

Cheshire West & Chester Council

Cheshire West and Chester Schools Forum

Tuesday 17 January 2023
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 17 January 2023

1.	4.30	Introductions and apologies		
2.	4.35	Minutes and matters arising of last meeting 2.1 To agree the minutes held 11 October 2022 2.2 Matters arising		Page 4-11
3.	4.45	Indicative Dedicated Schools Grant Allocations for 2023-2024	Natalie Cole	Page 12-16
4.	5.05	Dedicated Schools Grant Budget Setting Proposals 2023-2024	Natalie Cole	Page 17-23
5.	5.25	Draft of 2023-2024 School Funding Formula for January Submission	Natalie Cole	Page 24-33
6.	5.45	De-delegation – Proposals for 2023-2024	Natalie Cole	To follow
7.	6.05	Dedicated Schools Grant (DSG) 2022-2023 Forecast Outturn at Third Review	Natalie Cole	Page 34-35
8.	6.20	Any Other Business		
9.	6.30	Next meeting: Monday 13 February 2023		
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**Cheshire West and Chester
Schools Forum
17 January 2023**

Agenda item 2

Minutes of Cheshire West and Chester Schools Forum, virtual meeting, on 11 October 2022

Members	Representing	Attendance
Schools and Academies		
Vacancy	Primary headteachers	Vacancy
Vacancy	Primary headteachers	Vacancy
Beth Hacking	Primary headteachers	Apologies
Ian Devereux-Roberts	Primary headteachers	Attended
Kate Docherty	Primary headteachers	Attended
Sharon Broughton	Primary governors	Attended
Duncan Haworth (Chair)	Primary governors	Attended
Lisa Rigby	Primary governors	Apologies
David Nield	Primary governors	Attended
Nick Lacey	Primary governors	Attended
David Curry	Secondary headteachers	Attended
Martin Hill	Secondary headteachers	Apologies
David Rowlands	Secondary governors	Attended
Rob Williams	Secondary governors	Apologies
Neil Oxley	Special headteachers	Attended
Philip Hopwood	Special governors	Absent
Andy Stewart	PRU	Attended
Deborah Beaumont	Academies - mainstream	Attended
Sarah Connolly	Academies - mainstream	Apologies
Darran Jones	Academies - mainstream	Attended
Luci Jones	Academies - mainstream	Attended
Helen Studley	Academies - mainstream	Attended
Vacancy	Academies - mainstream	Vacancy
Emma Leach	Academies - special	Attended
Non Schools		
Cat Hirst	PVI early years providers	Attended
Angela Thornton	PVI early years providers	Apologies
Kathryn Magiera	Diocese	Absent
Caroline Vile	Diocese	Attended
Greg Foster	Unions	Apologies
Geoff Wright	Unions	Absent
Rob Pullen	CWAPH	Attended
Vacancy	16-19 providers	Vacancy
Official Observers		
Councillor Robert Cernik	Cabinet Member for Children and Families	Attended
Officers in attendance		
Helen Brackenbury	Director Children and Families	
Natalie Cole	Finance Manager	

Carolyn Davis Senior Manager - Education and Inclusion
Charlotte Fenn Clerk
Debbie Murphy Acting Head of Education and Inclusion

Observer

Councillor Razia Daniels Shadow Cabinet Member for Children and Families

1. Introductions and apologies

Apologies were noted.

Duncan Haworth reported the following membership changes:

Resignations:

Julie Chambers Primary Head
Sarah Curtis Primary Head
Alan Brown Primary Head

New representatives:

Beth Hacking Cherry Grove Primary Primary Heads
Martin Hill Helsby HS Secondary Heads

Re-elected:

Geoff Wright Unions

Duncan thanked Julie Chambers, Sarah Curtis and Alan Brown, on behalf of Schools Forum, for their time and contribution to Forum work over the years and welcomed Emma Leach to her first meeting.

2. Minutes and matters arising of last meeting

2.1 To agree the minutes from the meeting held 5 July 2022

The minutes of the meeting held on the 5 July 2022 were agreed as a correct record.

2.2 Matters arising

2.2.1 Item 3 Apprenticeship Levy

Duncan Haworth sought confirmation from Forum as to whether any further suggestions as to how to use the levy more effectively has been shared with Rosemary Hodgson following her presentation. No new suggestions had been put forward.

2.2.2 Item 4 Dedicated Schools Grant (DSG) 2021-2022 Final Outturn

Duncan confirmed that further development of a DSG recovery plan would be covered under item 9.

2.2.3 Item 7 Government Consultation on Implementing the direct national funding formula

Duncan confirmed that a Schools' Forum response had been submitted which mirrored that of the Council's final response.

3. Education – Capital Programme 2022-2026

Carolyn Davis presented the report on behalf of Janine Smart who had been unable to attend the meeting. The report provided an update on the Education Basic Need Capital Programme.

The Council received the annual Basic Need grant to enable them to meet their sufficiency duties and could be used for maintained schools, free schools, academies and new schools.

It was noted that the forecasts through the School Capacity (SCAP) returns, 5-year forecast for Primary and Secondary, looked at how many places were being delivered and how many were still needed. It was noted that information about the 2024-2025 grant would not be available until the new year.

With reference to paragraph 9, Carolyn apologised that the report only had the scorecard for primary schools and would ensure that the secondary schools scorecard was circulated.

It was noted that, in general, parental preference was well met in CW&C compared with other Councils; the Council's 3-year forecast had been slightly over and as a result the methodology for collecting the data was being reviewed.

Carolyn also reported that the data collected was based on planning areas, as highlighted in appendix 1, and the Capital Development team would be contacting schools shortly to look at the data and places needed.

Ian Devereux-Roberts sought clarification as to why there had been such a large increase in grant in 2021-2022, £24.75 million. Carolyn responded that it was likely to have been due to a large increase in need. It was also noted that the team were looking at more focused areas, as now allowed by the DfE, and identifying pockets of pupils in places which had been previously masked by the old methodology.

David Nield sought clarification as to whether the Council had a 'free hand' or were directed by the DfE in terms of actual schools providing extra places. Carolyn confirmed that there was not directive and extra places were based on where there was a need.

Rob Pullen questioned whether the large Wrexham Road development had been factored into the forecasts and what was the timescale for additional provision. Carolyn confirmed that all housing developments were factored into the forecasts using a child yield formula negotiated with the developers. Carolyn thought the additional provision was from September 2024 but would need to seek confirmation. It was noted that the Council had a 10-year building plan as forecasting went beyond the DfE requirements.

