equivalents estimated to 31/03/24

*** EHCP numbers are published nationally by calendar year however we have listed by academic year here for ease of comparison.

21. A breakdown of the specific pressures over four years that have led to the requirement for a transfer are shown in the table below:-

High Needs Spend					
	Actual				
	2019/20	2020/21	2021/22	2022/23	% change on 2019/20
Top-ups					
Mainstream schools - pre-16	3,255,127	3,737,135	3,647,929	3,489,579	7.2%
Special Academies	3,604,023	3,693,872	4,579,114	5,387,396	49.5%
AP (incl. PRU / Exclusions / Therapies / PDC's)	1,554,721	1,863,642	1,602,236	1,835,492	18.1%
Early Yrs PVI	254,914	203,279	206,185	221,230	-13.2%
Post-16	1,843,321	2,183,714	1,961,573	2,072,616	12.4%
	10,512,106	11,681,642	11,997,037	13,006,313	
Place funding					
Place funding	9,112,784	8,750,782	8,840,708	9,063,764	-0.5%
Agency Placements	4,298,657	5,106,361	5,425,872	7,056,878	64.2%
Other out of area placements	1,209,891	1,714,765	1,641,508	1,639,536	35.5%
SEN Support**	2,118,633	2,117,008	2,520,687	2,685,161	26.7%
Support for Inclusion	344,993	344,993	344,993	344,993	0.0%
Recoupment of FE places	940,000	1,146,000	1,242,000	1,288,000	37.0%
Total HN Expenditure	28,537,064	30,861,551	32,012,805	35,084,644	22.9%
	-	-	-	-	
HN Funding					
HN Funding	24,659,138	27,744,907	31,391,226	35,625,774	
Transfer from Schools Block	1,400,000	668,684	698,073	751,827	
Early Yrs SEN Inclusion Fund	120,000	120,000	120,000	120,000	
Other DSG savings	510,799	700,212	374,848	201,724	
In-Year overspend /(saving)	1,847,126	1,627,747	(571,342)	(1,614,681)	
	-	-			
Cumulative Deficit					
	4,423,846	6,051,593	5,480,251	3,865,570	
	-	-	-	-	
Notes					
** SEN Support - This includes the costs of non-delegated centrally retained specialist SEN support services for pupils with or without EHC plans (including Early Support Nursery, services for Visual and Hearing Impairment etc.).					

DELIVERING BETTER VALUE PROGRAMME

22. A detailed description of the Delivering Better Value Projects was included in the previous report. Working groups have / are being established with initial meetings taking place over the coming weeks. Further updates will be available on progress of the work in future School Forum meetings.

NATIONAL SEND and AP CHANGE PROGRAMME

23. We are part of the North East Change Programme Partnership (CPP) – one of 9 made up of a geographical cluster. In the North East these are ourselves, Hartlepool, Gateshead and Durham.

24. The CPP is led by a Lead LA, in the North East this is Hartlepool (identified through publicly available data and appointed via an expression of interest.)

25. We are currently in the 'set up' phase, putting in place the governance arrangements and plans to be able to deliver the Change Programme within the North East. This will include our partners from health, schools and families

26. These arrangements will enable us to develop, test and refine the reforms set out in the SEND Improvement Plan and build the evidence base to determine whether reforms deliver both the system and culture changes needed to

improve outcomes and experiences for children and young people with SEND or in AP and their families.

RISK

27. There are a number of key challenges for the Council in meeting its statutory duty to secure, as far as is possible, sufficient provision for children with additional needs:
- a. Demand for places currently significantly outstrips supply;
 - b. The market is currently provider led
 - c. The market is increasingly becoming dominated by similar types of provision, driven by financial considerations and the impact of regulation;
 - d. Securing the right provision for the right price
 - e. There are emerging challenges for both public and private sectors around finding sufficiency quality staff to support provision;

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Budget Plan 2023/24 to 2026/27

