



GATESHEAD SCHOOLS FORUM AGENDA

Thursday, 18 May 2023 at 2.00 pm via Microsoft Teams

From the Chief Executive, Sheena Ramsey

Item Business

1 Apologies

2 Minutes (Pages 3 - 6)

The Forum is asked to approve as a correct record the minutes of the last meeting held on 16 March 2023

3 Implementing the Direct National Funding Formula - Consultation Response
(Pages 7 - 16)

Carole Smith, Resources and Digital

4 Dedicated Schools Grant Q4 (Pages 17 - 18)

Terence Appleby, Resources and Digital

5 Early Years Budget Announcements (Pages 19 - 20)

Carole Smith, Resources and Digital

6 Exclusion of the Press and Public

The Forum may wish to pass a resolution to exclude the press and public from the meeting during consideration of the following item on the grounds indicated:

Item	Paragraphs of the Schedule 12A to the Local Government Act 1972
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7 Schools in Financial Difficulty (Pages 21 - 22)

Carole Smith, Resources and Digital

8 Date and Time of Next Meeting

Thursday 6 July 2023 at 2.00pm

Contact: Rosalyn Patterson - email: rosalynpatterson@gateshead.gov.uk,
Tel: 0191 433 2088, Date: Wednesday 10 May 2023

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GATESHEAD METROPOLITAN BOROUGH COUNCIL

GATESHEAD SCHOOLS FORUM MEETING

Thursday, 16 March 2023

PRESENT:	Peter Largue (Chair)	Trade Union Representative
	Sarah Diggle	Secondary Maintained Governors
	Jacqui Ridley	Primary Governors
	Brendan Robson	Secondary Faith Academies
	Alison Hall	Primary Maintained Schools
	Paul Harris	Primary Maintained Schools
	Denise Kilner	Nursery Sector Representative
	Julie Goodfellow	Primary Academy Headteachers
	Mustafaa Malik	Primary Headteachers
	Ethel Mills	PVI Sector Representative
	Domenic Volpe	Maintained Secondary Headteachers
	Christina Jones	Pupil Referral Unit
	Councillor Sheila Gallagher	Elected Member

IN ATTENDANCE:	Carole Smith	Gateshead Council
	Terence Appleby	Gateshead Council
	Sue Waugh	Gateshead Council
	Melvyn Mallam-Churchill	Gateshead Council

1 APOLOGIES

Apologies for absence were received from Andrew Fowler and Michelle Richards.

2 MINUTES

The minutes of the meeting held on 16 February 2023 were agreed as a correct record.

3 QUARTER 3 DSG MONITORING

The Forum received a report providing information of the January 2023 projected outturn position of Dedicated Schools Grant (DSG) for 2022/23.

It was reported that at 31 January, the projected year-end outturn for the year was £102.287m with an underspend of £2.714m. It was noted that the main areas of underspend relate to: additional HNB funding, special schools top-ups, ARMS, SEN Support Services and support for Inclusion which are partially being offset by maintained, academy and independent school top ups.

The Forum were advised that the balance of the DSG reserve at 31 March 2022 was

£2.255m. It was stated that by factoring in the in-year underspend of £2.714m and the Early Years adjustment for 2021/22 of £0.043m, it is forecast that the balance will increase to £4.926m at 31 March 2023. The Forum acknowledged that this was a positive position.

RESOLVED:

- (i) The Schools Forum noted the content of the report.

4 MAINSTREAM ADDITIONAL SEND FUNDING

The Forum received a report providing information in relation to applications from 5 schools for additional mainstream special educational needs and disabilities (SEND) funding for the financial year 2022/23.

The Forum were reminded that this process was developed to enable schools with large proportions of children with Education Health and Care Plans (EHCP's) and large numbers of children on their special educational needs (SEN) register to apply for additional high needs block (HNB) funding due to the anomaly in the mainstream funding system that puts inclusive schools at a financial disadvantage.

It was reported that a total of £99,910 had been awarded to 4 schools.

RESOLVED:

- (i) The Schools Forum noted the outcome of the funding applications.

5 MAINSTREAM SCHOOLS HIGH NEEDS TOP UPS

The Forum received a report providing information in relation to the proposed Mainstream school top up rates from April 2023.

