# NORFOLK SCHOOLS FORUM

# AGENDA

**Meeting on Friday 30 September 2022 09:00 – 12:30**

**Venue: Room JB031 Jubilee Building Easton College**

**Members will be asked on the day for their permission to record the meeting to support the preparation of the minutes. The recording will be deleted once the minutes are approved.**

Individual members, named below, are asked to provide verbal reports for these items.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **09:00** | **1** | **Welcome and Introductions****Apologies** | **Report** |  |
| **09:05 – 09:20** | **2** | **Minutes of Last Meeting and Matters Arising*** Central Schools Services Block – see agenda item 4 (d)
* School Catering Contract
* MyOracle communications to all schools
 |  | **3-8** |
| **09:20 – 09:45** | **3** | **Appointment of Vice Chair** | Verbal |  |
| **09:45 – 11:40** | **4** | **Dedicated Schools Grant (DSG)**1. DSG Management Plan Update and Safety Valve Programme
2. Provisional DSG Allocations for 2023-24 and Fair Funding Consultation for Mainstream Schools’ Formula

**(Break)**1. Early Years Funding Consultation
2. Central Schools Services Block: info on LA services
 | **Comment/****Decision****Information/****Comment****Comment****Information/****Comment** | **9-21****22-35****36-40****41-45** |
| **11:40 – 11:50** | **7** | **Review Future Meeting Plan**  |  | **46** |
| **11:50 – 12:00** | **8** | **Any Other Business** |  |  |
|  | **9** | **Date of Next Meeting****Wednesday 16 November 2022 09:00 – 13:00 hours****Venue TBC** |  |  |

**Norfolk Schools Forum**

**Minutes of Meeting held on Wednesday 8 July 2022**

**09:00 – 11.30 hours**

**Teams Meeting**

**Present: Representing**

Andrew Aalders-Dunthorne (Sub) Academies

Adrian Ball, Diocese of Ely Multi Academy Academies

Trust

Chris Caddamy, (Vice Chair) City College 16 – 19 Representative

Amanda Connor (Sub) Primary Maintained Schools

Lacey Douglass Early Years Representative

Mike Grimble, Avenue Junior School Primary Maintained Governors

Bob Groome National Education Union

Glyn Hambling, Unity Education Trust Alternative Provision

Howard Nelson, Diocese of Norwich Diocesan Board of Education

Peter Pazitka, SJB CMAT Academies

Sarah Porter, The Heart Education Trust Academies

David Shaw, Creative Education Trust Academies

Joanna Tuttle, Aylsham High School Secondary Maintained Schools

Martin White, (Chair) Nebula Federation Primary Maintained Governors

Vicky Warnes National Education Union

Michael Bateman Assistant Director, SEND Strategic Improvement & Early Effectiveness

Martin Brock Accountant, Schools, SEN, and Early Years

Marilyn Edgeley Admin Officer

Dawn Filtness Finance Business Partner

Nicki Rider Head of High Needs SEND

Chris Snudden Director of Learning & Inclusion

Alison Randall Head of Education Finance

**Apologies:**

John Crowley Assistant Director Learning & Achievement

Keith Bates, Eaton Hall Specialist Academy Special School Academy

David Hicks Academies

Carol Jacques Maintained Nursery School

Clare Jones, Boudica Schools Trust Academies

Sarah Shirras, St Williams Primary Primary Maintained Schools

Rebecca Wicks, The Clare School Maintained Special Schools

Sara Tough Executive Director Childrens Services

1. **Minutes of the Last Meeting and Matters Arising**

A spelling amendment was made to page 8 of the minutes. The word ‘Offers’ changed to ‘Officers’. The minutes were otherwise agreed as a true record of the meeting.

* Central Schools Services Block

Will not be covered in this meeting. Eighteen clauses have been removed from the Bill by the House of Lords and a lot of uncertainty at this stage.

* Finance briefings

Sarah Shirras and Martin White delivered a Finance Briefing to Primary Educate Norfolk. Mike Grimble did not attend due to illness and Dawn Filtness was significantly delayed due to traffic. The purpose of the briefing was to raise awareness of Schools Forum and the importance of responding to consultations with headteachers. This was only partly achieved as the audience was primary headteachers only.

All acknowledged that further briefings will be required reaching a wider audience.

* Schools Catering Contract

A number of queries were raised at the last meeting and conversations on the status of Norse Eastern.

Clarity has been sought that the decision is with Norfolk County Council.

