

Cheshire West & Chester Council

Cheshire West and Chester Schools Forum

Tuesday 18 January 2022
4.30pm – 6.30 pm

Virtual Meeting

Schools Forum Clerk
Children and Families
Cheshire West and Chester Council
Telephone 07584 206913



Notes for members of the public

Cheshire West and Chester Schools Forum

The Council welcomes and encourages you to be at its meetings and Committees.

You are requested to remain quiet whilst the meeting is taking place.

The agenda is sometimes divided into two parts. You are allowed to stay for the first part. When the Forum is ready to deal with the second part you will need to leave the meeting because the business will be of a confidential nature, for example, dealing with individual people, contracts and financial affairs of other parties.

Members of the public wishing to attend Schools Forum meetings should contact the Schools Forum Clerk:

Email: school.relationshipteam@cheshirewestandchester.gov.uk

Telephone: 07584 206913

Agenda for Cheshire West and Chester Schools Forum 18 January 2022

| | | | | |
|----|----------------|---|---------------|------------|
| 1. | 4.30 | Introductions and apologies | | |
| 2. | 4.35 | Minutes and matters arising of last meeting 2.1 To agree the minutes held 7 December 2021 2.2 Matters arising <ul style="list-style-type: none"> • Item 3 School Information Management System (SIMS) Update and Options | Carolyn Davis | Page 4-9 |
| 3. | 4.50 | Indicative Dedicated Schools Grant Allocations for 2022-2023 | Natalie Cole | Page 10-14 |
| 4. | 5.10 | Dedicated Schools Grant (DSG) budget setting 2022-2023 | Natalie Cole | To follow |
| 5. | 5.30 | Draft of 2022-2023 School Funding Formula for January submission | Natalie Cole | Page 15-22 |
| 6. | 5.50 | De-delegation proposals for 2022-2023 | Natalie Cole | Page 23-28 |
| 7. | 6.10 | DSG 2021-2022 Forecast Outturn at Third Review | Natalie Cole | Page 29-31 |
| 8. | 6.20 | Any Other Business | | |
| 9. | 6.30 Finish | Next meeting: Tuesday 8 February 2022 Schedule of meetings 2021-2022 | | Page 32 |

Minutes of Cheshire West and Chester Schools Forum, virtual meeting, on 7 December 2021

| Members | Representing | Attendance |
|-------------------------------|---|-------------------|
| Schools and Academies | | |
| Alan Brown | Primary headteachers | Attended |
| Julie Chambers | Primary headteachers | Attended |
| Sarah Curtis | Primary headteachers | Apologies |
| Ian Devereux Roberts | Primary headteachers | Attended |
| Kate Docherty | Primary headteachers | Attended |
| Sharon Broughton | Primary governors | Apologies |
| Duncan Haworth (Chair) | Primary governors | Attended |
| Lisa Rigby | Primary governors | Attended |
| David Nield | Primary governors | Attended |
| Nick Lacey | Primary governors | Attended |
| David Curry | Secondary headteachers | Attended |
| Mike Holland | Secondary headteachers | Attended |
| Vacancy | Secondary governors | Vacancy |
| Rob Williams | Secondary governors | Attended |
| Mike McCann | Special headteachers | Attended |
| Philip Hopwood | Special governors | Attended |
| Andy Stewart | PRU | Absent |
| Deborah Beaumont | Academies - mainstream | Attended |
| Sarah Connolly | Academies - mainstream | Absent |
| Darran Jones | Academies - mainstream | Apologies |
| Luci Jones | Academies - mainstream | Attended |
| Jason Lowe | Academies - mainstream | Apologies |
| Helen Studley | Academies - mainstream | Attended |
| Vacancy | Academies - special | Vacancy |
| Non Schools | | |
| Sue Anderson | PVI early years providers | Attended |
| Kathryn Magiera | Diocese | Absent |
| Caroline Vile | Diocese | Attended |
| Greg Foster | Unions | Attended |
| Geoff Wright | Unions | Absent |
| Rob Pullen | CWAPH | Attended |
| Cat Hirst | PVI early years providers | Apologies |
| Angela Thornton | PVI early years providers | Substitute |
| Vacancy | 16-19 providers | Vacancy |
| Official Observers | | |
| Councillor Robert Cernik | Cabinet Member for Children and Families | Attended |
| Officers in attendance | | |
| Natalie Cole | Finance Manager | |
| Carolyn Davis | Senior Manager Education and Inclusion | |
| Charlotte Fenn | Clerk | |
| Observer | | |
| Councillor Razia Daniels | Shadow Cabinet Member for Children and Families | |

1. Introductions and apologies

Apologies and substitutes were noted.

Debbie Murphy, Acting Head of Education and Inclusion, sent apologies as she was involved in an Ofsted inspection.

Duncan reported the following updates to Schools Forum membership:

New primary governor representative - Lisa Rigby, Antrobus St Mark's Church of England Primary – previously been in attendance as a substitute.

2. Minutes and matters arising of last meeting

2.1 To agree the minutes from the meeting held 19 October 2021

The minutes of the meeting held on the 19 October 2021 were agreed as a correct record.

2.2 Matters arising

2.2.1 Item 3 Social Finance Averting Exclusions Project

Apologies were noted as a copy of the presentation had only been received and circulated to Schools Forum that day.

2.2.2 Item 4 Early Years Funding Formula Consultation and proposal for 2022-2023

It was noted that the proposals had been approved by Cabinet in November 2021, despite Forums concerns and reservations regarding the recommendation that the Quality supplement be phased out over a two-year period, halving in year one with consideration of full removal in year two.

3. School Information Management System (SIMS) Update and Options

Carolyn Davis provided a verbal report on the latest position regarding the SIMS contract. Carolyn apologised for not providing a report prior to the meeting as the position had been changing on a regular basis and there were still some unanswered questions.

Education and Inclusion were the contract holder for SIMS, Carolyn Davis had led on the procurement for the last two three-year contracts through the Council's framework, funded through de-delegation. The current provider, ESS, had been bought out and the new provider, ParentPay, was offering a cloud-based solution from the 1 April 2022 when the current contract was due for renewal.

Officers had looked at moving away from de-delegation and were working with procurement regarding the new contract. Officers had met with ESS and been informed that, from 1 April 2022, they would be contracting directly with individual schools under a three-year facilitation agreement under the Local Authority, and schools would be invoiced direct, if continuing with SIMS. It was noted that the rate per pupil, under this new contract, had not yet been confirmed. The Local Authority had to nominate one support unit, which would remain as ECWIP ICT Shared Services.

ESS had requested that the Local Authority confirm which schools would be part of the facilitation agreement by 21 December; Carolyn had written to schools requesting this information by 17 December. It was also noted that further guidance was being sought following an article in 'Schools Week' saying that a Department for Education spokesperson was looking into the change and suggesting schools pause before agreeing to the new three-year contract whilst they investigate.

Carolyn asked Forum if they had any queries, they wished to be taken back to ESS. Carolyn acknowledged the timing was one of schools' concerns.

David Curry referred to the communication sent by Carolyn and raised concerns over the high ramifications of unknown inflationary costs, schools need a full year to consider changing systems and asked if Officers could negotiate an extension to the deadline to an academic year. David was also aware that Academies pay around twice as much as a similar size school to his.