Resolved that Schools Forum note the paper.

4. Update on Council Financial Position

Natalie Cole provided a brief slide presentation on the challenges facing the council and outlined the process being undertaken regarding funding gap proposals and timeline.

Forum was informed that the financial position did not impact directly on Schools, as they were grant funded, but would impact on central services.

The challenges facing the council included significant inflationary pressures, continued increase in demand led pressures requiring additional growth and significant uncertainty over existing funding from Central Government.

Over the next four years the council was facing a financial shortfall of £105 million, which would be partly bridged by Council and business tax rates and existing saving proposals resulting in a £42.1 million funding gap.

The following timelines was noted: -

- Medium Term Financial Strategy Report to Cabinet – 12 October 2022
- Public engagement on budget proposals for 2023-2024 & 2024-2025 – late October 2022 to early December 2022
- Chancellor's Autumn Budget – 23 November 2022?
- Financial Settlement – late December 2022
- Budget Council – 16 February 2023

Forum and schools were encouraged to participate in the consultation.

David Nield sought clarification as to the consultation's format and how residents would be targeted or notified of the consultation. Natalie confirmed that the consultation would be online and assumed notification would be done through the post and social media, as in the past, but would follow up on this query. Natalie also confirmed that the consultation would be circulated to Schools Forum once available.

It was noted that a further update would be brought to Forum at the December meeting.

5. School Funding Arrangements for 2023-2024

Natalie Cole introduced the report which provided Schools Forum with details on the school funding arrangements for 2023-2024, the impact on Cheshire West and Chester and proposals for consulting with schools and Schools Forum.

Natalie went through the funding arrangements for 2023-2024 outlined in paragraphs 5-7. The DfE expected to have moved to the direct national funding formulae (NFF) by 2027-2028. It was noted that since the local formula for CW&C already mirrored the NFF, no changes were necessary to meet these requirements.

Natalie explained that, due to a technical adjustment, the 2022-2023 schools supplementary grant for mainstream schools has been rolled into the schools NFF, previously it had been administered as a separate grant.

Natalie drew Forums' attention to paragraph 14 and the DfE guidance to help local authorities review their notional SEN budget calculations. A review would be undertaken and presented to Schools Forum in December. It was noted that when the last review was undertaken the notional SEN came out as average compared with other local authorities.

Rob Pullen asked if the guidance had been published and Natalie confirmed that it had.

Natalie stated that there was guidance around which formula factors would be expected to be included as part of the notional SEN budget; as part of the review officers would be looking at SEN need, prevalence of deprivation and how closely defined.

Forums' attention was drawn to paragraph 15 and the exceptional circumstances optional formula factor. The local authority would need to submit a new disapplication request for consideration to maintain the two existing exceptional circumstances in CW&C.

David Rowlands declared an interest as a Governor at Upton High which received a special allocation for its sports club contract under the exceptional circumstances' formula factor.

Resolved that Schools Forum: -

- i. note the report, in particular the proposals put forward by the Finance Sub Group not to further consult with schools on the schools block funding formula as no changes are proposed. Consultation would be held with schools on the decisions to be taken by Schools Forum on other funding elements for the December meeting; and

- ii. recommend to Cabinet that the Schools Block funding formula continuing to mirror the Schools National Funding Formula (SNFF) values for 2023-2024.

6. Final Allocation of the Dedicated Schools Grant for 2022-2023

Natalie Cole introduced the report which confirmed the final allocation of the Dedicated Schools Grant (DSG) for 2022-2023.

It was noted that the net £7 million decrease, shown in table 1, related mainly to the school's supplementary grant for mainstream schools, originally included with the indicative DSG allocation but then received as a separate grant.

Natalie referred Forum to Table 2 under paragraph 7 which highlighted the changes and action taken from the draft allocation used in budget setting for this financial year.

It was noted that the import/export adjustment for high needs places in other authorities was a pressure against the high needs post 16 budget. The authority exports more than imports post 16 high needs places, and this was an area which was difficult to forecast.

There were no questions raised by Forum to report.

Resolve that Schools Forum note the amendments to the DSG allocation for the high needs and early years funding blocks and the adjustments to centrally held budgets for 2022-2023.

7. Dedicated Schools Grant (DSG) 2022-2023 Forecast Outturn at First Review

Natalie Cole took Forum through the report which provided an update on the financial forecast outturn position for 2022-2023 for centrally held DSG as reported at the First Review.

It was noted that officers were working towards a solution to recover the current deficit, and this had been taken into account on the wider council's resources.

There were no comments from Forum to report.

Resolved that Schools Forum note the First Review position on the DSG.

8. Early Years Funding Formula Consultation and proposal for 2023-2024

Natalie Cole presented the report on behalf of Bo White who was unable to attend the meeting. The report provided an overview of the recent Early Years Funding Formula (EYFF) Consultation for the funding of three- and four-year-old universal and extended entitlements.

It was noted that the consultation was undertaken in response to the DfE recent national consultation to change the way the Early Years National Funding Formula (EYNFF) was calculated and distributed to local councils, in particular

the proposal to roll in the Early Years Teacher Pay and Pensions Grants (EY TPPG) to the Early Years Block of the Dedicated Schools Grant (DSG) which, if agreed, may result in changes to the local funding formula.

The consultation sought views from providers on whether or not they were in agreement that the funding for EY TPPG should be included within the universal base rate or passed to providers in the form of a new Quality supplement for providers with additional cost pressures associated with the employment of qualified teaching staff.

It was noted that it had been difficult for officers to draw any conclusions or use the feedback from the consultation constructively to inform the proposals due to the low response rate, 26 responses out of around 280 providers (9%).

Natalie drew Forums' attention to the proposed CW&C Funding Formula including the removal of Quality Supplement as outlined in Table 2.

There were no comments from Forum to report.

Resolved that Schools Forum: -

- i. note the removal of the old Quality supplement that has been phased out over a two-year period, as agreed by Council members in 2021; and
- ii. endorse the recommendation to await the outcome of the national consultation and whether or not the proposal for the Early Years Teacher Pay and Pension Grant (EY TPPG) to be rolled into the Early Years block of the Dedicated Schools Grant (DSG) is agreed and local councils encouraged to consider the use of a quality supplement in their local formulas for the redistribution of this funding. Should this be the case the council would seek to introduce a new quality supplement for this purpose and work with the Early Years Reference Group (EYRG) to develop an application process to facilitate the appropriate targeting of this new supplement.