Following previous queries from Schools Forum, a decision on tendering is being revisited but has not yet been made

There was some discussion last time around change to costing, reducing the management fee to a nominal sum and using Universal Infant Free School Meals and other Free School Meals income from Government as a basis for the charge. Following this feedback, a capping mechanism is being considered due to the potential impact upon large schools.

Members noted that the paper brought to the last meeting did not mention a capping mechanism so this is new, there is a concern if large schools do not buy into the contract, it will not be viable. Members said schools needed a decision on this sooner rather than later.

**Action: In response to members concerns officers will seek legal advice as to whether tendering can be introduced at any time and if an element of control of quality could be a clause within a contract with an outside company.**

* Outcome of National SEND Review/Green Paper

Officers confirmed that Norfolk has contributed to the Local Government Association and the Regional SENDS lead and there has been a consensus across the region on parts of the green paper we support and the parts that cause concern.

1. **MyOracle update**

John Baldwin is unable to attend at short notice due to illness. He said he will arrange for a briefing note to be sent out regarding introduction of payroll services following the introduction of technology and the steps that are being taken to resolve these issues. He wants to personally apologise for the difficulties this is causing schools and their staff. He said extra staff have been brought in to understand and fix the problems with both pay and reporting payroll data and believes these will help with July pay runs. He thinks that they have identified the problem that is causing the issues with payment of staff.

**Action: DF to check he is sending communication to all schools.**

Members were pleased that further information had been released. The issue was understanding the implementation of the system and was there any dual running carried out prior to implementation?

JT - my school had some staff that had not been paid for 2 to 3 months. There should have been transparency from county about the issues, more pro-activeness, we have had no communication about the issues that have been occurring and schools have spent a huge amount of time trying to sort this out. If county knew there were staff not going to be paid, they should have alerted schools.

This is a learning curve, and we need to understand the issues going forward.

Lack of empathy when staff have not been paid.

MW – Affects the lowest paid

GH – Not only a matter that affects County Council schools.

JT – Reporting issues to HMRC

JT – Casual claims forms biggest issue. The view was that it was something the schools had done incorrectly and can’t payments wait until the next month.

GH – small schools with less staff capacity may be spending significant amount of time trying to solve these issues and would be interesting to ask them for their response.

MW – there may be some schools who have not realised there is a problem.

Officers said that dual running was carried out for 2 to 3 months. A change in configuration quite late on caused these issues.

Officers were shocked to hear about problems schools encountered with obtaining supplementary payment runs. Any evidence colleagues have on this they should pass on to Chris Snudden or Dawn Filtness.

**3a. Dedicated Schools Grant 2021/22 Outturn**

* Norfolk’s Dedicated Schools Grant Recovery (Phase 2) within DfE Safety Valve Programme

This paper is following on from the presentation at the last Forum meeting.

Norfolk are required to submit an initial paper on 15 September and a final paper on 6 October. Therefore, officers will need to engage with Forum members early September but also communicate mid-August.

Comments:

Members asked about Free School expressions of interest in MLD schools.

Officers said they were putting expressions of interest in – however they do not believe MLD is something that should be introduced into the Special School System, but they acknowledge that children are being placed as part of the tribunal process.

Officers highlighted that proper investment in SEN Support could reduce unnecessary EHCPs.

Members said it was also about managing expectation and working with Health and social workers.

Officers said there has never been enough investment in early intervention/ prevention and this programme is about addressing that. The combination of effort and funding through the Safety Valve Programme is really exciting.

EHCP looked on as pathway to preferred secondary school.

One member challenged that schools are putting in EHCPs to get funding – our school has a joined up process with the authority. Is about diagnostic issue – I challenge the premise that schools do this for the money.

The perception is still there that schools would get more money.

Officers said they were keen to upscale alternative provision and increase capacity around wider services.

The 16-19 representative highlighted Post 16 place planning and challenges with complicated forms coming into Post 16.

Officers confirmed expectation is that transfer from Schools Block to High Needs Block will continue but taper off in later years.

Members said plans need to be robust enough to gain extra funding.

Members asked how a review body would be put in place for each of the years once an agreed plan is in place and are they expecting to set up a committee that will monitor this work.

Officers said the setting up of a sub-group with the Forum would be immensely helpful.

Review group prior to initial submission: the following people expressed an interest in being on this group:

A meeting will take place w/c 5th September – Marilyn will canvass for suitable date

Adrian Ball

Mike Grimble

Jo Tuttle

Glyn Hambling

Bob Groome

Lacey Douglass

Sarah Porter

Sarah Shirras

Martin White

**Action: Marilyn to send out date for September meeting – week commencing 5 September.**

**Officers will come back about a meeting middle of August – which will be a remote meeting.**

**3b. DSG Management Plan update**

This is a relatively minor update from the plan released in January. A major refresh to the plan is due in the Autumn. The plan has been brought up-to-date with the year-end outturn for the financial year 2021/22.