Rob Pullen agreed that an extension to the deadline was preferable as schools were already dealing with the impact of Best 4 Business on workloads.

Councillor Cernik agreed with the previous comments and asked if there was a possibility of an overlap between the old and new systems and what percentage of schools used SIMS.

Carolyn responded the majority of schools used SIMS, approximately eight schools used other systems.

David Neild felt it 'high handed' to impose a new contract method without consultation and asked what happens if a school joined a Multi Academy Trust during the three-year contract.

Carolyn responded that currently there was a mechanism for schools to come out of the contract as it was renewed annually, once an Academy contracted direct they could not be part of the current contract, however further guidance was being sought regarding the new three-year contract.

Duncan Haworth asked if ParentPay had indicated if there would be any link between their system and SIMS.

Carolyn agreed to ask ESS the question.

Natalie Cole confirmed that the current per pupil rate was approximately £4.00 for secondary and slightly less for primary and expected similar rates for the new contract though the rates had not yet been confirmed.

Concerns were also raised of the costs of additional modules on top of the initial entitlement.

Resolved that Schools Forum note the report.

4. Government consultation - Reforming how local authorities' school improvement functions are funded

Natalie Cole introduced the report and took Forum through the key points from the Government consultation and the potential impact on Cheshire West and Chester of the consultation proposals.

It was noted that the current School Improvement budget was made up of three funding sources, DSG (Central School Services Block), Council base budget and School Improvement Monitoring and Brokering (SIMB) grant and the indicative amount to replace the 50% grant reduction would be £7.42 per pupil. A short survey had been sent to schools, on behalf of Schools Forum, seeking views on de-delegation in order to help inform Forum's decision if one was required to be made at the January Forum.

Duncan Haworth reported that the Schools Forum Finance subgroup had supported the Local Authorities response to the consultation and submitted a response accordingly.

Rob Pullen sought clarification as to whether the service would be through de-delegation or buy back.

Natalie responded that the intention was for it to be through de-delegation rather than a traded service initially to allow time to look at what services could be traded, the de-delegation could be looked at as an insurance policy.

Councillor Cernik sought clarification as to what would happen where schools converting to Academies needed School Improvement and how any short fall would be covered.

Natalie responded that there would be a short fall if funds were not de-delegated, Officers would have to reprioritise funds to cover the core activities at the detriment to other initiatives. It was also noted that the SIMB grant was to fund maintained schools and not Academies, different funding was available for schools converting to Academies. It was also noted that the DSG element of the School Improvement budget was being removed (reference paragraph 9).

David Curry reported that the consultation proposal would be raised at CWASH and would invite Christine Ridley Thomas, (School Improvement Manager) to attend. David also raised concerns as to where schools could go to get support as schools no longer had the Teaching School Alliances and support had been

fragmented out to teaching hubs. David was also very concerned at the timescale for the proposed changes which was 'ridiculous'.

Natalie informed Forum that Christine Ridley Thomas had taken the proposals to CWEIB (Cheshire West Education Improvement Board) who had raised similar concerns.

Forum members asked if the current funding was sufficient.

Natalie responded that the costs could vary from one year to the next due to the needs. It was noted that there was an option to de-delegate less than the current amount and if not spent, it would be ringfenced and carried forward for maintained schools.

It was noted that Forum members valued the School Improvement mechanism and were aware that it would not work if schools had to buy support that they could not afford.

Rob Pullen confirmed that the proposals were on the CWAPH agenda for tomorrow's meeting.

Alan Brown asked if the ASIA (Associate School Improvement Adviser) role came under this area. Natalie confirmed that they did but would need to refer to Christine Ridley Thomas as to what the impact would be on the provision on offer.

It was acknowledged that de-delegation would collectively be for the greater good, but schools would need to feel they were getting a good service.

Duncan Haworth reminded Forum that it was in everyone's interest to respond to the survey sent out on behalf of Schools Forum.

Resolved that Schools Forum note the report

5. Summary of the Comprehensive Spending Review and Autumn Budget 2021 Announcement

Natalie Cole took Forum through the report which summarised the recent national funding announcements.

It was noted that the announcement was largely good news as there was more funding than expected, however the announcement did not refer to the SIMB proposals.

Councillor Cernik acknowledged that funding had dropped yearly since 2010 and this uplift, although welcomed, would not bring it back to those levels. Natalie commented that the growth in population had also not been recognised in the announcement of extra funding.

Further details regarding the impact on funding for Cheshire West and Chester were expected to be announced on 15 December.

Resolved that Schools Forum note the report.

6. Dedicated Schools Grant (DSG) 2021-2022 Forecast Outturn at Second Review

Natalie Cole went through the report which provided an update on the financial forecast outturn position for 2021-2022 for centrally held DSG.

It was noted this was a worsened position compared to the forecast balanced budget reported in July and was largely due to the increased number of SEN placements in independent schools. Being in deficit was a new situation for CW&C and work was being done on a recovery plan which would be brought to Forum in January. However, it was noted that the Local Authority would struggle to set a balanced budget next year, though the position might change once they knew the 15 December funding notification.

The Local Authority would be seeking to re-confirm the existing (not additional) 0.5% transfer for another year in 2022-23, views were being sought as part of the current survey sent out on behalf of Schools Forum.

Resolved that Schools Forum note the report.

7. Any Other Business

Vice-Chair and Finance and High Needs subgroup vacancies

Duncan Haworth reminded Forum that they were still looking for a Vice-chair and subgroup members. Those interested should contact the Clerk.

8. Next meeting

Change of dates/cancellation

Finance subgroup - 14 December 2021 cancelled

Schools Forum – 11 January changed to Tuesday 18 January 2022 4.30 - 6.30 virtual.

Finance subgroup - 18 January changed to Monday 24 January 2022 2.00 - 4.00 virtual.

Agenda Item 3

Indicative Dedicated Schools Grant Allocations for 2022-2023

Purpose of the Report

1. This report details the provisional allocation figures for the Dedicated Schools Grant (DSG) for 2022-2023 as published in December 2021.

Recommendations

2. The Schools Forum is requested to note the indicative allocations which will inform the schools block funding formula and DSG budget proposals for 2022-2023 in further agenda items.

Background

3. The provisional DSG national funding formulae allocations for 2022-2023 were made available by the Education and Skills Funding Agency (ESFA) in September 2021 and tabled to Schools Forum in October 2021. This information provided the updated funding rates for the Local Authority to determine with Schools Forum, the Schools Block funding formula which was then approved by Cabinet in November 2021. The provisional September allocations have now been updated to reflect the Autumn 2021 Budget announcement and the October 2021 census with updated indicative 2022-2023 DSG allocations published on 16 December 2021.

Indicative DSG Allocation for 2022-2023

4. The final DSG allocation for Cheshire West and Chester in 2021-2022 is £302.028m. The indicative allocation for 2022-2023 is £321.526m and shows a net increase in DSG funding of £19.498m. A summary of the current and indicative next year allocation is shown in the table below.