9. Brief Update – SEND Review Final Report

Following on from the previous item, Debbie Murphy informed Forum that Sarah Lister, Manager - Early Years Team, had been assigned as an Area Lead and members of the team have been assigned as experts, working with other local authorities to support their settings with improving practice and thereby quality assurance.

Debbie Murphy reported that the final SEND review report by Jonathan Wilding contained 10 recommendations split into 4 themes.

- 1) Restructuring and redesign of the team due to growth of SEN needs – additional funds to be approved.

- 2) Sufficiency and commissioning process - contract officer, less spot purchases more collective commissioning
- 3) Targeting support at specific points e.g., transition
- 4) Inclusion – more inclusive practices in mainstream schools, evidence that some pupils in special schools could be incorporated into mainstream.

Helen Brackenbury also informed Forum that the report would be going to Corporate Management Board for approval, but any additional resources required would be subject to approval at full Council in February 2023.

David Rowlands voiced concerns regarding the liaison between primary and secondary, some schools were not aware of the pupil's issues.

Debbie Murphy challenged this assumption as in part it was due to transition visits being reduced as a result of Covid. A best practice guide was being produced.

Ian Devereux-Roberts voiced concerns regarding reassigning pupils to mainstream, this would be a significant challenge for the authority to persuade parents of a child who had been in special provision for some time and might be inappropriate unless the child was ready to move.

Debbie reassured Forum that the proposal was more about how to move forward than moving current pupils.

Officers would provide a further update at the December meeting.

10. Any Other Business

None to report.

11. Next meeting

Next Schools Forum meeting Tuesday 6 December 2022 – virtual.

Agenda Item 3

Indicative Dedicated Schools Grant Allocations for 2023-2024

Purpose of the Report

1. This report details the provisional allocation figures for the Dedicated Schools Grant (DSG) for 2023-2024 as published in December 2022.

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 2023-2024 in further agenda items.

Background

3. The provisional DSG national funding formulae allocations for 2023-2024 were made available by the Education and Skills Funding Agency (ESFA) in July 2022 and tabled to Schools Forum in October 2022. 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 on 13 December 2022. The provisional July allocations have now been updated to reflect the Autumn 2022 Budget announcement and the October 2022 census with updated indicative 2023-2024 DSG allocations published on 16 December 2022.

Indicative DSG Allocation for 2023-2024

4. The final DSG allocation for Cheshire West and Chester in 2022-2023 is £314.279m. The indicative allocation for 2023-2024 is £335.081m and shows a net increase in DSG funding of £20.802m. A summary of the current and indicative next year allocation is shown in the table below.

Final DSG 2022-2023 and indicative 2023-2024 allocation

DSG Allocation Block	Final 2022-2023 £000	Indicative 2023-2024 (Dec 2022) £000	Change £000
Schools Block	238,995	253,491	14,496
High Needs Block	51,230	56,547	5,317
Early Years Block	21,707	22,811	1,104
Central School Services Block	2,347	2,232	-115
Total DSG Allocation	314,279	335,081	20,802

5. The increase in available funding is due to the following changes in the allocation:
- An additional £4.386m (1.9%) 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 £3.253m to recognise the growth in pupil numbers in the Borough.
 - The mainstreaming of the £6.857m 2022-23 Schools Supplementary Grant additional funding for primary and secondary schools into the Schools block NFF.
 - £3.084m increase to High Needs Block funding reflecting the minimum guaranteed 5% cash increase in the illustrative funding announcement and growth in pupil numbers in specialist provision.
 - Following the Autumn Statement, local authorities have been allocated an additional £400 million nationally in 2023-24, through a top up to the DSG allocations to fund special schools and other providers funded from the high needs block. This is a further allocation of £2.233m in addition to the High Needs Block increase through the NFF.
 - An increase of £1.104m (5%) 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 following the published outcome of the consultation to review the Early Years National Funding Formula. There has also been a further uplift to funding for early years provision with an additional £20m nationally in respect of national living wage increases.
 - A net reduction in the Central School Services Block of £0.115m (5%) 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 Autumn Statement, the Chancellor announced a further £20m investment in early years funding in 2023-2024 to increase the hourly rates for early years entitlements in respect of national living wage increases. The investment is in addition to the £180m increased level of funding confirmed in the earlier spending review and also the impact of the updated datasets from the Early Years National Funding Formula (EYNFF) consultation. The funding rates for 2023-24 have been confirmed as follows:
- an 6p per child hour (1%) increase to the 2 year old funding rate
 - an increase to 3 and 4 year old funding rates of 26p per child hour to £4.87 (19p in funding uplifts and 7p from the mainstreaming of the Teachers Pay and Pension Grants into the EYNFF). A minimum

funding floor for local authorities of £4.87 per child hour (CW&C funding remains at this minimum level).

- An increase of 2p (3%) to 62p per child hour to Early Years Pupil Premium funding rates and
- Disability Access funding to increase by 3% from £800 to £828 per eligible child.

Mainstream schools additional grant (MSAG)

8. In addition to the DSG, mainstream schools will receive an additional grant in 2023- 2024 – the mainstream schools additional grant (MSAG). This is in addition to schools’ allocations through the schools national funding formula. The MSAG will allocate funding to state-funded mainstream schools only and allocations will be published in Spring 2023. In addition to the MSAG, local authorities have been allocated £400 million additional high needs funding for 2023-2024, on top of their high needs national funding formula allocations. The intention is that payment of this additional funding in the form of a separate grant will be for 2023-2024 only and the funding will be incorporated into core budget allocations for 2024- 2025. So, for primary and secondary schools, this will mean the funding being rolled into the schools national funding formula for 2024-2025. Both local authority-maintained mainstream schools and mainstream academies will receive allocations under covering the financial year 2023-2024.
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 1.00363. The funding rates will be as shown in the table below. The ESFA have not yet published school level allocations but allocations to match the indicative allocation of £8.557m have been calculated locally and are available in Appendix B to assist mainstream schools with budget planning.

	Funding rate including ACA £
Primary pupils	119.43
Key stage 3 pupils	168.61
Key stage 4 pupils	190.69
Lump sum per school	4526.37
FSM6 eligible primary pupils	104.38
FSM6 eligible secondary pupils	152.55

Other grant funding

10. Pupil premium for 2023-2024

Funding rates for the pupil premium in the financial year 2023-2024 will increase by 5%.