It was noted that when the top up structure was introduced in 2013/14 funding was based on an hourly rate of a level 3 Teaching Assistant (TA). The Forum further noted that as funding has not kept pace with the increase of staffing costs, top ups have previously been either increased or decreased in line with MFG. It was stated that because of this prior to 2022/23, the gap between funding and costs had widened.

It was reported that due to the additional funding, it was proposed that tops ups were increased in line with the hourly costs of a level 2 TA of £16.28 per hour; this represented an average increase of 12.41%. It was proposed that TA level 2 point 6 be used for the mainstream top up rate, and this would give an estimated hourly rate of £17.55, an increase of £1.27 and 7.81%.

RESOLVED:

- (i) The Schools Forum approved the mainstream top up increases for 2023/24.

6 COMMISSIONED NUMBERS

The Forum received a report proposing commissioning arrangements for High Needs Places for 2023/24.

From the report, the Forum were advised that as in 2022/23, all special schools and the Pupil Referral Unit (PRU) will receive funding of £10,000 per commissioned place. It was also noted that Resourced Mainstream Schools (ARMS) will receive £6,000 per place for a pupil that is main or current registered at the school and £10,000 for a vacant place or a pupil subsidiary registered at the school.

It was highlighted that the local authority will pay a locally agreed top-up to settings if and where they are necessary. The Forum noted that the top-ups may vary between settings depending on the complexity of pupils' needs and this top-up will only be paid for pupils on roll and will move in real time with the pupils.

The Forum were provided with a table showing the proposed commissioned places for 2023/24; it was noted that Whickham School have 5 additional commissioned places from September 2023.

A request was made that the name 'Pru' be changed to River Tyne Academy in future reporting; this was agreed.

RESOLVED:

- (i) The Schools Forum noted the report.

7 EXCLUSION OF THE PRESS AND PUBLIC

8 FINANCIAL DIFFICULTY FUNDING

The Forum received a report providing an overview of requests for financial difficulty funding by 3 schools.

Denise Kilner and Sarah Diggle left the meeting prior to each case being discussed due to declarations of interest.

RESOLVED:

- (i) The Forum discussed and deliberated on each case carefully with the following recommendations:

Bensham Nursery School

The Forum approved the full amount of funding requested.

Furrowfield Special School

The Forum requested additional and more detailed information.

Hill Top Special School

The Forum requested additional and more detailed information.

9 ANY OTHER BUSINESS

There was no other business.

10 DATE AND TIME OF NEXT MEETING

Thursday 18 May 2023, 2pm.



REPORT TO SCHOOLS FORUM

18 May 2023

TITLE OF REPORT: **Implementing the Direct National Funding Formula – Consultation Response**

Purpose of the Report

1. To bring to Schools Forum the Governments response to the consultation on implementing the Direct National Funding Formula (NFF).

Background

2. The Department for Education (DfE) held a consultation between 7 June 2022 and 9 September 2022, with the consultation response published 26 April 2023.
3. The consultation was around several elements of the move to a direct NFF:-
 - Continuing to have some flexibility within the funding system to move funding to the high needs block (HNB)
 - The determination of indicative notional special educational needs and disability (SEND) budgets for mainstream schools
 - How the DfE should fund schools experiencing significant growth or falling rolls under the NFF
 - Allocation of split site and exceptional circumstances funding, to move away from historic data and allocate funding on school led elements through the NFF
 - How minimum funding guarantee (MFG) will operate in the direct NFF
 - The timescales for the collection of data to calculate allocations and confirm these allocations with schools and trusts to support their budget planning.
4. A link to the full consultation response is below and a summary of DfE responses is provided in appendix 1.

[Implementing the Direct National Funding Formula Government consultation response \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/consultations/direct-national-funding-formula-consultation-response)

Proposal

5. That Schools Forum notes the contents of the report and the information in appendix 1.

Recommendations

6. Schools Forum notes the report.

For the following reasons:-

- To inform Schools Forum of the outcome of the Implementing the Direct National Funding Formula Consultation.