The paper also details where average costs assumptions have also been update for some individual schools. The largest change is inflation assumptions.

The paper does not consider any changes that may occur due to the Safety Valve programme discussed earlier e.g., strategies and investment to reduce escalation of need or the use of national tariffs.

A major refresh to extend timescales to beyond years 2025/26 and to reflect response to the Safety Valve Programme will be released in the autumn.

**Schools Forum noted the information provided.**

1. **Consultation on Scheme Changes**
* Analysis of Balances

Schools Forum are asked to agree to the changes, as detailed in the paper, being included in the autumn consultation with schools.

**Agree: unanimous**

* Salix/Building Maintenance Fund Limits

Schools Forum are asked to agree to the changes, as detailed in the paper, being included in the autumn consultation with schools

**Agree: unanimous**

**Vice-Chair of Schools Forum**

This is Chris Caddamy’s last meeting before he moves on to a new position. The Chair thanked him for his contribution to Forum over the years and his hard work as vice chair of Forum.

Members were asked to consider the role of vice-chair and invited to register their interest by email to Marilyn Edgeley.

1. **Future Plan**

The next two meeting will be face to face. Chris Caddamy will look into Easton college as a venue.

**Date of next meeting**

30 September 2022, 09:00 – 12:30: Rm JB031, Jubilee Building, Easton College

**Schools Forum**

**Item No.4a**

|  |  |
| --- | --- |
| **Report title:** | **DSG Management Plan Update and Safety Valve Programme** |
| **Date of meeting:** | **30 September 2022** |

 **Executive summary**

|  |
| --- |
| This report sets out further details of Norfolk’s engagement in the DfE Safe Valve programme, including progress to date, the high level plan for Norfolk to bring the High Needs Block back into balance and to repay the cumulative deficit, potential levels of transfer from Schools Block to High Needs Block to meet ongoing demand upon high needs placements and support.Additionally, the report sets out the establishment of a dedicated Executive Board for Safety Valve programme in Norfolk and the need for Schools Forum representation and engagement on the Board.**Schools Forum are recommended to:*** **Consider the contents of the initial submission to the DfE of Norfolk’s draft Safety Valve Plan. Comments from Forum are welcome and will be**

**recorded and considered by the Local Authority.** * **Agree representatives from Schools Forum to the Norfolk Safety Valve Executive Board**
 |

1. **Safety Valve Programme**
	1. **Background / Context**

The Safety Valve programme is the DfE mechanism to work with LA’s who have the highest levels of High Needs Block (DSG) pressure/overspend. The initial stage of the programme in 2021 worked with 14 LA’s which were predominantly small unitary and London borough councils. The programme has been expanded and Norfolk was invited to join the negotiation process in May 2022. There will be approx. 40 LAs in the programme by end of current financial year.

The High Needs Block in Norfolk is c. £120m and is used to provide funding for the majority of activity relating to high needs SEND in early years settings, schools and colleges. However, for the purpose of work with the DfE for Safety Valve it is important to remind ourselves of the c. £38m within individual mainstream schools’ budgets for SEN within the School Block.

We provided an initial and high-level briefing regarding the DfE Safety Valve process to Schools Forum in the summer term; this set out the key elements of other LA published safety valve plans published to date, and the close alignment of these elements to the key themes within the SEND and AP Green Paper that had been recently published by Government.

The LA has been working with the DfE intensively since May to develop a recovery plan and to negotiate potential DfE investment. The core aim for DfE and NCC alike is to achieve an in-year balanced budget to enable the cumulative deficit to be addressed.

The timeline for the safety valve process has been demanding, made more challenging due to half of the timeline occurring over the summer holiday period. The timeline this autumn term is:

* 15 Sept: deadline for submission of initial proposal to DfE
* 27 Sept: DfE/LA meeting to set out our plan and receive feedback on initial submission
* 6 October: deadline for final submission of the Safety Valve plan
* 10 October: deadline for final submission of the Free School application
* End of autumn term: decision by Secretary of State
	1. **Importance of the Safety Valve Programme to Norfolk**

The Safety Valve Programme is critical to Norfolk and to the future of children and young people with SEND. The opportunity we have is to re-shape the landscape of provision, prioritising a direction of travel which will see:

* Needs met locally
* Needs met earlier
* Needs met more holistically

The Council has made a major investment in Norfolk committing to c. £120m of capital alongside revenue investment to improve high needs SEND assessment, provision and increasing specialist placements. DfE Advisors have informed us that the scale of the capital investment that the Council has committed to exceeds any they have seen elsewhere.