- Primary pupils: will increase from £1,385 to £1,455
- Secondary pupils: will increase from £985 to £1,035

- Looked-after children: will increase from £2,410 to £2,530
- Children who have ceased to be looked-after: will increase from £2,410 to £2,530. Pupil premium funding to be extended to children who were adopted from state care outside England and Wales.
- Service children: will increase from £320 to £335

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 Current DSG 2022-2023 and Indicative 2023-2024 allocation

DSG Allocation Block	Final (July 22) 2022-2023			Indicative (December 2022) 2023-2024			Change to 2022-2023 £000	Change to 2022-2023 %
	Pupil Numbers	Amount per pupil £	Allocation £000	Pupil Numbers	Amount per pupil £	Allocation £000		
Schools Block								
Primary unit of funding	27,291	4,617	126,009	27,289	4,817	131,447	5,438	
Secondary unit of funding	18,741	5,824	109,148	19,172	6,126	117,452	8,304	
Funding of growth			930			1,554	625	
Funding of premises			2,908			3,037	129	
	46,032		238,995	46,460		253,491	14,496	6%
High Needs Block								
National Funding Formula			44,068			48,627	4,559	
Hospital education and pay and pension grant			806			839	33	
Basic Entitlement factor	1,108	4,686	5,192	1,174	4,687	5,502	310	
Import/export			-666			-666	0	
Additional allocation			1,818			2,233	415	
Free school funding			12			12	12	
			51,230			56,547	5,317	10%
Early Years Block								
3 and 4 year old Universal entitlement	4,723	2,628	12,410	4,723	2,776	13,110	700	
3 and 4 year old extended entitlement	2,458	2,628	6,459	2,458	2,776	6,823	364	
Disability Access Funding			109	140	828	116	7	
2 Year Olds	801	3,221	2,580	801	3,255	2,607	27	
Early Years Pupil Premium			149	437	353	154	5	
			21,707			22,811	1,104	5%
Central School Services Block								
Ongoing responsibilities	46,032	36.92	1,699	46,460	36.89	1,714	14	
Historic commitments			648			518	-130	
			2,347			2,232	-115	-5%
Total DSG Allocation			314,279			335,081	20,802	7%

Agenda Item 4

Dedicated Schools Grant Budget Setting Proposals 2023-2024

Purpose of the Report

1. Further to the illustrative Dedicated Schools Grant (DSG) allocation figures tabled in agenda item 3, this report presents the budget proposals for the next financial year based on those allocations. The report also includes details of central expenditure budgets that require Schools Forum approval on an annual basis.

Recommendations

2. The Schools Forum is requested to:
 - i. Approve the continuation of the existing 0.5% transfer from schools block to high needs block for 2023-2024.
 - ii. Endorse the draft DSG budget proposals in Appendix A for approval by Council.
 - iii. Approve the central spend budgets in Appendix B





Background

3. The indicative DSG allocation for 2023-2024 was made available by the Education and Skills Funding Agency (ESFA) in December 2022 forms the basis of the budget proposals for 2023-2024.

Budget setting proposals 2023-2024

4. **Appendix B** outlines budget proposals for approval by Schools Forum for the schools block (including Individual Schools Budgets (ISB)), central services, early years and high needs spend. Draft proposals would see increases to the schools block of £14.424m, £6.827m to high needs, £1.104m to early years and a reduction £0.115m to central services. These proposals are based on the principles outlined in the following paragraphs and are £1.437m above the DSG allocation. This continuing pressure on high needs budgets will increase the deficit on the DSG reserve although mitigating actions will be considered and brought to Schools Forum in year.
5. In accordance with the DfE requirement to ringfence the schools block allocation, 99.5% of the schools block will be allocated through the funding formula approved by Cabinet in December 2022. This assumes the continuation of the existing 0.5% transfer to other funding blocks will be approved by Schools Forum as requested in the consultation with schools

conducted in December 2022 / January 2023. The table below shows the 43 responses received to the consultation question which are largely in support of maintaining the transfer. The value of the transfer for 2023-2024 is £1.267m which is 0.5% of the total allocation and an £81k increase to last year's transfer.

1. Considering the continuing pressure on funding from the high needs block, do you agree with the proposal to continue to transfer up to the existing 0.5% of funding from the schools block for a further year in 2023-24?				
Answer Choices			Response Percent	Response Total
1	Strongly agree		41.86%	18
2	Agree		48.84%	21
3	Neither agree or disagree		4.65%	2
4	Disagree		0.00%	0
5	Strongly disagree		4.65%	2
			answered	43
			skipped	0

6. The schools block allocation includes £1.5m of growth funding to support local authorities to manage pupil growth in mainstream schools ahead of the lagged funding. The allocation has increased by £625k for 2023-2024 to £1.5m recognising population increases in the last academic year. Of this additional allocation, there is a requirement to increase the centrally held growth fund from £300k to £525k to meet temporary increases in primary and secondary admissions in September 2023. The funding will be required to fund sufficient places to meet housing and population expansions in certain planning areas in the Borough. The remainder of the growth fund is being allocated through the schools block funding formula for estimated pupil numbers for permanent growth (£892k) with the balance of £662k being distributed to all schools through the formula allocations.
7. In view of the expectation of continuing growth in high needs provision, the following approach is being recommended to set the budget for the High Needs Block.
- Of the additional high needs block allocation, £3.495m will be required to meet the continuation of existing commitments based on the forecast spend in 2022-2023 (as at Third Review). This is mainly to meet the increased cost to date of mainstream, alternative provision and special school top up payments and independent school placements based on the current forecast.