	Projection			
	2023/24	2024/25	2025/26	2026/27
	£	£	£	£
Top-ups etc. (Excluding Base Funding)				
Maintained Schools (Mainstream)	1,030,670	1,140,670	1,140,670	1,140,670
Academies Mainstream	2,788,835	2,989,692	3,109,692	3,109,692
Academies Special	5,928,040	5,955,680	5,985,000	6,014,925
SBC - Academies (Post-16)	719,580	723,178	726,794	730,428
Post-16 Other Colleges and Misc	1,898,080	1,821,226	1,912,288	2,007,902
Agency Placements	9,211,000	9,593,507	10,122,285	10,548,813
Nursery - PVI sector	239,700	244,494	249,384	254,372
Out of Area Specialist placements in Academies & Maintained Schools	1,906,285	1,937,965	1,942,141	1,925,359
	23,722,190	24,406,413	25,188,254	25,732,161
Base Funding (Incl. recoupment)				
EMS Maintained Schools and ARP Protection	629,434	615,222	613,833	613,833
PRU	650,000	650,000	650,000	650,000
Academies - EMS - Mainstream and ARP Protection plus Endeavour	1,172,001	1,227,001	1,207,001	1,207,001
Academies Special	5,660,000	5,660,000	5,660,000	5,660,000
Post-16 Places	2,312,000	2,542,000	2,646,000	2,646,000
SEN Support and Inclusion	3,802,359	3,785,602	3,870,583	3,906,572
Alternative Provision (Excluded / at risk of being excluded pupils)	1,472,381	1,546,000	1,623,300	1,704,465
To support further in year pressures	397,066			
	16,095,241	16,025,825	16,270,717	16,387,871
Total High Needs expenditure	39,817,431	40,432,238	41,458,970	42,120,032
DSG High Needs Block Funding				
Initial HN DSG allocation	(39,161,508)	(40,768,668)	(41,991,728)	(43,251,480)
Transfer from Schools Block	(794,840)	0	0	0
DfE Import/Export adj	(93,000)			
Total Funding	(40,049,348)	(40,768,668)	(41,991,728)	(43,251,480)
In Year High Needs Contribution to DSG Deficit	(231,917)	(336,429)	(532,757)	(1,131,448)
Additional Funding				
Early Years Block - SEN Inclusion fund	(120,000)	(120,000)	(120,000)	(120,000)
Sub-total additional funding	(120,000)	(120,000)	(120,000)	(120,000)
Revised Estimated in Year Budget gap / (saving)	(351,917)	(456,429)	(652,757)	(1,251,448)
Brought Forward DSG Deficit	3,865,570	3,513,653	3,057,224	2,404,467
Carry Forward DSG Budget Deficit / (Surplus)	3,513,653	3,057,224	2,404,467	1,153,019
	-	-	-	-

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AGENDA ITEM 7

REPORT TO SCHOOLS FORUM

14th NOVEMBER 2023

Schools Funding Consultation Report 2024-25

SUMMARY

1. Dedicated School Grant (DSG) to Local Authorities is allocated in blocks. There are blocks of funding for Early Years, Schools, High Needs and Central School Services. The Education and Skills Funding Agency (ESFA) uses the national funding formula to calculate the blocks within the DSG that are allocated to local authorities. Local authorities currently have some flexibility in how this funding is allocated to schools, within the framework and constraints set out by the ESFA.
2. Following reports to Schools Forum on 10th October 2023 a consultation exercise was undertaken on proposals for next year's funding arrangements.
3. This paper sets out the results of this recent local consultation with maintained schools and academies which covered preferences for the schools funding formula and a 0.5% transfer from the Schools to High Needs block for 2024/25. The schools forum should take into account the views of the schools responding before making their decision.

RECOMMENDATION

4. Schools Forum is asked to support the proposals for the schools funding formula for 2024/25 (Q1-3) noting that:-
 - All Schools Forum members may vote on these proposals.
 - The local authority is required to consult with Schools Forum on the funding formula, however the local authority retains the final decision on the formula to be used.
5. Schools Forum is asked to consider and vote on a proposal to transfer 0.5% (c £0.833m) from the schools block to the high needs block in 2024/25 (Q4) noting that:-
 - All Schools Forum members may vote on this proposal.
 - It is a Schools Forum decision on whether to accept this proposal. In the event that Schools Forum does not agree, the DfE are able to decide if the local authority requests this.