Final DSG 2021-2021 and indicative 2022-2023 allocation

| DSG Allocation Block | Final 2021-2022 £000 | Indicative 2022-2023 (Dec 2021) £000 | Change £000 |
|-------------------------------|-------------------------|--|----------------|
| Schools Block | 231,818 | 245,879 | 14,062 |
| High Needs Block | 45,899 | 51,608 | 5,709 |
| Early Years Block | 21,763 | 21,691 | -72 |
| Central School Services Block | 2,548 | 2,347 | -201 |
| Total DSG Allocation | 302,028 | 321,526 | 19,498 |

5. The increase in available funding is due to the following changes in the allocation:
- An additional £6.476m (2.8%) for primary and secondary schools arising from the national investment in the Schools Block through the National Funding Formula (NFF) for schools and a further £0.7m to recognise the growth in pupil numbers in the Borough;
 - A further allocation of £6.885m in additional funding for primary and secondary schools to provide support for the costs of the Health and Social Care Levy and wider costs as a supplementary grant outside of the NFF.
 - £3.891m increase to High Needs Block funding reflecting the minimum guaranteed 8% cash increase in the spending announcement and growth in pupil numbers in specialist provision.
 - In addition to the schools supplementary grant, local authorities have been allocated additional high needs funding for 2022-2023. This is a further allocation of £1.818m in addition to the High Needs Block increase through the NFF.
 - A net £0.072m (-0.3%) decrease in the Early Years Block allocation for two year old and three and four year old nursery entitlements. This allocation reflects an increase in per child hour funding rates of 3.3% but is offset by lower child numbers reducing the overall allocation available compared to 2021-2022.
 - A reduction in the Central School Services Block of £0.2m (8%) from the removal of protection for historic and ongoing commitments in the move towards a national funding formula for local authority services.
6. The indicative DSG allocation (before academy recoupment and deductions of high needs places funded directly by the ESFA) is detailed in **Appendix A**.

Further details in the December announcement

Early Years Block

7. In the Spending Review announcement, the Chancellor announced a £160m investment in early years funding in 2022-2023 to increase the hourly rates for early years entitlements. The allocation of the investment has been confirmed as follows:
- an 21p per child hour increase to the 2 year old funding rate to local authorities
 - an increase to 3 and 4 year old rates of 17p per child hour with a minimum funding floor for local authorities of £4.61 per child hour (CW&C funding remains at this minimum level).
 - An increase of 7p to 60p per child hour to Early Years Pupil Premium and
 - Disability Access funding to increase from £615 to £800 per eligible child.

Supplementary allocation for mainstream schools

8. In the 2022-2023 financial year, schools will be allocated £1.2 billion of additional funding, to provide support for the costs of the Health and Social Care Levy and wider costs. This funding will be allocated through the schools supplementary grant 2022-2023. School-level allocations will be published in spring 2022 and this additional funding will be provided in each year of the current spending review period. The intention is that payment of this additional funding in the form of a separate grant will be for 2022-2023 only. The funding will be incorporated into core budget allocations for 2023-2024 where possible. So, for primary and secondary schools (pupils aged 5 to 16), this will mean the funding being rolled into the schools national funding formula (NFF) for 2023-2024. Both local authority-maintained mainstream schools and mainstream academies will receive allocations under the schools supplementary grant, covering the financial year 2022-2023.
9. Funding rates for the grant have been published. An area cost adjustment (ACA) will be applied to those rates for which adjustment for CW&C is 0.363. The funding rates will be as shown in the table below. The ESFA have not yet published school level allocations which will be updated following the spring census. Allocations to match the indicative allocation of £6.885m have been calculated locally and are available in Appendix B to assist mainstream schools with budget planning.

| | Funding rate including ACA £ |
|--------------------------------|------------------------------|
| Early years pupils in schools | 24.09 |
| Primary pupils | 97.35 |
| Key stage 3 pupils | 137.50 |
| Key stage 4 pupils | 155.56 |
| Lump sum per school | 3693.36 |
| FSM6 eligible primary pupils | 85.31 |
| FSM6 eligible secondary pupils | 124.45 |
| 16-19 students | 35.13 |

Other grant funding

10. Pupil premium for 2022-2023

Funding rates for the pupil premium in the financial year 2022-2023 will increase by forecast inflation.

- Primary pupils: will increase from £1,345 to £1,385
- Secondary pupils: will increase from £955 to £985
- Looked-after children: will increase from £2,345 to £2,410
- Children who have ceased to be looked-after: will increase from £2,345 to £2,410
- Service children: will increase from £310 to £320

Next Steps

- 11.** For the indicative allocations to form the basis of the schools block formula submission and budget setting proposals. Other grant allocations will be made available to schools when they are published by the ESFA.

Appendix A Final DSG 2021-2022 and Indicative 2022-2023 allocation

| DSG Allocation Block | Final 2021-2022 | | | Indicative 2022-2023 | | | Change to 2021-2022 £000 | Supplementary allocation £000 | Change to DSG £000 |
|---|-----------------|--------------------|-----------------|----------------------|--------------------|-----------------|--------------------------|-------------------------------|--------------------|
| | Pupil Numbers | Amount per pupil £ | Allocation £000 | Pupil Numbers | Amount per pupil £ | Allocation £000 | | | |
| Schools Block | | | | | | | | | |
| Primary unit of funding | 27,364 | 4,492 | 122,926 | 27,291 | 4,617 | 126,009 | 3,083 | | |
| Secondary unit of funding | 18,536 | 5,659 | 104,885 | 18,741 | 5,824 | 109,148 | 4,263 | | |
| Funding of growth | | | 1,085 | | | 930 | -156 | | |
| Funding of premises | | | 2,921 | | | 2,908 | -13 | | |
| | 45,900 | | 231,818 | 46,032 | | 238,995 | 7,177 | 6,885 | 14,062 |
| High Needs Block | | | | | | | | | |
| NFF | | | 41,100 | | | 44,874 | 3,773 | | |
| Basic Entitlement factor | 1,083 | 4,686 | 5,075 | 1,108 | 4,686 | 5,192 | 118 | | |
| Import/export | | | -276 | | | -276 | 0 | | |
| | | | 45,899 | | | 49,790 | 3,891 | 1,818 | 5,709 |
| Early Years Block | | | | | | | | | |
| 3 and 4 year old entitlement | 5,059 | 2,531 | 12,804 | 4,771 | 2,628 | 12,536 | -267 | | |
| Maintained nursery supplement | | | 66 | 26 | 1,351 | 35 | -31 | | |
| Disability Access Funding | 146 | 615 | 90 | | | 109 | 19 | | |
| 3 and 4 year old extended hours | 2,468 | 2,531 | 6,245 | 2,390 | 2,628 | 6,281 | 36 | | |
| 2 Year Olds | 771 | 3,101 | 2,389 | 796 | 3,221 | 2,565 | 175 | | |
| Early Years Pupil Premium | 558 | 302 | 169 | | | 165 | -4 | | |
| | | | 21,763 | | | 21,691 | -72 | 0 | -72 |
| Central School Services Block | | | | | | | | | |
| Ongoing responsibilities | 45,900 | 37.06 | 1,701 | 46,032 | 36.92 | 1,699 | -2 | | |
| Historic commitments | | | 810 | | | 648 | -162 | | |
| Funding for centrally employed teachers | 45,900 | 0.81 | 37 | | | | -37 | | |
| | | | 2,548 | | | 2,347 | -201 | 0 | -201 |
| Total DSG Allocation | | | 302,028 | | | 312,823 | 10,795 | 8,702 | 19,498 |

Cheshire West and Chester Schools Forum

18 January 2022

Agenda item 5

Draft of 2022-2023 School Funding Formula for January Submission

Purpose of the Report

1. This report details the draft School Funding Formula for 2022-2023 taking into account the decisions taken previously on the principles of the local funding formula and the October 2021 census data provided by the Education and Skills Funding Agency (ESFA).