- A further £2.378m is budgeted to meet further demand in 2023-2024 across mainstream and specialist provision and is in line with the planned growth in demand anticipated in the SEND Review.
 - A condition of the additional grant allocation following the Autumn Statement is that special schools and pupil referral units will also receive a separate allocation amounting to 3.4% of their total place and top-up funding income, similar to the mainstream schools additional grant and £0.909m of the allocation is budgeted for this to support the schools with increasing costs
 - In view of the existing commitments and anticipated further growth, there will be a requirement to further increase the DSG deficit reserve in 2023-2024 by £1.437m. However, the Council will be looking at mitigations against this planned position and will bring further updates to Schools Forum for consideration in year.
8. For the early years block, the proposed budget changes reflect the indicative DSG allocations. The changes include the national increases to the funding rates and take up of entitlements which result in an overall increase in the budgets. It is the intention to allocate the additional funding rates to providers however, the funding available in 2023-2024 will be dependent on the take up in the January 2023 census. This will also determine whether any adjustments will be needed in view of any over/under funding in the current financial year. Therefore, the base rates to be allocated to providers will be tabled at the February Schools Forum meeting. There will be no requirement to increase centrally retained spend in 2023-2024 with pay awards for central teams being budgeted from vacancy savings target across the DSG.
9. In view of the reduction in the Central Schools Services Block funding, it has been necessary to further reduce the budgets for historic commitments. This will be achieved by reducing the DSG funding previously allocated for the school's contribution to the Safeguarding Children's Partnership and moderation of statutory assessments which are to be replaced by a growth in Council funding (subject to Council approval in February 2023). The funding and the licence for the Fischer Family Trust will also cease and will be considered from the de-delegation for School Improvement activities. Further Council funding has also been requested to fund the increasing costs of ongoing commitments in central services which are not being met from an increase in DSG funding under the national funding formula allocation. DSG budgets will be replaced by Council funding for some existing statutory duties so that the increasing cost of copyright licences and pay inflation for central teams can be met from the DSG allocation although some savings will be required from vacancy management across central teams.

Approval of Central Spend

10. Under the School and Early Years Finance Regulations, the Schools Forum have the responsibility for deciding on the budgeted level of funding for a list of central spend activities as defined and reported in the Section 251 budget statement. Decisions are required on the budgets for the activities for 2023-

2024 under the section of Central Provision for the Schools Budget. As outlined in Appendix B, there are changes proposed to two of the centrally held budgets in 2023-2024 in line with the budget setting proposals in Appendix A. Some central spend lines are subject to restriction in that the regulations specify they may not exceed the value committed for 2013-2014 for the purpose for which expenditure has already been committed. In all cases where restrictions apply, the proposed value of the budget has not been increased since 2013-2014.

Next Steps

11. For the proposed allocations and budget proposals to form the opening budget for 2023-2024 for approval by Council on 17 February 2023.
12. Further detail on early years funding rates and high need funding arrangements to be tabled for discussion with Schools Forum at the meeting in February 2023.
13. To include the central spend budgets in the 2023-2024 Section 251 Budget statement submission to the DfE for April 2023.

Appendix B Dedicated Schools Grant - 2023-2024 - Budget setting proposals

Budget proposal	Schools Block £000	High Needs £000	Early Years £000	Central Services £000	Total £000	Comments
1. Additional funding through the schools block funding formula						
Increase in funding allocated through the operation of the approved funding formula for primary and secondary schools and academies	14,199				14,199	Total of school level allocations based on agreed funding formula and October 2022 census pupil numbers
Growth fund for investment in mainstream capacity	225				225	Increase to centrally held growth fund for schools block allocations for anticipated additional mainstream capacity for September 2023
Subtotal	14,424	0	0	0	14,424	
2. Growth in high needs budgets - existing expenditure						
Increase to meet current demand for support in mainstream and specialist provision		1,183			1,183	Net change in high needs budgets to reflect the forecast level of expenditure and variance from 2022-2023 budget (as at Third Review)
Full year effect of current academic year placements in independent and non maintained special schools		1,017			1,017	Funding for further growth in demand for independent specialist placements and inflationary increases to fees and charges
Full year effect of current commissioned places in special schools, resourced provisions and alternative provision		1,295			1,295	To meet the current demand for places in special and alternative provision schools in borough
Subtotal	0	3,495	0	0	3,495	
3. Growth in high needs - further investment						
Growth in SEND provision and support in mainstream and specialist placements to meet anticipated demand for SEND		2,378			2,378	Planned growth in demand across provision in line with the Strategic SEND review target operating model
Additional funding to in borough special schools and alternative provision		909			909	Passporting of additional high needs funding to special and alternative schools to meet cost increases in line with requirements of the use of the grant
Subtotal	0	3,287	0	0	3,287	

Budget proposal	Schools Block £000	High Needs £000	Early Years £000	Central Services £000	Total £000	Comments
4. Early years allocations						
Increase for 3 and 4 year old entitlements			1,080		1,080	Budgets adjusted in line with the change in national funding formula allocations
Increase for Disability Access Funding			7		7	
Increase for two year old entitlement			27		27	
Decrease for Early Years Pupil Premium			-10		-10	
Subtotal	0	0	1,104	0	1,104	
5. Centrally held budgets						
Increase on copyright licence charges for schools				32	32	To match increased charge from DfE for licences for all schools and academies
Removal of historic commitments funding from the Central Schools Services Block				-158	-158	To reflect the reduction in DSG historic commitment funding for DSG contribution to Safeguarding Children's Partnership, Moderation activities and Fischer Family Trust Licence
Unavoidable cost pressures on central services				55	55	Support and maintenance costs for education management systems and temporary increase to meet statutory responsibilities for the religious education curriculum in 2023-24
Pay award inflation for Local Authority teams		198	41	100	339	Difference in 2022-23 budgeted and actual pay awards and estimated 6% for 2023-24
Vacancy management and non pay budget review savings		-154	-41	-23	-218	Mitigating savings required to balance to grant funding across the Education service
Council funding for reduced DSG for statutory central services				-120	-120	To continue to fund ongoing responsibilities above national funding formula allocations for the Central School Services Block
Subtotal	0	45	0	-115	-71	
Net change in budgets	14,424	6,827	1,104	-115	22,239	
Change in allocation	14,496	5,317	1,104	-115	20,802	
Transfers between funding blocks	-72	72	0	0	0	
Increase to deficit reserve		1,437		0	1,437	