As a result of the capital investment to date, we have opened the first two special schools (with the third opening in Spring 2023) and have established ten more specialist resource bases (again with more committed as part of our next phase of work).

Whilst this work continues, as there is more still to do, we must address the need for greater investment and effort for those children and young people in mainstream schools. If we are to bring the High Needs Block funding back into balance, and prevent the escalation of need, this investment is critical. We know schools need more funding and more holistic support if they are to meet some needs earlier.

The Safety Valve programme will support our ambition to provide school and community cluster support teams to every maintained school in Norfolk (both Academy and LA). We also pledge to change and uplift our Element 3 funding enabling schools to access better financial packages of support for children with emerging needs / SEND Support. We also need to communicate clearly to schools, other professionals and parents/carers that we have worked hard to ensure that an EHCP is not needed to access specialist provision (eg, Element 3 funding) and placements (eg SRB) and that children and young people only require an EHCP, in law, to access a Special School place. The ambition is the bring the money forward to meet needs earlier.

* 1. **Key Requirements of the Safety Valve Programme**

The key requirements that need to be met by all LAs in the programme to enable submission to the DfE:

* How you will control your deficit and reach an in-year balance (as a minimum) on your DSG, and how quickly. We request that this be set out in the DfE DSG management plan template. Your DSG management plan should also indicate any planned block transfer requests, which will be handled through the safety valve programme where required.
* How Norfolk will contribute to the reduction of the historic deficit through use of DSG surpluses, in addition to reaching an in-year balance.
* How Norfolk will ensure that the plan is deliverable, how it will be managed as it is implemented and how this plan will continue to ensure the appropriate support for children and young people with SEND. This includes agreeing who will be responsible for the ongoing monitoring of progress towards the agreement, which is discussed below.
* A clear explanation of the financial support Norfolk needs from the DfE to eliminate the historic deficit over the period of the agreement. This could include, if necessary, a request for some funding to help implement the proposal, as well as funding to eliminate the deficit directly, although we would not expect this to constitute a significant element of the total financial support requested.
	1. **Norfolk’s Improvement Journey To Date**

The discussions with the DfE have focussed equally on our strategic improvement plan to date and our future plans. In this way we have made it clear to the DfE that the SEND & AP Transformation Programme has essentially been Phase 1 of our work (2019-2022) and that our response to the requirements of Safety Valve will be fully embedded as part of our Phase 2 (2023-2029) SEND Strategic Improvement programme.

We set out to the DfE our key achievements to date and ensured that they were aware that these achievements were delivered through both the SEND & AP Transformation programme and our response to the Ofsted/CQC Area SEND Inspection via our Written Statement of Action work, e.g.:

* Doubled staff numbers within our EHCP operational teams, increasing EHCP Co-ordinators and Educational Psychologists​;
* Improved EHCP 20-week performance from 8% to 54%;
* Addressing historic high rate of Post 16 EHCP through a cycle of annual review and cease to maintain;
* Introduced EHCP quality assurance model - improved consistency, compliance and quality - with 52% of plans now Good​;
* Increased Jointly commissioned SALT service within concept of Balanced System​;
* Invested in new SEND Inclusion and Opportunity Service, focussed on PEX reduction and SEN Support​;
* Co-produced with schools SEN indicators and self-assessment tools to underpin Provision Expected at SEN Support (PEaSS);
* Developed Inclusion Helpline and ‘Core Consultations’ for ‘free at point of access’ whole school support to reduce need for EHCP​;
* Family Hubs / Early Support: concept stage complete;
* Delivered 2 new schools and 10 specialist resource bases on time and on budget;
* Evidenced initial HNB revenue cost savings from 1st cohorts into 2 new special schools of c. £2.5m​;
* Evidenced initial HTST cost savings from 1st cohorts into new schools + step-down from individual transport of c. £1.3m; ​
* and, Revised SRB model for SEMH ahead of expansion of programme.

The DfE required this information, in part, to determine our track record / capacity to deliver and improve. Therefore, a key aspect of our safety valve plan is the additional investment needed to ensure that more capacity can be provided to mainstream schools via both access to specialist professionals/service and access to additional funding.