Recommendations

2. The Schools Forum (School, Academy and PVI representatives) is requested to endorse the draft funding formula submission to the ESFA. Proposed unit values and school level allocations are included in Appendix C and D respectively.

Background

3. The submission to the ESFA of the Schools Block Funding Formula for primary and secondary schools and academies is required by 21 January 2022. Following the consultation with schools and academies in October 2021, Schools Forum recommended to continue to mirror the National Funding Formula factors and values for 2022-2023. This decision was endorsed by Cabinet at the meeting of 24 November 2021. The final budget approval and formula values will be taken by Council on 17 February 2022.
4. The 2022-2023 formula will be based on pupil numbers and demographics taken from the October 2021 census. This data was made available by the ESFA on 21 December 2021 and forms the basis of the formula values proposed in this report for the final formula submission. A summary of the pupil numbers used for the pupil led formula factors is shown in Appendix A.

Impact of October 2021 Census and pupil data

5. Census data - change in pupil numbers

From October 2020 to October 2021 there was an overall net increase of 132 pupils to be funded through the schools block funding formula – a decrease of 73 primary school pupils (-0.3%) and an increase of 205 secondary pupils (1.1% increase). This pupil count is the same as is used for the Dedicated Schools Grant Schools Block allocation for 2022-2023.

Estimated pupil numbers

6. In determining the school funding formula, adjustments are made to census data for estimated growth where schools are permanently increasing their capacity. This has been applied in accordance with the Schools Block Operational Guidance to three secondary schools for 2022-2023. The pupil numbers for each school have been increased by 17.5 places (30 places for 7 months September to March) to be funded from the DSG growth allocation. The actual pupil numbers used and stated in the appendices take into account this adjustment of 52.5 pupils and therefore differ from the census data.

Basic Entitlement

7. The value of the Basic Entitlement factor for primary, KS3 and KS4 are based on the NFF rates. As in previous years, the release of Minimum Funding Guarantee protection and headroom in the schools block allocation from growth has allowed the per pupil rates to be increased to match the overall affordability of the formula. A further increase of £32.56 per pupil for primary and £18.75 per pupil for secondary has been affordable in line with the Primary and Secondary units of funding such that all schools will receive this increase on the NFF per pupil amount.

Deprivation

8. As in 2021-2022, there has again been a significant increase in the number of pupils eligible for free school meals. Between the October 2020 and 2021 censuses there has been a 4.9% increase in primary and 13% in secondary pupils eligible. This can reasonably be assumed to be linked to the current economic climate and targeted funding to schools will increase for the cost of delivering free school meals. It should be noted that the funding available in the DSG allocation is based on October 2020 eligibility and therefore the increase through this factor has been met from headroom in the overall allocation that would otherwise have been allocated through the basic entitlement factor.

Prior attainment

9. Following the cancellation of assessments in summer 2020 and summer 2021 due to COVID-19, 2019 assessment data has again been used as a proxy to determine the primary low attainment factor. In secondary, as in previous years, a national weighting has been applied to the secondary low attainment figures to accommodate the changes in Key Stage 2 assessment where, at a national level, a higher number of all cohorts will be identified as having low prior attainment. The ESFA have established a national weighting of 65% to be applied to years 7 to 9 low scorers, 64% to year 10, 58% to year 11 to ensure that this does not have disproportionate influence within the overall total for low attainment funding. Local authorities are not able to change the weighting, but would be able to adjust their secondary low prior attainment unit value if necessary to maintain their low prior

attainment factor at previous levels without significant turbulence. However, to remain in line with the NFF values it is not considered necessary to adjust the unit value for 2022-2023 for the change in eligible pupil numbers.

Premises factors

10. All premises factors will continue to be allocated in line with the existing criteria set out in the table below. Values for the PFI factor, split sites and exceptional premises factors have been inflated by 3.17% for 2022-2023 in line with the inflationary increase applied to the DSG allocation.

| | |
|-----------------------------------|--|
| Approved Exceptional Circumstance | Rent for one school to ensure that they have sufficient premises. The sum is more than 1% of the school's budget and only impacts upon this school. This exceptional circumstance was in place for 2021-2022 and has been increased by inflation for 2022-2023. |
| Approved Exceptional Circumstance | Approval for exceptional premises factor for Upton high School for hire of sports facilities in place from 2016-17. The sum is more than 1% of the school's budget and only impacts upon this school. This exceptional circumstance was in place for 2021-2022 and has been increased by inflation for 2022-2023. |
| Split Sites | Schools which have main buildings more than 110 metres apart qualify for a Split Site Allowance of £36,673 (inflation added to 2021-2022 value). |
| PFI Funding | Delegated amounts are an apportionment of affordability gap across the 6 PFI schools. The affordability gap for each school has been calculated using a combination of direct and apportioned costs to give a % for each school which is set out in the revised governing body agreements. Amounts have been inflated from 2021-2022 values to meet the inflationary increase in the unitary charge. |

Other criteria

11. The existing criteria for growth and additional funding from the high needs block will be included in the submission to the ESFA.

| | |
|--------|---|
| Growth | A school or academy will be eligible for support where it has been agreed with the authority to provide an extra class in order to meet basic need in certain areas of the Borough (either as a bulge class or as an ongoing commitment). The school or academy will receive the primary or KS3 basic entitlement rate per pupil for the proportion of the year which is not funded within the school's budget share. Funding will also be made available where the Local Authority requests that a school/academy increase by an agreed number of extra classes to meet demand from new housing developments in the catchment area. A lump sum payment will be available for each new class that has not otherwise been funded by varying estimated pupil numbers. |
|--------|---|

| | |
|---|---|
| | <p>Funding of £40,000 will be allocated for up to one year for each additional class to allow additional provision to be created.</p> <p>To access the funding:</p> <ul style="list-style-type: none"> • The Headteacher/Governing Body is required to submit a plan to the Local Authority with timeline for creating the additional classes. • Funding will only be released at the point that an extra class needed to be created and not in advance. • Funding will only available for up to one year. Should pupil numbers have increased sufficiently to sustain the cost of the new class through the funding formula, the lump sum will be made available pro rata for the complete months up to the new financial year (or academic year for academies) |
| Additional funding from the high needs budget | <p>Additional funding from the High Needs block will be distributed under the following criteria. Notional SEN must be sufficient to meet the first £6,000 of each high needs pupil on roll recognising any part year effect of starters and leavers. For schools up to and including 150 pupils, the notional SEN must also be sufficient to cover £6,000 for every 1:50 pupils. Therefore, additional funding will be made available from the high needs block if Notional SEN < (number of high needs pupils * £6,000) + (£6,000 for every 1:50 pupils for schools with 150 or fewer pupils). Reviews will be carried out on a termly basis</p> |

Confirmation of centrally retained budgets

12. The draft formula assumes that the Schools Block allocation will be distributed in full except for the Growth Fund and the continuation of the 0.5% transfer to the high needs block. Budget setting items to be tabled in February will not affect the total amount to be distributed to primary and secondary schools which is now ringfenced.