Appendix B Central Spend Budgets 2023-2024

Table 1 – Central spend budgets by Section 251 activity

Line Description	Restriction to previous year's expenditure	2023-2024 £000	2022-2023 £000	Change £000	Reason for Change
Central expenditure on children under 5	No	*844	*844	0	No change proposed
Contribution to combined budgets	Yes	0	*158	-158	Reduction in budgets following reduction in CSSB allocation.
School admissions	No	*709	*760	-51	Re-designation of central teams across other S251 lines for statutory duties and asset management
Servicing of schools forums	No	*48	*48	0	No change proposed
Termination of employment costs	Yes	0	0	0	No expenditure
Falling rolls fund	No	0	0	0	No expenditure
Capital expenditure from revenue	Yes	0	0	0	No expenditure
Prudential borrowing costs	Yes	430	430	0	No change proposed
Fees to independent schools without SEN	No	120	120	0	No change proposed. Please note that this is a nominal budget should such places be required and this budget will be used flexibly for high needs provision in year.
Equal pay - back pay	No	0	0	0	No expenditure
Pupil growth/ Infant class sizes	No	525	300	225	Increase proposed to fund additional mainstream capacity for pupil growth
Central provision within schools budget (Education Welfare, Asset Management and Statutory Duties)	No	*535	*655	-120	Retained funding for services previously funded from the ESG retained duties rate applicable from April 2017. Reduction in budgets to meet reduction in CSSB funding.
Central provision within schools budget (Education Welfare, Asset Management and Statutory Duties)	No	0	0	0	Retained funding for services previously funded from the ESG general duties rate applicable from April 2017. No change proposed.

*Gross budgets before vacancy management savings attributed to activities.

Agenda item 5

Draft of 2023-2024 School Funding Formula for January Submission

Purpose of the Report

1. This report details the draft School Funding Formula for 2023-2024 taking into account the decisions taken previously on the principles of the local funding formula and the October 2022 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 20 January 2023. Following the meeting in October 2022, Schools Forum recommended to continue to mirror the National Funding Formula factors and values for 2023-2024. This decision was endorsed by Cabinet at the meeting of 13 December 2022. The final budget approval and formula values will be taken by Council on 16 February 2023.
4. The 2023-2024 formula will be based on pupil numbers and demographics taken from the October 2022 census (although funding allocations are based on October 2021 pupil characteristics). This data was made available by the ESFA on 21 December 2022 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 2022 Census and pupil data

5. From October 2021 to October 2022 there was an overall net increase of 429 pupils to be funded through the schools block funding formula – a decrease of 3 primary school pupils and an increase of 431 secondary pupils (2.3% increase). This pupil count is the same as is used for the Dedicated Schools Grant Schools Block allocation for 2023-2024.

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 four secondary schools for 2023-2024 for additional capacity for 105 pupils in September 2023. The pupil numbers for each school have been increased pro rata for 7 months September 2023 to March 2024 to be funded from the DSG growth allocation. The actual pupil numbers used and stated in the appendices take into account this adjustment of 61.25 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. In previous years, there has been some headroom in the schools block allocation to allow the per pupil rates to be increased within the overall affordability of the formula. However, for 2023-2024 there needs to be a slight reduction to the NFF rates of £6 to meet the overall affordability of the schools block allocation. This is due to the increase in pupil numbers eligible for the additional needs factors in the October 2022 census which is not reflected in the DSG allocation which is based on October 2021 eligibility.

Other pupil led factors

8. Appendix A shows the change in pupil numbers for each of the pupil led formula factors used to allocate funding to schools. As in previous years, there has again been an increase in the number of pupils eligible for free school meals. Between the October 2021 and 2022 censuses there has been a 5.2% increase in primary and 10.7% in secondary pupils eligible. This can reasonably assumed to be linked to the current economic climate and determines funding for schools for the cost of delivering free school meals. Pupil deprivation measured through Ever 6 FSM calculation has increased by 3% across both sectors although there has been a decrease in primary deprivation measured through the IDACI mechanism countering this in allocated funding. Pupils recorded with English as an additional language within the first 3 years of state education has increased in both sectors (40% in primary and 81% in secondary).
9. Following the cancellation or incompleteness 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 54% to be applied to year 7 low scorers, 65% to be applied to years 8 to 10 low scorers, 64% 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 and to target funding for SEN support it is not considered necessary to adjust the unit value for 2023-2024 for the change in eligible pupil numbers.

10. As the funding available in the DSG allocation is based on October 2021 eligibility and there have been increases across all pupil led factors used in the formula, the increased eligibility places pressure on the overall affordability of the schools block formula. This has largely been met from an increase to the growth allocation that would otherwise have been allocated for population growth or through the basic entitlement factor.

Institution led factors

11. There are four premises factors within the formula for which funding allocations have been applied as set out below.

Approved Exceptional Circumstance	Lease agreement for Wincham Primary School to ensure that they have sufficient school hall premises. The sum is more than 1% of the school's budget and only impacts upon this school. This exceptional circumstance was in place pre 2013 and a reapplication has been approved by the ESFA for 2023-2024 within an inflation uplift in line with RPI applied to the agreement.
Approved Exceptional Circumstance	Management Agreement for Upton high School for hire of sports facilities in place since 2016-2017. The sum is more than 1% of the school's budget and only impacts upon this school. This exceptional circumstance was in place for 2022-2023 and a reapplication has been approved by the ESFA for 2023-2024 within an inflation uplift in line with RPI applied to the agreement.
Split Sites	Schools which have main buildings more than 110 metres apart qualify for a Split Site Allowance of £38,873 (Basic entitlement/lump sum uplift applied to 2022-2023 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 2022-2023 values to meet the RPI increase in the unitary charge.

Other criteria

12. 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.
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	<p>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> <p>Funding of £40,000 will be allocated for up to one year for each additional class to allow additional provision to be created. 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) <p>If any school has held surplus balances above the Balance Control Mechanism (BCM) thresholds for the last 3 years, they will not be eligible for funding. The BCM thresholds are 8% for primary and 5% for secondary and these are also applied to academy balances as per their published accounts for balances held in restricted and unrestricted general funds (excluding pension reserves) against funding for the academy's educational operations.</p>
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 $\text{Notional SEN} < (\text{number of high needs pupils} * £6,000) + (£6,000 \text{ for every } 1:50 \text{ pupils for schools with } 150 \text{ or fewer pupils})$. Reviews will be carried out on a termly basis</p>

Notional SEN

13. In October 2022, the DfE published 'The Notional SEN budget for mainstream schools: operational guidance' for local authorities, to help them comply with the requirement to identify a notional budget for each mainstream school in their area. The notional SEN is an indicative amount within the schools block allocation to guide schools on the reasonable additional costs that may be incurred by schools and when to seek additional resources for pupils with special educational needs.
14. In view of the newly published guidance, a review of the CW&C notional SEN budget calculation has been undertaken against the requirements. There is currently no national approach to the calculation of schools' notional

budget for pupils with SEN through the NFF and local authorities must determine this calculation locally. As such there is a wide variation in funding factors applied and the percentage of school block formula allocation by local authorities. In 2022-2023, 119 (78%) local authorities are allocating between 5% and 15% of schools block funding as notional SEN and the average is 11.3%. The CW&C calculation is slightly above the median at 12.03% but not an outlier.