DETAIL

6. The council recently held a consultation on school funding arrangements for 2024/25. This took place between 11th October and 8th November. A copy of the consultation document issued to schools is attached at **Appendix A** to this report.
7. It should be noted that the options regarding the schools funding formula within the consultation have been calculated based on October 2022 pupil data, which was the basis for the indicative funding published by the ESFA for consultation purposes. The final local authority allocations are due to be confirmed in December 2023 taking into account October 2023 pupil data.
8. The proposals in this report regarding the Schools Funding formula may therefore be subject to change. A Schools Forum meeting has been arranged for 16th January 2024, where the full final proposals will be confirmed prior to submission to ESFA on 22nd January 2024.

Summary of the Consultation Responses

9. Of the 78 schools consulted with, 28 responses were received (compared to 35 in the previous year). The responses include a block of 11 votes from one Academy Trust and a block of 4 votes from another.
10. The breakdown of the 28 responses (which is a 36% response rate) is as shown in the table below:-

LA Primary	6
LA Secondary	0
Primary Academy	16
Secondary Academy	3
AP / Special Academy	3
TOTAL	28

11. Further detail on each of the proposals and consultation responses are provided below. A log of consultation response comments are set out in **Appendix B**.
12. The first three questions related to the Schools Funding formula and are considered together.

Question 1 - Do you agree, funding permitting, to increase the formula factors in line with the NFF? This includes the now mandatory split sites factor). This is an increase of 1.4% to the formula's core factors (plus lump sum), except for the PFI factor increasing in line with the RPIX measure of inflation to reflect the use of RPIX in PFI contracts.

Question 2 - The Council seeks your views on whether you agree with the proposal to set the MFG at the maximum of plus 0.5%, assuming the level of funding permits this?

Question 3 - Do you agree to adjust the Basic Entitlement AWPU if funding allocated to the LA is greater than that needed to fulfil the National Funding Formula?

13. The council is required to apply a funding formula in order to allocate schools block funding to schools. The ESFA sets a range of factors we are able to use in the formula. Within each of these factors there are also certain restrictions that can apply; for example the application of minimum per pupil funding levels.

Consultation Responses

14. With the exception of 1 return, which had no views all remaining responses fully supported the proposals in Questions 1 to 3.

- Q1 - 28 Responded Yes
- Q2 - 28 Responded Yes,
- Q3 - 27 Responded Yes, 1 No Views

15. Schools Forum is asked to support the proposals for the schools funding formula for 2024/25 noting that:-

- a. All Schools Forum members may vote on this proposal.
- b. The local authority is required to consult with Schools Forum on the funding formula, however the local authority retains the final decision on the formula to be used.

Question 4 - Do you support the transfer of 0.5% (estimated at £833k) from the Schools Block to High Needs Block in 2024/25?

16. The council consulted on a 0.5% (£0.833m) transfer from the schools block to the High Needs block. Information was provided to schools on the background to the proposal as part of the consultation document.

17. The full consultation document is attached at Appendix A to this report, but in summary the key points are:

- a. The ESFA expects most movements from schools block will be due to pressures on high needs budgets.
- b. The High Needs block in Stockton, in common with many around the country, is under considerable pressure due to increasing demands.
- c. At the end of the 2022/23 financial year the deficit against the Dedicated School Grant (DSG) was £3.865m.
- d. The DfE have announced that the High Needs NFF for 2024/25 will also have the same factors as at present, with £440 million of additional funding nationally. However, the Government's High Needs budget announcements only refer to one year's funding for 2024/25 and look no further ahead.
- e. Deficits on High Needs can only be recovered from DSG grant without Secretary of State approval to fund from other sources.
- f. Local authorities will continue to be able to transfer up to 0.5% of their Schools Block to the high needs block of the DSG, with schools forum

approval. A disapplication will be required to the Secretary of State for transfers above 0.5%, or any amount without schools forum approval.

- g. The requested transfer is the same level as that requested and approved for the current year 0.5% (2023/24 = £0.795m).

Consultation Responses

18. Of the 28 responses received **13 (46%) supported the proposal**, 15 (54%) did not. From the 13 that supported the proposal, 7 of the respondents were from Academy Trusts with the remainder from Maintained Schools. From the 15 responses that did not support the proposal. All 15 were from Academy Trusts (including a group response of 11 replies from Bishops Hogarth and a group response of 4 replies from Prince Regent Street Trust).

	Yes	No	Total
Academy	7	15	22
Maintained	6	0	6
	13	15	28

19. As noted above 11 of the responses were from the academy trust with the most schools within the borough. If this group response was not included within the results above 13 (76%) of the respondents would have supported the proposal with 4 (24%) not supporting it.