CONTACT: Carole Smith Ext.2747

Appendix 1

Consultation questions and a summary of DfE responses

Question 1

Do you agree that local authorities' applications for transfers from mainstream schools to local education budgets should identify their preferred form of adjustment to NFF allocations, from a standard short menu of options?

Response

The DfE will allow local authorities to request funding transfers to the HNB via a short menu of options to adjust funding to mainstream schools. The menu of options has not yet been published.

Question 2

Do you agree that the direct NFF should include an indicative SEND budget, set nationally rather than locally?

Response

The DfE stated that an indicative SEND budget would be useful for schools, but that this could not replace what resources are actually needed. There will be further engagement to consider the design of the National Standards for SEND in the context of the indicative SEND budget. Further guidance will be published to strengthen the calculation of indicative SEND budgets for 2024-25.

Question 3

Do you have any comments on the proposals to place further requirements on how local authorities can operate their growth and falling rolls funding?

Response

There will be a gradual transition to allow local authorities and schools time to adjust to the new requirements. Local authorities will not be required to provide funding where the growth is as a result of parental choice or academies admitting above their PAN by their own choice. The DfE will continue to engage on the new requirements before publishing final guidance in July 2023.

Question 4

Do you believe that the restriction that falling rolls funding can only be provided to schools judged "Good" or "Outstanding" by Ofsted should be removed?

Response

The restrictions will be removed from 2024-25 and will rely on school capacity return data to provide funding where it shows that school places will be required in the subsequent 3 to 5 years.

Question 5

Do you have any comments on how we propose to allocate growth and falling rolls funding to local authorities?

Response

The DfE confirms that from 2024-25 they will revise the current growth allocation methodology to allocate funding on the basis of both growth and falling rolls on medium Super Output Areas. Areas with that have either significant growth or falling rolls will be allocated funding, and there will be no netting off of funding. Re-baselining will take place following the data collected in the 2024-25 authority proforma tool (APT) and factors will be published July 2023.

Question 6

Do you agree that we should explicitly expand the use of growth and falling rolls funding to supporting local authorities in repurposing and removing space?

Response

The DfE considered the widespread support for the use of growth and falling rolls funding will allow local authorities to fund revenue costs associated with repurposing or reducing school places.

Question 7

Do you agree that the Government should favour a local, flexible approach over the national, standardised system for allocating growth and falling rolls funding; and that we should implement the changes for 2024-25?

Response

Considering the widespread support, some local flexibility will be retained in the allocation of growth funding to schools.

Question 8

Do you have any comments on the proposed approach to popular growth?

Response

Due to widespread support for the consistency of popular growth funding being available to all schools, the DfE will ensure that there is equivalence in funding accessible for all schools. The DfE will work with stakeholders to determine the limited circumstances in which schools should be able to access this funding.

Question 9

Do you agree we should allocate split sites funding on the basis of both a school's 'basic eligibility' and 'distance eligibility'?

Response

There will be a new split sites factor that will be on a formula basis made up of a basic eligibility element and a distance element from 2024-25.

Question 10

Do you agree with our proposed criteria for split sites 'basic eligibility'?

Response

Funding will be allocated on the below criteria for split sites basic eligibility:-

- To be separated from the school's main site by a public road or railway.
- To be used primarily for the education of 5 to 16-year-olds.
- To share a unique reference number (URN).
- To have a building on a site that is maintained by the school.

Question 11

Do you agree with our proposed split site distance criterion of 500 metres?

Response

The DfE state that 500 meters is the right threshold, and there will be a distance taper starting at 100 meters.

Question 12

Do you agree with total available split sites funding being 60% of the NFF lump sum factor?

Response

Around 60% of the 2024-25 NFF lump sum is an appropriate amount of funding given that an additional site should cost less to run than the schools main site.

Question 13

Do you agree that distance eligibility should be funded at twice the rate of basic eligibility?

Response

Two thirds of the available funding will be allocated for basic entitlement and one third of the funding through the distance element.

Question 14

Do you agree with our proposed approach to data collection on split sites?

Response

Local authorities will be required to return data to the Department on all split site schools in their area (including academies and voluntary aided schools) as part of the APT, until we transition to the direct NFF in full.

Question 15

Do you have any comments on our proposed approach to split sites funding?