Draft funding allocations by school

13. Draft 2022-2023 funding for each school based on the assumptions above are attached at Appendix D. Schools should note that this version is draft and subject to any changes arising from the Schools Forum and subsequent ESFA and Council approvals. A summary of the funding to be allocated through each factor to each sector and the formula values are included in Appendices B and C.

Next Steps

14. Further to any amendments described within this report, the School Funding Formula will be submitted to the ESFA for 21 January deadline for final approval. A draft funding statement will be sent to schools following this so that schools are notified as early as possible of the proposed allocations. As per the requirements of the School Finance Regulations, final funding statements will be issued to individual maintained schools by 28 February 2022.

Appendix A

Comparison of pupil numbers for the pupil led formula factors in the October 2020 and October 2021 censuses adjusted for estimated growth numbers with change in numbers and percentage changes between years

| Pupil Led Formula Factor | October 2020 Census | % of Cohort | October 2021 Census | % of Cohort | Change in pupil numbers | % change |
|------------------------------------|---------------------|-------------|---------------------|-------------|-------------------------|----------|
| Primary | | | | | | |
| NOR Primary | 27,364 | | 27,291 | | -73 | -0.3% |
| Primary FSM Units | 4,763 | 17.4% | 4,995 | 18.2% | 232 | 4.9% |
| Primary Ever 6 Units | 5,227 | 19.1% | 5,260 | 19.2% | 33 | 0.6% |
| IDACI Primary Units Band G | 17,728 | 64.6% | 17,760 | 64.7% | 32 | 0.2% |
| IDACI Primary Units Band F | 2,556 | 9.3% | 2,546 | 9.3% | -9 | -0.4% |
| IDACI Primary Units Band E | 2,098 | 7.6% | 2,024 | 7.4% | -73 | -3.5% |
| IDACI Primary Units Band D | 928 | 3.4% | 976 | 3.6% | 48 | 5.2% |
| IDACI Primary Units Band C | 1,489 | 5.4% | 1,490 | 5.4% | 1 | 0.1% |
| IDACI Primary Units Band B | 2,096 | 7.6% | 2,049 | 7.5% | -47 | -2.2% |
| IDACI Primary Units Band A | 470 | 1.7% | 445 | 1.6% | -25 | -5.3% |
| EAL 3 Primary Units | 972 | 3.5% | 976 | 3.6% | 4 | 0.4% |
| Low attainment total Primary Units | 7,629 | 27.8% | 7,477 | 27.3% | -152 | -2.0% |
| Secondary | | | | | | |
| NOR Secondary | 18,557 | | 18,794 | | 237 | 1.3% |
| NOR KS3 | 11,300 | 63.3% | 11,444 | 64.1% | 144 | 1.3% |
| NOR KS4 | 7,257 | 40.7% | 7,350 | 41.2% | 93 | 1.3% |
| Secondary FSM Units | 3,084 | 17.3% | 3,483 | 19.5% | 399 | 13.0% |
| Secondary Ever 6 Units | 3,956 | 22.2% | 4,195 | 23.5% | 239 | 6.0% |
| IDACI Secondary Units Band G | 12,632 | 70.8% | 12,691 | 71.1% | 59 | 0.5% |
| IDACI Secondary Units Band F | 1,483 | 8.3% | 1,511 | 8.5% | 29 | 1.9% |
| IDACI Secondary Units Band E | 1,402 | 7.9% | 1,405 | 7.9% | 3 | 0.2% |
| IDACI Secondary Units Band D | 614 | 3.4% | 642 | 3.6% | 28 | 4.5% |
| IDACI Secondary Units Band C | 972 | 5.4% | 981 | 5.5% | 10 | 1.0% |
| IDACI Secondary Units Band B | 1,219 | 6.8% | 1,311 | 7.3% | 92 | 7.5% |
| IDACI Secondary Units Band A | 235 | 1.3% | 252 | 1.4% | 17 | 7.2% |
| EAL 3 Secondary Units | 177 | 1.0% | 190 | 1.1% | 13 | 7.1% |
| Low Attainment Secondary Units | 4,243 | 23.8% | 4,294 | 24.1% | 51 | 1.2% |

Appendix B

Summary of funding by factor for each sector

| | 2022-23 | | | | 2021-22 | | | | Change £ | | | |
|-----------------------------|-----------------|-------------------|----------------|----------------------------|-----------------|-------------------|----------------|----------------------------|-----------------|-------------------|---------------|----------------------------|
| | Primary £000 | Secondary £000 | TOTAL £000 | % of funding pre MFG | Primary £000 | Secondary £000 | TOTAL £000 | % of funding pre MFG | Primary £000 | Secondary £000 | TOTAL £000 | % of funding pre MFG |
| Basic Entitlement | 88,684 | 89,833 | 178,517 | 75.26% | 86,615 | 86,564 | 173,179 | 75.37% | 2,068 | 3,269 | 5,338 | -0.11% |
| Deprivation | 8,942 | 8,507 | 17,450 | 7.36% | 8,622 | 7,783 | 16,405 | 7.14% | 321 | 724 | 1,045 | 0.22% |
| Prior attainment | 8,449 | 7,342 | 15,791 | 6.66% | 8,354 | 7,044 | 15,398 | 6.70% | 95 | 298 | 393 | -0.04% |
| EAL | 552 | 290 | 842 | 0.35% | 535 | 263 | 798 | 0.35% | 17 | 27 | 44 | 0.01% |
| Lump Sum | 15,730 | 2,426 | 18,156 | 7.65% | 15,314 | 2,356 | 17,670 | 7.69% | 416 | 70 | 486 | -0.04% |
| Sparsity | 833 | 29 | 861 | 0.36% | 244 | 0 | 244 | 0.11% | 589 | 29 | 617 | 0.26% |
| Mobility | 160 | 2 | 162 | 0.07% | 77 | 1 | 78 | 0.03% | 83 | 1 | 84 | 0.03% |
| Split Site | 110 | 0 | 110 | 0.05% | 71 | 0 | 71 | 0.03% | 39 | 0 | 39 | 0.02% |
| Estimated Rates | 1,723 | 592 | 2,314 | 0.98% | 1,746 | 593 | 2,339 | 1.02% | -23 | -1 | -24 | -0.04% |
| PFI Allocations | 363 | 46 | 409 | 0.17% | 352 | 44 | 396 | 0.17% | 11 | 1 | 13 | 0.00% |
| Exceptional Factors | 21 | 72 | 92 | 0.04% | 20 | 69 | 90 | 0.04% | 1 | 2 | 3 | 0.00% |
| Minimum levels | 1,960 | 534 | 2,494 | 1.05% | 2,301 | 807 | 3,108 | 1.35% | -342 | -273 | -614 | -0.30% |
| Initial Formula | 127,526 | 109,673 | 237,199 | 100.00% | 124,251 | 105,525 | 229,776 | 100.00% | 3,274 | 4,148 | 7,422 | 0.00% |
| Minimum Funding Guarantee | 233 | 61 | 294 | 0.1% | 428 | 198 | 626 | 0.27% | -195 | -137 | -331 | -0.15% |
| Final School Formula | 127,759 | 109,734 | 237,493 | | 124,679 | 105,723 | 230,402 | | 3,080 | 4,011 | 7,091 | |