15. The current CW&C notional SEN calculation is based on percentages determined from the funding reforms and mapping of the local funding formula in 2013. The calculation allocates the following percentages to each school's schools block allocation.

Formula Factor	Primary	Secondary KS3	Secondary KS4
Basic Entitlement	4.41%	4.41%	4.32%
Deprivation (Free School Meals Ever 6 plus IDACI Bands)	32.88%	32.6%	32.6%
Low scorer funding	100%	100%	100%
Lump Sum	2.8%	3.63%	3.63%

The use of these factors complies with the operational guidance which states the following should be used:

- a small part of the basic entitlement funding
 - a larger part of deprivation funding, reflecting the higher prevalence of lower-level SEN amongst disadvantaged pupils, and
 - the majority or whole of the low prior attainment factor funding, as this is the best proxy for pupils with low-cost, high-incidence SEN
 - Other elements of the funding formula may also be used
16. The Notional SEN guidance was reviewed by the Schools Forum Finance Sub Group at the meeting on 6 December 2022. As the current calculation complies with the guidance and is in line with other local authority allocations, there were no recommendations to change the current calculation and to await any further guidance arising from the DfESEND consultation and National Funding Formula implementation.

Confirmation of centrally retained budgets

17. 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. Other budget setting items will not affect the total amount to be distributed to primary and secondary schools which is now ringfenced.

Draft funding allocations by school

18. Draft 2023-2024 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

19. Further to any amendments described within this report, the School Funding Formula will be submitted to the ESFA for 20 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 2023.

Appendix A

Comparison of pupil numbers for the pupil led formula factors in the October 2021 and October 2022 censuses adjusted for estimated growth numbers with change in numbers and percentage changes between years

Pupil Led Formula Factor	October 2021 Census	% of Cohort	October 2022 Census	% of Cohort	Change in pupil numbers	% change
Primary						
NOR Primary	27,291		27,290		-1	0.0%
Primary FSM Units	4,995	18.2%	5,254	19.2%	259	5.2%
Primary Ever 6 Units	5,260	19.2%	5,427	19.8%	167	3.2%
IDACI Primary Units Band G	17,760	64.7%	17,940	65.4%	180	1.0%
IDACI Primary Units Band F	2,546	9.3%	2,477	9.0%	-70	-2.7%
IDACI Primary Units Band E	2,024	7.4%	1,997	7.3%	-28	-1.4%
IDACI Primary Units Band D	976	3.6%	955	3.5%	-21	-2.2%
IDACI Primary Units Band C	1,490	5.4%	1,454	5.3%	-36	-2.4%
IDACI Primary Units Band B	2,049	7.5%	2,041	7.4%	-8	-0.4%
IDACI Primary Units Band A	445	1.6%	427	1.6%	-18	-4.1%
EAL 3 Primary Units	976	3.6%	1,363	5.0%	387	39.7%
Low attainment total Primary Units	7,477	27.3%	7,880	28.7%	403	5.4%
Secondary						
NOR Secondary	18,794		19,234		441	2.3%
NOR KS3	11,444	64.1%	11,635	65.2%	191	1.7%
NOR KS4	7,350	41.2%	7,600	42.6%	250	3.4%
Secondary FSM Units	3,483	19.5%	3,855	21.6%	372	10.7%
Secondary Ever 6 Units	4,195	23.5%	4,323	24.2%	128	3.1%
IDACI Secondary Units Band G	12,691	71.1%	13,030	73.0%	338	2.7%
IDACI Secondary Units Band F	1,511	8.5%	1,561	8.7%	49	3.3%
IDACI Secondary Units Band E	1,405	7.9%	1,376	7.7%	-29	-2.1%
IDACI Secondary Units Band D	642	3.6%	692	3.9%	50	7.8%
IDACI Secondary Units Band C	981	5.5%	1,003	5.6%	22	2.2%
IDACI Secondary Units Band B	1,311	7.3%	1,303	7.3%	-8	-0.6%
IDACI Secondary Units Band A	252	1.4%	270	1.5%	18	7.3%
EAL 3 Secondary Units	190	1.1%	343	1.9%	153	80.6%
Low Attainment Secondary Units	4,294	24.1%	4,391	24.6%	97	2.2%

Appendix B

Summary of funding by factor for each sector

	2023-2024				2022-2023				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	92,460	96,542	189,001	75.16%	88,684	89,833	178,517	75.26%	3,776	6,708	10,484	-0.10%
Deprivation	9,922	9,752	19,673	7.82%	8,942	8,507	17,450	7.36%	979	1,244	2,224	0.47%
Prior attainment	9,101	7,683	16,784	6.67%	8,449	7,342	15,791	6.66%	652	342	994	0.02%
English as Additional Language	791	537	1,328	0.53%	552	290	842	0.35%	239	246	485	0.17%
Lump Sum	16,512	2,560	19,072	7.58%	15,730	2,426	18,156	7.65%	782	134	916	-0.07%
Sparsity	841	12	853	0.34%	833	29	861	0.36%	8	-17	-8	-0.02%
Mobility	206	10	216	0.09%	160	2	162	0.07%	46	8	54	0.02%
Split Site	117	0	117	0.05%	110	0	110	0.05%	7	0	7	0.00%
Estimated Rates	1,814	478	2,292	0.91%	1,730	592	2,322	0.98%	84	-114	-30	-0.07%
PFI Allocations	428	54	482	0.19%	363	46	409	0.17%	65	8	73	0.02%
Exceptional Factors	24	85	108	0.04%	21	72	92	0.04%	3	13	16	0.00%
Minimum per pupil levels	1,383	156	1,539	0.61%	1,960	534	2,494	1.05%	-577	-379	-955	-0.44%
Initial Formula	133,598	117,867	251,465	100.00%	127,533	109,673	237,206	100.0%	6,065	8,194	14,259	
Minimum Funding Guarantee	197	37	234	0.09%	233	61	294	0.12%	-37	-24	-61	-0.03%
Final School Formula	133,794	117,904	251,699		127,766	109,734	237,500		6,028	8,170	14,198	