Response

A national split sites factor will ensure that split site schools are funded on a consistent basis.

Question 16

Do you agree with our proposed approach to exceptional circumstances?

Question 17

Do you have any comments on the proposed approach to exceptional circumstances?

Response questions 16 and 17

Some exceptional circumstances funding will be better suited to be incorporated into other NNF factors, and further work will be undertaken bring them into the NFF. They are as follows:-

- School building contracts via a reformed PFI factor
- Amalgamated schools will receive 100% joint lump sums in the year they amalgamated and 85% in the following year. The use of flexibility will be reviewed for the following year.
- The DfE will continue to work with the sector on funding for very small rural secondary schools and look to bring in some form of protection mechanism.
- Minimum per pupil levels for all through schools with uneven year groups

Other areas funded via exceptional circumstances will be kept under review before finalising a discrete list of eligible categories, and flexibility will be built into the system to allow for new exceptional circumstances to be funded.

Question 18

Do you agree that we should use local formulae baselines (actual GAG allocations, for academies) for the minimum funding guarantee (MFG) in the year that we transition to the direct NFF?

Response

The DfE will use local formulae baselines – and actual GAG allocations for academies – in the year of transition to the direct NFF.

Question 19

Do you agree that we should move to using a simplified pupil-led funding protection for the MFG under the direct NFF?

Response

The DfE will move to a simplified pupil-led funding protection under the direct NFF, together with some mitigation for sparse schools to prevent sudden losses in sparsity funding.

Question 20

Do you have any comments on our proposals for the operation of the minimum funding guarantee (MFG) under the direct NFF?

Response

The DfE will go forward with the proposals to adjust for changing year group structures to prevent over protection of some schools. Impact of any changes on individual schools will be analysed to prevent unintended outcomes.

Significant changes to school led funding will need to be implemented before any simplification of the MFG.

Question 21

What do you think would be most useful for schools to plan their budgets before they receive confirmation of their final allocations: (i) notional allocations, or (ii) a calculator tool?

Response

The DfE will aim to develop a flexible calculator tool that can be used to estimate funding.

Question 22

Do you have any comments on our proposals for the funding cycle in the direct NFF, including how we could provide early information to schools to help their budget planning?

Response

The DfE will continue to provide information on the design of the NFF in July each year and explore what other information can be provided in advance.

Question 23

Do you have any comments on the two options presented for data collections with regard to school reorganisations and pupil numbers? When would this information be available to local authorities to submit to DfE?

Response

Data will be requested in December using a prepopulated form with October census data. However, this will require a tight turnaround period over the holidays. To assist in this process a draft template will be provided before the pre-populated data is available to minimise the amount of work required once the populated data is available.

Question 24

Regarding de-delegation, would you prefer the Department to undertake one single data collection in March covering all local authorities, or several smaller bespoke data collections for mid-year converters?

Response

The DfE will have one single data collection in March when the direct NFF is introduced, however, once the process has been implemented it will be reviewed over time.

Question 25

Do you have any other comments on our proposals regarding the timing and nature of data collections to be carried out under a direct NFF?

Response

The DfE agreed with some wider comments to minimise burdens and provide advance notice of upcoming changes and will continue to work with stakeholders to ensure that processes are as streamlined as possible.

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TITLE OF REPORT: Dedicated Schools Grant Revenue Outturn 2022/23

Purpose of the Report

1. To inform Schools Forum of the final outturn position of Dedicated Schools Grant (DSG) for 2022/23.

Background

2. The DSG is made up of four funding blocks:
 - The **Early Years (EY) block** for 2 and 3 & 4-year-old funding;
 - **Mainstream Schools block** which includes some centrally held and de-delegated funding;
 - **High Needs block (HNB)** which includes special schools, alternative provision and top-ups to maintained schools and academies; and
 - **Central Services Schools block** which includes central functions carried out on behalf of schools, for example, licences, schools' admissions, pension costs.
3. Schools Forum receives details of DSG revenue monitoring throughout the financial year, with the format presented based on the expenditure headings of the Section 251 statement. Details are provided in Appendix 1.
4. The Council-lead DSG budget for 2022/23 is £105.001m.
5. The year-end outturn for the year was £103.248m, an underspend of £1.753m. The projections are based on expected activity at the time of preparing the report. The main areas of underspend relate to: additional HNB funding, SEN Support Services and support for Inclusion which are partially being offset by school top ups.
6. The balance of the DSG reserve at 31 March 2022 was £2.255m. Factoring in the in year underspend of £1.753m and the Early Years adjustment for 2021/22 of £0.043m, the balance has increased to £3.965m at 31 March 2023.