Appendix C 2021-2022 formula values used in Cheshire West and Chester (CW&C) against the 2022-2023 funded NFF values and proposed CW&C formula values

| Funding Factors | 2021-2022 CW&C formula values £ | 2022-2023 indicative SNFF formula values £ | 2022-23 proposed CW&C formula values £ |
|---|--|---|---|
| Basic per-pupil funding | | | |
| Basic entitlement: Primary | 3,177 | 3,217 | 3,250 |
| Basic entitlement: Secondary – Key Stage 3 | 4,458 | 4,536 | 4,555 |
| Basic entitlement: Secondary – Key Stage 4 | 5,017 | 5,112 | 5,131 |
| Minimum per pupil funding level Primary | 4,180 | 4,265 | 4,265 |
| Minimum per pupil funding level Secondary | 5,415 | 5,525 | 5,525 |
| Additional needs funding | | | |
| Current Free School Meal (FSM) top up (Pupils currently claiming FSM at the last census): Primary | 460 | 470 | 470 |
| Current FSM top up (Pupils currently claiming FSM at the last census): Secondary | 460 | 470 | 470 |
| FSM6 (Any pupil that has ever claimed FSM in the past 6 years): Primary | 575 | 590 | 590 |
| FSM6 (Any pupil that has ever claimed FSM in the past 6 years): Secondary | 840 | 865 | 865 |
| Income Deprivation Affecting Children Index (IDACI) band F: Primary | 215 | 220 | 220 |
| IDACI band F: Secondary | 310 | 320 | 320 |
| IDACI band E: Primary | 260 | 270 | 270 |
| IDACI band E: Secondary | 415 | 425 | 425 |
| IDACI band D: Primary | 410 | 420 | 420 |
| IDACI band D: Secondary | 580 | 595 | 595 |
| IDACI band C: Primary | 445 | 460 | 460 |
| IDACI band C: Secondary | 630 | 650 | 650 |
| IDACI band B: Primary | 475 | 490 | 490 |
| IDACI band B: Secondary | 680 | 700 | 700 |
| IDACI band A: Primary | 620 | 640 | 640 |
| IDACI band A: Secondary | 865 | 890 | 890 |
| Low prior attainment: Primary | 1,095 | 1,130 | 1,130 |
| Low prior attainment: Secondary | 1,660 | 1,710 | 1,710 |
| English as an additional language: Primary | 550 | 565 | 565 |
| English as an additional language: Secondary | 1,485 | 1,530 | 1,530 |
| Mobility: Primary | 900 | 925 | 925 |
| Mobility: Secondary | 1,290 | 1,330 | 1,330 |
| School led funding | | | |

| Funding Factors | 2021-2022 CW&C formula values £ | 2022-2023 indicative SNFF formula values £ | 2022-23 proposed CW&C formula values £ |
|---|--|---|---|
| Lump sum: Primary | 117,800 | 121,300 | 121,300 |
| Lump sum: Secondary | 117,800 | 121,300 | 121,300 |
| Sparsity: Primary | 45,000 | 55,000 | 55,000 |
| Sparsity: Secondary | 70,000 | 80,000 | 80,000 |
| Premises | | | |
| Split Sites (criteria specified locally) | Applies to two schools | Outside of NFF | Continue 2021-2022 criteria plus inflation |
| Private Finance Initiative (PFI) (criteria specified locally) | Applies to six schools | Outside of NFF | Continue 2021-2022 criteria plus inflation |
| Rates (to be funded based on actual charges) | Funded on actual charges | Funded on actual charges | Funded on actual charges |
| Exceptional factors (criteria specified locally) | Applies to two schools | Outside of NFF | Continue 2021-2022 criteria plus inflation |

**Cheshire West and Chester
Schools Forum**

18 January 2022

Agenda item 6

De-delegation proposals for 2022-2023

Purpose of the Report

1. The purpose of this report is to agree the services to be de-delegated by maintained schools for 2022-2023.

Recommendations

2. Schools Forum (maintained school representatives) is requested to agree the services to be de-delegated to the Local Authority for 2022-2023 as detailed for:
 - a) Contingencies to cover the cost of staff on suspension (primary and secondary representatives separately) paragraph 17
 - b) Free school meals eligibility assessments (primary and secondary representatives separately) paragraph 17
 - c) Covering the cost of staff on for maternity/paternity/adoption leave (primary representatives only) paragraph 17
 - d) Pooling of funding to cover the costs of trade union facilities time (primary and secondary representatives separately) paragraph 17
 - e) School improvement time (primary, secondary and special/alternative provision representatives separately) paragraph 13

Background

3. Since 2013, Schools Forum has agreed annually the de-delegation of funds for maintained schools. This arrangement of pooling funds to cover specific purposes is proposed again for 2022-2023 to cover maintained schools collectively from costs arising from the following:

| | Primary | Secondary |
|--|---------|-----------|
| Contingencies to cover the cost of staff on suspension | ✓ | ✓ |
| Free school meals eligibility assessments | ✓ | ✓ |
| Covering the cost of staff on for maternity/paternity/adoption leave | ✓ | |
| Pooling of funding to cover the costs of trade union facilities time | ✓ | ✓ |

4. In a change from 2021-2022, the de-delegation option for licences will cease for 2022-2023 due to the SIMS provider moving to direct charging to individual schools. Schools should expect to receive a charge for SIMS and CLEAPPS licences instead of de-delegation for these items in 2022-2023 at a similar per pupil amount to previous de-delegation rates.

5. Following the government’s consultation on removing the School Improvement Monitoring and Brokering (SIMB) Grant payable to local authorities for ‘core improvement activities’ and ‘additional improvement services’, the option to de-delegate for all maintained schools is included for 2022-2023.

Principle of de-delegation

6. Guidance on the operation of de-delegated services issued by the ESFA remains unchanged from previous years and includes the following requirements:
 - the requirement to make a clear statement of how the funding is to be taken out of the formula
 - reporting unspent de-delegated funding at the year end to Schools Forum
 - local authorities retaining de-delegated funding up to 1 September for Academy conversions occurring up to this date. Full year de-delegation to be retained for conversions after 1 September. This is to allow services to plan operations for the financial year.
 - local authorities are able to carry over unspent de-delegated central expenditure to be used for the same purpose. This ensures that funds can be carried forward without having to be allocated through the formula again and ensures funding that maintained schools de-delegate continues to be available for the use of maintained schools.

Consultation with schools

7. A consultation on the options to de-delegate funds for the next financial year was issued to schools on 6 December 2021 and closed on 7 January 2022. Schools were asked to consider whether the amount delegated to them on a per pupil basis allows them to meet the costs or buy in the services they need individually. The rationale for de-delegation is to achieve economies of scale and to pool risk across schools for these costs.
8. A summary of the number of responses and percentage to each response to the consultation are shown below. There is clear support for the continuation of existing de-delegation for all items.