Excluding Bishops Hogarth	Yes	No	Total
Academy	7	4	11
Maintained	6	0	6
	13	4	17

20. If the responses from academy trusts were only counted as 1 reply each then 12 (86%) of the respondents would have supported the proposal with 2 (14%) not supporting it.

	Yes	No	Total
Academy	6	2	8
Maintained	6	0	6
	12	2	14

- 21. Schools Forum is asked to consider and vote on a proposal to transfer 0.5% (c£0.833m) from the schools block to the high needs block in 2024/25 noting that:-
 - a. All Schools Forum members may vote on this proposal.
 - b. It is a Schools Forum decision on whether to accept this proposal. In the event that Schools Forum does not agree with the proposal, the DfE are able to decide, if the local authority requests this.

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School Funding 2024/25 - Consultation Document

PURPOSE

To seek views from maintained schools, academies and free schools on proposals in respect of Schools and High Needs Budgets for 2024/25. The results of this consultation will be presented at the School Forum Meeting on 14th November for relevant Forum Members to vote on each proposal.

Schools forums have a range of responsibilities relating to local funding formulae for mainstream schools. For example, they must be consulted by their LA on changes to local funding formulae for schools and Schools Forums must decide on LAs' proposals to move up to 0.5% of the schools block to other funding blocks. This consultation fulfils the Forums responsibilities.

This consultation ends on **Wednesday 8th November 2023**.

BACKGROUND

The total core schools budget will total over £59.6 billion in 2024-25 – the highest ever level per pupil, in real terms, as measured by the Institute for Fiscal Studies (IFS). This total includes the additional funding for teachers' pay announced in July 2023; the Teachers Pay Additional Grant (TPAG) provides an additional £482.5m in 2023-24, and £827.5m for 2024-25 for mainstream, special and alternative provision schools.

High needs funding is increasing by a further £440 million, or 4.3%, in 2024-25, following the £970 million increase in 2023-24 and £1 billion increase in 2022-23. This brings the total high needs budget to £10.54 billion – an increase of over 60% since 2019-20. The high needs NFF will ensure that every local authority receives at least a 3% increase per head of their ages 2-18 population, with the majority of authorities seeing gains of more than 3%.

Funding through the mainstream schools national funding formula (NFF) is increasing by 1.9% per pupil in 2024-25, compared to 2023-24. Taken together with the funding increases seen in 2023-24, this means that funding through the schools NFF will be 7.6% higher per pupil in 2024-25, compared to 2022-23.

2023-24 was the first year of transition to the direct schools NFF – with the end point being a system in which every mainstream school in England is funded through the same national formula without adjustment through local funding formulae. DoE will continue with the same approach to tightening in 2024-25. As in 2023-24, local authorities will only be allowed to use NFF factors in their local formulae, and must use all NFF factors, except any locally determined premises factors. Local authorities will also be required to move their local formulae factors 10% closer to the NFF values, compared to where they were in 2023-24, unless they are already mirroring the NFF.

The DfE will publish final dedicated schools grant allocations for LA's in December 2023.

SCHOOL BUDGET

The DFE have confirmed the following key elements of the schools National Funding Formula (NFF) in 2024/25:

- a. The basic per pupil funding factor, FSM6 and the lump sum factors have been increased to reflect the rolling in of the mainstream schools additional grant into the NFF. On top of these the core factors in the NFF – the basic per pupil funding factor, additional needs factors and the school lump sum – will increase by 1.6%. The free school meals factor will increase by 1.6%, in line with the GDP deflator forecast for 2024-25.
- b. DoE are rolling in the mainstream schools additional grant to the schools NFF in such a way that the additional NFF funding schools and local authorities receive is as similar as possible to the funding they would receive if the grant was not rolled in.
- c. The minimum per pupil levels in 2024-25 will be set at £4,610 per pupil for primary schools and £5,995 per pupil for secondary schools. This includes £143, £186 and £208 per primary, KS3 and KS4 pupil respectively for the rolling in of the mainstream schools additional grant.
- d. The 2023-24 NFF funding floor is set at 0.5%. This means that every school will attract an increase in their pupil-led funding of at least 0.5% per pupil, compared to their baseline. Funding floor baselines have also been increased to take account of the rolling in of the mainstream schools additional grant.
- e. With the exception of split sites funding, which is now formularised, premises funding will continue to be allocated at local authority level on the basis of the amount spent by local authorities on this factor in their 2023-24 local formulae – as recorded in the 2023-24 Authority Proforma Tool (APT). The PFI factor is increasing in line with the RPIX measure of inflation to reflect the use of RPIX in PFI contracts.
- f. Local authorities will continue to set a Minimum Funding Guarantee in local formulae, which in 2024-25 must be between +0.0% and +0.5%.