Proposal

7. That Schools Forum notes the content of the report.

Recommendations

8. That Schools Forum notes the content of the report.
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CONTACT: Terence Appleby x2468

2022/23 DSG Revenue Outturn

DSG Area	Central Services Budget £'000	Total Approved Budget £'000	Central Services Outturn £'000	Outturn £'000	Variance £'000	Comments/Notes
Maintained Schools Budget Share		70,266	0	70,207	(61)	
DEDELEGATION						
Contingencies		0	0	(2)	(2)	
Behaviour support services		214	0	236	22	
Support to UPEG and bilingual learners		227	0	167	(60)	
Staff costs		175	0	174	(1)	Maternity Credits & TU facilitator costs
HIGH NEEDS BUDGET						
High Needs Budget (including Special Schools, PRU and Additional Support Top-ups)	547	23,778	506	21,889	(1,889)	-£1,122k Additional HNB -£1,204k SEN Support Services -£814k Support for Inclusion -£55k ARMS +£72k all alternative provision +£392k Special schools - OOB income +£844k Maintained and Academy
EARLY YEARS BUDGET						
2,3 and 4 year-olds funding to PVI's	0	8,908	0	8,767	(141)	
CENTRAL PROVISION WITHIN SCHOOLS BUDGET						
Contribution to combined budgets	50	370	34	373	3	
School admissions		154	20	230	75	
Servicing of schools forums		47	0	47	0	
Termination of employment costs		313	0	320	7	Premature Retirement costs
Pupil growth/ Infant class sizes		40	0	334	295	Thorpe application agreed in March
Other Items		148	0	148	0	CLA/ MPA Licences top sliced from DSG for all school licences
Statutory/ Regulatory duties		358	0	358	0	ESG topslice agreed by Schools Forum
TOTAL DSG	597	105,001	560	103,248	(1,753)	

	£'000	Comments/Notes
Reserves balance at 31 March 2022	(2,255)	
Appropriation to reserve: in year adjustments	43	EY 21/22 clawback
Appropriation (to)/from reserve: in-year (surplus)/deficit	(1,753)	
Projected reserve balance at 31 March 2023 (surplus) / deficit	(3,965)	



REPORT TO SCHOOLS FORUM

18 May 2023

TITLE OF REPORT: Early Years Spring 2023 Budget Announcements

Purpose of the Report

1. To bring to Schools Forum a summary of the Governments Spring 2023 Budget announcements for the early years sector.

Background

2. On the 16 March the Chancellor announced several reforms to childcare for parents, children, and the economy. This included increased funding and increased free entitlement:-
 - Increase in funding rates to local authorities for 2 year olds from a national average of £6 per hour to £8 per hour
 - Increase in funding rates to local authorities for 3 and 4 year olds from a national average of £5.29 per hour to £5.50
 - The average funding for under 2 year olds from 2024/25 will be £11 per hour
 - From April 2024 all working parents of 2 year olds can access 15 hour per week free entitlement
 - From September 2024 all working parents of children aged 9 months to 3 years can access 15 hours per week free entitlement
 - From September 2025 all working parents of children aged 9 months to 3 years can access 30 hours free entitlement
3. The above is in addition to the current free early education entitlements.
4. The DfE have stated that more funding will be available for wrap around care so that parents of school age children can access childcare in their local area from 8am to 6pm.
5. No individual local authority funding rates or funding allocations have been provided to date.

Proposal

6. It is proposed that Schools Forum notes the contents of the report.

Recommendations

7. Schools Forum notes the report.

For the following reasons:-

- To inform Schools Forum of the increased entitlements to early education and the increase in funding that will be available from September 2023.

CONTACT: Carole Smith Ext.274

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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