Primary maintained schools

| | Strongly agree | Agree | Neither agree or disagree | Disagree | Strongly disagree | TOTAL |
|--|----------------|--------------|---------------------------|------------|-------------------|-------|
| Contingencies to cover suspensions | 28.13% 9 | 53.13% 17 | 12.50% 4 | 6.25% 2 | 0.00% 0 | 32 |
| Free school meals eligibility assessment | 34.38% 11 | 53.13% 17 | 9.38% 3 | 3.13% 1 | 0.00% 0 | 32 |
| Staff costs- supply cover for maternity | 34.38% 11 | 50.00% 16 | 12.50% 4 | 3.13% 1 | 0.00% 0 | 32 |
| Staff costs - trade union facilities | 31.25% 10 | 53.13% 17 | 9.38% 3 | 6.25% 2 | 0.00% 0 | 32 |

Secondary maintained schools

| | Strongly agree | Agree | Neither agree or disagree | Disagree | Strongly disagree | TOTAL |
|--|----------------|-------------|---------------------------|------------|-------------------|-------|
| Contingencies to cover suspensions | 22.22% 2 | 44.44% 4 | 33.33% 3 | 0.00% 0 | 0.00% 0 | 9 |
| Free school meals eligibility assessment | 44.44% 4 | 33.33% 3 | 22.22% 2 | 0.00% 0 | 0.00% 0 | 9 |
| Staff costs - trade union facilities | 22.22% 2 | 44.44% 4 | 33.33% 3 | 0.00% 0 | 0.00% 0 | 9 |

De-delegation of funding for all maintained schools for school improvement activities

9. On 29 October 2021, the DfE launched a consultation on removing the School Improvement Monitoring and Brokering (SIMB) Grant payable to local authorities for 'core improvement activities' and 'additional improvement services'. The outcome of which was published on 11 January 2022 and is available at the following link https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1045633/Government_response_-_Reforming_how_LA_SI_functions_are_funded.pdf

The consultation outcome confirms that the SIMB grant will be reduced by 50% for 2022-2023 and cease completely for 2023-2024. Regulations will be amended to allow local authorities to agree de-delegated funds from maintained schools from 2022-2023 to replace the grant.

10. The government's rationale for this change is that:
- It will remove the distinction between 'core improvement activities' and 'additional improvement services' which does not reflect the reality of how effective councils operate.
 - It will put more decisions about improvement provision to schools into the hands of school leaders (via schools forums). With an average uplift in next year's provisional core school funding allocations of 3.2%, as the beneficiaries of improvement support from councils, the government believe it is right that schools contribute to the cost of such support but, in turn, they should have greater influence over the activity undertaken.
 - It will bring funding arrangements for councils' improvement activity closer into line with the relationship between individual academies and their Multi Academy Trusts (MATs), which normally top-slice funding to secure improvement support; and support the government's overarching policy of ensuring maintained schools and academies are funded on an equivalent basis. In turn, this will help to deliver a core aim of the

National Funding Formula (NFF), which is to support a more school-based system that allows schools maximum control over their funding.

- It will also enable councils to adjust over time to the government’s longer-term ambition for all schools to become academies within a strong MAT – an end point which a number of councils are already closing in on, where councils would no longer maintain schools. The government believe that moving at this time to funding these responsibilities via de-delegation, in the same way that councils fund additional improvement services they provide to maintained schools, will provide a smoother transition for councils in this position.

11. In response to the DfE consultation, Schools Forum consulted with schools on a level of de-delegation for 2022-2023 should the outcome of the DfE consultation change the funding for these activities. Representatives from maintained schools were asked if they would recommend that Schools Forum consider a level of de-delegation for school improvement activities. The responses are shown in the table below and there is clear support for de-delegation from the 45 responses from all sectors.

| | Strongly agree | Agree | Neither agree or disagree | Disagree | Strongly disagree | TOTAL |
|------------------------------|----------------|--------------|---------------------------|-------------|-------------------|-------|
| Primary maintained schools | 31.03% 9 | 37.93% 11 | 24.14% 7 | 6.90% 2 | 0.00% 0 | 29 |
| Secondary maintained schools | 33.33% 3 | 11.11% 1 | 33.33% 3 | 22.22% 2 | 0.00% 0 | 9 |
| Special maintained schools | 28.57% 2 | 14.29% 1 | 42.86% 3 | 0.00% 0 | 14.29% 1 | 7 |

12. The current Cheshire West and Chester School Improvement budget for 2021-2022 is £809k and is used flexibly to support both core and additional improvement activities. There is a team structure of officers and school improvement advisors, both permanent staff and bought in services to respond flexibly to deliver school support and intervention. Within the overall budget, a budget of £240k is held to fund school improvement activities and includes targeted school support (school improvement advisors, subject leaders and leadership support), system wide improvement projects for schools and academies and funding for Cheshire West Education Improvement Board (CWEIB).
13. In view of the consultation outcome and the removal of Dedicated Schools Grant funding from the local authority allocations, the proposed budget for 2022-2023 focuses on statutory duties and delivering support for maintained schools. It is difficult to ascertain the level of support that may be required over the forthcoming year given normal activities have not been in place during the pandemic and further academy conversions have since taken place. It is proposed to establish a reduced budget for 2022-2023 of £740k to meet current staff costs and school support. This would require de-delegated funds equivalent to the 50% reduction in the SIMB grant of £208k. Details of the proposed budget and de-delegation rates are shown below.

The outline budget shows the respective contributions from Council, SIMB grant and de-delegation which in practice will be used flexibly to support priorities across budget headings.

| Budget | Gross Expenditure Budget 22-23 £000 | Council funding/ SIMB Grant £000 | De-delegation £000 |
|---------------------------------------|-------------------------------------|----------------------------------|--------------------|
| Salaries - Basic Pay | 470 | 470 | |
| Other expenses | 4 | 4 | |
| School Improvement ASIA/SSL support | 170 | | 170 |
| School Improvement Leadership support | 38 | | 38 |
| School improvement initiatives | 28 | 28 | |
| Support from Association of Heads | 15 | 15 | |
| General Subscriptions (NCER) | 15 | 15 | |
| Gross budget | 740 | 532 | 208 |

| | |
|--------------------------------|--------|
| De-delegation per pupil | £6.49 |
| Average primary (200 pupils) | £1,299 |
| Average secondary (800 pupils) | £5,196 |
| Average special (100 pupils) | £649 |

14. Given the very short notice of this change in funding and revised budget we would foresee that agreement of de-delegation for 2022-2023 would be for one year. There would be further review over the next year in preparation for when the grant ceases for 2023-2024. During this time there will be a review of the School Improvement Strategy and Schools Causing Concern Guidance and the development of a traded offer for academies. Existing support for the 2021-2022 academic year to academies which chose to engage with LA support will be honoured from the current year DSG funding.

Existing de-delegation - Forecast Financial Position for 2021-2022

15. For 2021-2022, schools de-delegated a total of £706k (£600k primary, £106k secondary) and carried forward net underspends of £111k from 2021-2022 to give £817k in total de-delegated funds. At November 2021, a balanced position was forecast across the de-delegated budgets.

Principles for managing de-delegated fund

16. The principles for managing de-delegated funds as agreed with Schools Forum in 2014-2015 will continue so that:
- (i) Any 2021-2022 underspend/overspend arising on individual funds is carried forward as allowed by the School Finance Regulations to offset/be offset against further de-delegation in 2022-2023.
 - (ii) Primary and Secondary de-delegation to be managed separately to ensure the de-delegation rates reflect expenditure within each sector.