Appendix C 2022-2023 formula values used in Cheshire West and Chester (CW&C) against the 2023-2024 funded NFF values and proposed CW&C formula values

Funding Factors	2022-2023 CW&C formula values £	2023-2024 indicative SNFF formula values £	2023-2024 proposed CW&C formula values £
Basic per-pupil funding			
Basic entitlement: Primary	3,250	3,394	3,388
Basic entitlement: Secondary – Key Stage 3	4,555	4,785	4,777
Basic entitlement: Secondary – Key Stage 4	5,131	5,393	5,387
Minimum per pupil funding level Primary	4,265	4,405	4,405
Minimum per pupil funding level Secondary	5,525	5,715	5,715
Additional needs funding			
Current Free School Meal (FSM) top up (Pupils currently claiming FSM at the last census): Primary	470	480	480
Current FSM top up (Pupils currently claiming FSM at the last census): Secondary	470	480	480
FSM6 (Any pupil that has ever claimed FSM in the past 6 years): Primary	590	705	705
FSM6 (Any pupil that has ever claimed FSM in the past 6 years): Secondary	865	1030	1030
Income Deprivation Affecting Children Index (IDACI) band F: Primary	220	230	230
IDACI band F: Secondary	320	335	335
IDACI band E: Primary	270	280	280
IDACI band E: Secondary	425	445	445
IDACI band D: Primary	420	440	440
IDACI band D: Secondary	595	620	620
IDACI band C: Primary	460	480	480
IDACI band C: Secondary	650	680	680
IDACI band B: Primary	490	510	510
IDACI band B: Secondary	700	730	730
IDACI band A: Primary	640	670	670
IDACI band A: Secondary	890	930	930
Low prior attainment: Primary	1,130	1,155	1,155
Low prior attainment: Secondary	1,710	1,750	1,750
English as an additional language: Primary	565	580	580
English as an additional language: Secondary	1,530	1,565	1,565
Mobility: Primary	925	945	945
Mobility: Secondary	1,330	1,360	1,360
School led funding			

Funding Factors	2022-2023 CW&C formula values £	2023-2024 indicative SNFF formula values £	2023-2024 proposed CW&C formula values £
Lump sum: Primary	121,300	128,000	128,000
Lump sum: Secondary	121,300	128,000	128,000
Sparsity: Primary	55,000	56,300	56,300
Sparsity: Secondary	80,000	81,900	81,900
Premises			
Split Sites (criteria specified locally)	Continue 2021-2022 criteria	Continue 2022-2023 criteria	Continue 2022-2023 criteria
Private Finance Initiative (PFI) (criteria specified locally)	Continue 2021-2022 criteria	Continue 2022-2023 criteria	Continue 2022-2023 criteria
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)	Continue 2021-2022 criteria	Reapplication of criteria to ESFA	Reapplication of criteria to ESFA

Agenda Item 7

Dedicated Schools Grant (DSG) 2022-2023 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 2022-2023 for centrally held DSG as reported at the Third Review of Financial Performance. This is based on the forecast position at November 2022.

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 £1.060m on DSG budgets which is a worsened position compared to the forecast overspend of £0.211m reported to Forum in October based on the First Review position (as at the end of July).
4. Within this overall position, there is a forecast overspend of £1.284m on the high needs provision budgets for SEN pupils with mainstream and special school top up funding, independent school placements, alternative provision and tuition packages. There is a pressure of £0.168m from an increase in the number of permanent exclusions and top up funding at the pupil referral unit.
5. The forecast also builds in the pay award pressure reflecting the difference between the estimated 3% included in the 2022-23 budget, and the actual pay awards for local government staff and teachers. This has been mitigated by vacancy savings and use of grant funding with a net underspend of £0.079m. There are pressures on non pay costs of £0.107m which are largely due to increased costs from the re-tender of the education management system, some of which are one off costs.
6. These pressures are currently being partially offset by forecast underspends on contingencies for mainstream school growth funding (£0.1m), Independent school fees for non SEN pupils (£0.120m) and slippage in service investment (£0.1m) pending the outcome of the High Needs Review. The forecast position also assumes a further £0.2m of further slippage during the year from service vacancies and planned spend until the recommendations from the review can be implemented.
7. The forecast position currently assumes a balanced position for early years budgets. The revised funding allocation for 2022-23 will be determined from the take up reported in the January 2023 census and may result in a change to the overall reported DSG position when this is received.
8. The key variances and changes from the First Review position are summarised in the table below.

DSG Block	Budget	Forecast variance Overspend/underspend Third Review £000	Forecast variance Overspend/underspend First Review £000	Change in Forecast £000
High Needs	Independent and non-maintained school fees	157	61	96
	16-25 high needs	-95	0	-95
	Inter Authority placements	-80	-83	3
	SEN Personal budgets	21	16	5
	Non SEN Independent schools	-120	-120	0
	Top up funding mainstream	857	250	607
	Top up funding Special schools	390	200	190
	Top up funding Alternative Provision	168	0	168
	Additional learning needs	134	200	-66
	Investment in high needs	-100	-100	0
Schools Block	Growth fund	-100	-100	0
All blocks	Pay forecast	-79	98	-177
	Non pay budgets	107	-11	118
	Mitigations	-200	-200	0
	Total variance reported	1,060	211	849

DSG Reserve

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

	£000
DSG reserve brought forward (deficit)	1,970
In year allocation of reserves	
Ring-fenced de-delegation allocated to 2022-23	7
Forecast in year deficit 2022-23	1,060
Forecast deficit reserve for 2022-23	3,037

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 £3.037m forecast by the end of 2022-2023.

**Cheshire West and Chester
Schools Forum
17 January 2023**

Agenda item 9

Schedule of meetings 2022-2023

Schools Forum – all meetings 4.30pm – 6.30pm

Date	Venue	Proposed agenda
Monday 13 February 2023	Virtual	<ul style="list-style-type: none"> • Early Years Funding for 2023-2024 • Arrangements for funding from the High Needs Block 2023-2024 • Council Financial Position update • SEND review update
Tuesday 4 July 2023	tbc	<ul style="list-style-type: none"> • School funding arrangements for 2024-2025 • DSG 2022-2023 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
Tuesday 24 January 2023	2.00 – 4.00 pm	MS Teams
Tuesday 13 June 2023	2.00 – 4.00 pm	MS Teams

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