Formula Factors Increase

As mentioned above, as part of the 2024-25 operational guidance for local authorities there is a proposed increase to the NFF core factors. It is proposed to increase the formula's core factors by 1.4%. With the exception of split sites funding, which is now formularised, premises funding will continue to be allocated at local authority level on the basis of data in the 2023-24 APT. The PFI factor is increasing in line with the RPIX measure of inflation to reflect the use of RPIX in PFI contracts.

Minimum Funding Guarantee

The MFG is set by the Council after taking account of the views of schools and the Schools Forum. In 2024/25 this can be set between +0.0% and +0.5%. The Minimum Funding Guarantee (MFG) is a way to protect schools funding on a per pupil rate. It is proposed to implement a +0.5% MFG (subject to affordability) so all mainstream schools see an increase at this level for pupil led factors.

Basic Per Pupil Entitlement

Otherwise referred to as AWPU (age weighted pupil unit) this is a compulsory formula factor that assigns funding on the basis of individual pupils, with the number of pupils for each school or academy based on the previous October pupil census. These are not the minimum per-pupil funding levels referred to earlier. Stockton proposes that if there is any funding remaining after ensuring that all the formula factors and protections have been fulfilled that the balance will be allocated to all pupils through the basic entitlement (AWPU) factor.

Question 1 - Do you agree, funding permitting, to increase the formula factors in line with the NFF? (This includes the now mandatory split sites factor). This is an increase of 1.4% to the formula's core factors (plus lump sum), except for the PFI factor which will increase in line with the RPIX measure of inflation to reflect the use of RPIX in PFI contracts.

Question 2 - The Council seeks your views on whether you agree with the proposal to set the MFG at the maximum of plus 0.5%, assuming the level of funding permits this?

Question 3 - Do you agree to adjust the Basic Entitlement AWPU if funding allocated to the LA is greater than that needed to fulfil the National Funding Formula?

HIGH NEEDS BUDGET

The High Needs block supports provision for pupils and students with special educational needs (SEN) and disabilities (SEND), from age 0 to 25, and alternative provision (AP) for pupils who, because of exclusion, illness or other reasons, cannot receive their education in mainstream schools.

As schools will be aware since the introduction of the new SEND code of practice in 2014, there has been a year on year increase in the demand placed on the High Needs Block due to increased numbers of children requiring SEN support and Education, Health and Care Plans (EHCPs).

At the end of the 2022/23 financial year the deficit against the Dedicated School Grant (DSG) was £3.87m. We continue to see an upward trajectory of spend.

The Council is currently working on a revised High Needs Medium Term Financial Plan which will be presented to the Schools Forum at the November 2023 meeting.

The DfE have announced that the High Needs NFF for 2024/25 will also have the same factors as at present, with £440 million of additional funding nationally. For Stockton this means an additional £1.581m is estimated. However, the Government's High Needs budget announcements only refer to one year's funding for 2024/25 and look no further ahead.

For 2024/25 local authorities will continue to be able to transfer up to 0.5% of their schools block to the high needs block of the DSG, with Schools Forum approval. A disapplication will be required to the Secretary of State for transfers above 0.5%, or any amount without Schools Forum approval.

Last year both schools and the Forum supported a transfer of 0.5% (£0.795m) from the Schools Block to the High Needs Block. It is proposed that this remains at 0.5% for 2024/25 (estimated at approximately £833k but subject to change based on the final formula).

The Council consider this proposal a fair balance where the transfer will be minimised to ensure schools receive the maximum possible increase in their budgets to reflect the on-going pressures that they have identified in recent years, whilst the DSG deficit and shortfall in the High Needs budget is addressed.