- (iii) Total de-delegation to reduce as schools transfer to Academy in line with reduced pupil numbers and number of schools as the level of expenditure will reduce accordingly with fewer schools.

Proposed amounts for de-delegation 2022-2023

17. The proposed level of de-delegation for 2022-2023 is based on establishing pooled budgets at 2021-2022 expenditure levels, adjusted for pupil numbers and inflation/pay awards. The proposed rates for de-delegation are shown in the table below against 2021-2022 rates and differences reflect the removal of the software licences rate and the utilisation in full of the 2020-2021 underspend in 2021-2022.

| | 2022-2023 rates | | | 2021-2022 rates | | |
|--|-----------------|---------------|---------------|-----------------|---------------|-----------------|
| | Lump sum | Per pupil | Per FSM pupil | Lump sum | Per pupil | Per FSM 6 pupil |
| Primary Total | £2,098 | £15.71 | £6.02 | £2,057 | £17.05 | £5.90 |
| Contingencies to cover the cost of staff on suspension | | £2.03 | | | £1.97 | |
| Free school meals eligibility assessments | | | £6.02 | | | £5.90 |
| Covering the cost of staff on for maternity leave | £2,098 | £11.74 | | £2,057 | £9.07 | |
| Licences | | | | | £4.11 | |
| Pooling of funding to cover the costs of trade union facilities time | | £1.94 | | | £1.90 | |
| Secondary Total | | £5.26 | £6.02 | | £9.76 | £5.90 |
| Contingencies to cover the cost of staff on suspension | | £1.54 | | | £1.02 | |
| Free school meals eligibility assessments | | | £6.02 | | | £5.90 |
| Licences | | | | | £5.10 | |
| Pooling of funding to cover the costs of trade union facilities time | | £3.72 | | | £3.64 | |

Next Steps

18. The agreed rates for de-delegation to be included in the School Funding Formula submission to the ESFA for the 21 January deadline. De-delegated funds will be deducted from schools opening budgets and details included in the budget letter issued to individual schools before the statutory deadline of 28 February 2022.

Agenda item 7

Dedicated Schools Grant (DSG) 2021-2022 Forecast Outturn at Third Review

Purpose of the Report

1. The purpose of the report is to provide an update on the financial forecast outturn position for 2021-2022 for centrally held DSG as reported at the Third Review of Financial Performance. This is based on the forecast position at November 2021.

Recommendations

2. The Forum is asked to note the Third Review position on the DSG and next steps.

Forecast Outturn

3. The service is currently forecasting an overspend of £0.888m on DSG budgets which is a worsened position compared to the forecast overspend of £0.469m reported to Forum in December based on the Second Review position (as at the end of September).
4. Within this overall position, the overspend and change in position largely relates to the budget for SEN placements in Independent schools due to an increasing number of integrated care placements and tribunal judgements finding in favour of independent specialist provision. This pressure has further increased by £0.159m to £1.258m from the forecast overspend reported at Second Review (£1.1m).
5. The movement in forecast also reflects an increasing number of SEN pupils accessing in borough special schools, the pupil referral unit and other authority schools. Following the October census and review of pupils in attendance, top up funding previously forecast as within budget has increased by £0.377m.
6. These pressures are currently being partially offset by lower levels of support in other high needs provision budgets (£0.347m), in year schools block funding adjustments (£0.060m), the prioritisation of other grant funding to deliver service priorities (£0.219m) and vacancy savings across the service (£0.121m).
7. The forecast position currently assumes a balanced position for early years budgets. The funding mechanism has changed in 2021-2022 and is based on termly take up of nursery entitlements. The revised funding allocation will be received in January 2022 and may result in a change to the overall reported DSG position when this is received.
8. The key variances and changes from the Second Review position are summarised in the table below.

| DSG Block | Budget | Forecast variance Overspend/underspend Third Review £000 | Forecast variance Overspend/underspend Second Review £000 | Change in Forecast £000 |
|---------------|--|--|---|-------------------------|
| High Needs | Independent and non-maintained school fees | 1,258 | 1,099 | 159 |
| | 16-25 high needs | -78 | -100 | 22 |
| | Inter Authority placements | 66 | 12 | 54 |
| | SEN Personal budgets | -45 | -36 | -9 |
| | Non SEN Independent schools | -120 | -120 | 0 |
| | Targeted education access | -34 | -23 | -11 |
| | Top up funding Special schools | 216 | 0 | 216 |
| | Top up funding Alternative Provision | 95 | | 95 |
| | Other high needs budgets | -70 | -45 | -25 |
| Schools Block | Growth fund | -48 | -48 | 0 |
| | Rates recoupment | -12 | -12 | 0 |
| All blocks | Pay forecast | -64 | -51 | -13 |
| | Non pay budgets | -57 | -57 | 0 |
| | Mitigations/slippage | -219 | -150 | -69 |
| | Total variance reported | 888 | 469 | 419 |

DSG Reserve

9. The table below summarises the forecast position on the DSG reserve as at Third Review.

| | £000 |
|--|--------------|
| DSG reserve brought forward (deficit) | 1,032 |
| In year allocation of reserves | |
| Ring-fenced de-delegation allocated to 2021-22 | 137 |
| Forecast in year deficit 2021-22 | 888 |
| Forecast deficit reserve for 2021-22 | 2,057 |

Next Steps

10. The service will continue to monitor the position and seek mitigations where possible however the forecast position is a further increase to the brought forward deficit on the DSG reserve with a cumulative £2.057m forecast by the end of 2021-2022. A plan to recover the deficit needs to be developed for 2022-2023 and local authorities are expected to be able to cover deficits from available reserves from 2023-2024. A Director-led priority working group has been established to progress the recommendations from the High Needs Strategic Review alongside achieving financial balance. The Review took place before a deficit position was realised and therefore the

recommendations need to be re-framed for the current financial context. Actions are being progressed to address the key issues on the high needs block and will take into account the DSG settlement announced in December and budget setting proposals for Council approval in February.

**Cheshire West and Chester
Schools Forum
18 January 2022**

Agenda item 9

Schedule of meetings 2021-2022

Schools Forum – all meetings 4.30pm – 6.30pm

| Date | Venue | Proposed agenda |
|----------------------------|-----------------|--|
| Tuesday 8 February 2022 | MS Teams | <ul style="list-style-type: none"> • Early Years Funding for 2022-2023 • Arrangements for funding from the High Needs Block 2022-2023 • Children’s Speech and Language Therapy • Central Spend budgets 2022-2023 |
| Tuesday 5 July 2022 | MS Teams tbc | <ul style="list-style-type: none"> • School funding arrangements for 2023-2024 • DSG 2021-2022 outturn including schools’ balances • Directed revisions to schemes for financing schools • Education – Basic Need Capital Programme 2021-2025 • Annual review of Schools Forum membership, constitution, and terms of reference |

Schools Forum Finance sub-group

| Date | Time | Venue |
|------------------------|----------------|--------------|
| Monday 24 January 2022 | 2.00 – 4.00 pm | MS Teams |
| Tuesday 14 June 2022 | 2.00 – 4.00 pm | MS Teams tbc |

Schools Forum High Needs sub-group - dates to be confirmed