Question 4 - Do you support the transfer of 0.5% (estimated at £833k) from the Schools Block to High Needs Block in 2024/25?

TIMETABLE

The outputs from the consultation will be reported to the School Forum meeting on 14th November 2023. The table below summarises the next steps;

<u>Date</u>	<u>Process</u>
8 November 2023	Consultation closes
14 November 2023	Consultation outcomes to Schools Forum
17 November 2023	Deadline for Secretary of State Disapplication request to be submitted (if needed).
22 January 2024	Deadline for submission of final 2024 to 2025 APT to ESFA
29 February 2024	Deadline for confirmation of school's budget shares to mainstream maintained schools.

Consultation Questions

Question 1 - Do you agree, funding permitting, to increase the formula factors in line with the NFF? This includes the now mandatory split sites factor). This is an increase of 1.4% to the formula's core factors (plus lump sum), except for the PFI factor increasing in line with the RPIX measure of inflation to reflect the use of RPIX in PFI contracts.

	Response	Comments
Yes		
No		
No views		

Question 2 - The Council seeks your views on whether you agree with the proposal to set the MFG at the maximum of plus 0.5%, assuming the level of funding permits this?

	Response	Comments
Yes		
No		
No views		

Question 3 - Do you agree to adjust the Basic Entitlement AWPU if funding allocated to the LA is greater than that needed to fulfil the National Funding Formula?

	Response	Comments
Yes		
No		
No views		

Question 4 - Do you support the transfer of 0.5% (estimated at £833k) from the Schools Block to High Needs Block in 2024/25?

	Response	Comments
Yes		
No		
No views		

Please complete and certify this sheet and return electronically with your consultation to: andy.bryson@stockton.gov.uk by 5pm on Wednesday 8th November 2023.

If you are unable to include electronic signatures could you please provide authorisation within the body of the email from both the Headteacher and Chair / Clerk to Governors.

Name of School:

.....
Chair or Clerk to Governors (Please specify) **Headteacher**

.....
Print Name

.....
Print Name

Appendix B

LOG OF CONSULTATION RESPONSES

Question 1 - Do you agree, funding permitting, to increase the formula factors in line with the NFF? This includes the now mandatory split sites factor). This is an increase of 1.4% to the formula's core factors (plus lump sum), except for the PFI factor increasing in line with the RPIX measure of inflation to reflect the use of RPIX in PFI contracts.

<u>RESPONSE NO.</u>	<u>COMMENT</u>
1	I would also like to see how this compares to the proposed increase in funding (place and top up funding) to special schools and academies
2	
3	

Question 2 - The Council seeks your views on whether you agree with the proposal to set the MFG at the maximum of plus 0.5%, assuming the level of funding permits this?

<u>RESPONSE NO.</u>	<u>COMMENT</u>
1	
2	
3	

Question 3 - Do you agree to adjust the Basic Entitlement AWPU if funding allocated to the LA is greater than that needed to fulfil the National Funding Formula?

<u>RESPONSE NO.</u>	<u>COMMENT</u>
1	
2	

Question 4 - Do you support the transfer of 0.5% (estimated at £833k) from the Schools Block to High Needs Block in 2024/25?

<u>RESPONSE NO.</u>	<u>COMMENT</u>
1	Constantly supporting the pot with redirected funds is not the long term solution to the High Needs funding crisis. This needs to be addressed separately. (x4 responses)
2	Although this cannot go on indefinitely and savings need to be sought from the high needs pot.
3	We support retaining the transfer of 0.5% from the Schools Block to High Needs block in 2024/25, however the consultation and NFF continues to only affect mainstream settings. The consultation mentions the transfer of approximately £833k to the High Needs Block from the schools block, plus significant (one

	year) additional funding from the DfE for High Needs. Given the ongoing deficit and uncertainty of additional funding in the medium term by the DfE, is the HN MTP currently being prepared going to ensure special schools receive a fair increase in overall funding (base and top-ups) to ensure parity with mainstream settings? (x2)
4	The children serviced from the main Schools Block, should not have their funding decreased. The DfE and LA ought to find a better resolution around servicing the SEND historical deficit. (x11)
5	The HNB funding is accessible to mainstream schools/academies so the schools block should contribute. Given the growing pressures from increasing pupil needs and demand for places/additional support, it is essential that the high needs block is supported.