* 1. **Norfolk’s Safety Valve Programme Progress**

As already stated, since May this year the LA has been working closely with the DfE and their SEND and financial advisors to revise Norfolk’s DSG plan from the one utilised when the 2022/23 DSG budget was set. The revisions have been focussed upon ensuring that the plan is aligned to the requirements of the DfE safety valve programme including the critically important expectation of delivering an in-year balanced budget and repayment of the deficit within a timeline acceptable to the DfE.

Norfolk’s revised plan, aligned to a Phase 2 SEND Strategic Improvement programme, shows increased deficits in the initial years of the 6-year plan, allowing for additional investment in financial support for SEN in mainstream schools, prior to surpluses in 2027/28 & 2028/29 that, combined, will contributes c. £27m towards repayment of the cumulative deficit. Repayment of the remainder of the cumulative deficit would be subject to negotiation between the DfE and NCC.

The initial submission has been made and is fully compliant with the requirements of the Safety Valve programme and, whilst we have received iterative guidance throughout the last 12 weeks from DfE advisers, the feedback meeting on 27 September will be critical in determining any remaining issues prior to final submission.

A requirement of the process is the involvement of key partners in the safety valve plan developments. This has been challenging for the Norfolk process due to the summer holiday break taking up 50% of the time available. However, we have been able to confirm to the DfE that Schools Forum had a briefing in the summer term and that a sub-set of Schools Forum met in August and during the first week of the autumn term. We want to reiterate our thanks to colleagues who provided their time for these discussions and for your appreciation that the detail that we set out in those discussions was still at a high level due to the constraints of the safety valve negotiation process set out by the DfE.

1. **Norfolk’s Revised Plan (Initial Submission)**
	1. **Workstreams**

As mentioned above, the Safety Valve programme is closely aligned to the SEND Green Paper reform themes and also aligns with work that we have already undertaking in Phase 1 of our SEND Strategic Improvement work to date.

Phase 2 of our programme of work will be based around 6 core workstreams focussed on:

* Mainstream school inclusion, culture and practice (including a stakeholder communication strategy) ​
* Early Help and Inclusion model​
* School Led Alternative Provision model​
* Step-Back from Independent & Step-Down to SEN Support ​
* Commission/use Independent differently​
* SEND Sufficiency Capital Programme

In addition, there will be a cross-cutting stakeholder/engagement strategy and also the need to develop clear monitoring and reporting KPI’s for quarterly reporting to the DfE.

* 1. **Initial Submission Summary**

Two summaries follow on subsequent pages:

* The first is a ‘Plan on a Page’ to illustrate at a glance the expected shape of the programme, approximate timelines of the workstreams and the anticipated financial impact.
* The second is the high-level financial summary of the plan, through to 2028/29, including the impact upon the cumulative deficit.

The financial summary includes projected delivery of significant savings against an ‘unmitigated’ position:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Net Savings** | **2022/23** | **2023/24** | **2024/25** | **2025/26** | **2026/27** | **2027/28** | **2028/29** |
| In-year savings vs unmitigated model | 1.2 | 3.9 | -4.7 | -21.5 | -40.2 | -57.1 | -66.2 |
| Cumulative savings vs unmitigated model | 1.2 | 5.1 | 0.4 | -21.1 | -61.3 | -118.4 | -184.6 |
| In-year savings vs 22/23 base unmitigated forecast | 1.2 | 6.7 | 2.1 | -7.3 | -17.9 | -29.5 | -34.7 |



|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|   | **2022/23** | **2023/24** | **2024/25** | **2025/26** | **2026/27** | **2027/28** | **2028/29** |
| High Needs Block DSG Income | -120.578 | -128.220 | -134.240 | -137.714 | -140.997 | -144.949 | -149.693 |
| 1.5% Schools Block transfer | -8.529 | -8.904 | -9.082 | -9.263 | -9.449 | -9.638 | -9.830 |
| **Total income** | **-129.107** | **-137.124** | **-143.322** | **-146.977** | **-150.445** | **-154.587** | **-159.524** |
| Maintained / Academy / Free Special Schools | 46.878 | 50.910 | 52.780 | 54.416 | 56.701 | 58.535 | 59.874 |
| Specialist Resource Bases & Deaf Resource Bases | 6.314 | 7.734 | 10.234 | 14.055 | 17.717 | 19.251 | 19.636 |
| Independent Special Schools | 42.771 | 44.740 | 38.699 | 27.032 | 14.061 | 4.521 | 3.944 |
| Alternative Provision | 2.133 | 2.089 | 1.986 | 1.874 | 1.762 | 1.641 | 1.531 |
| Short Stay Schools | 8.400 | 8.573 | 8.755 | 8.940 | 9.129 | 9.321 | 9.518 |
| Post-16 (Further Education) | 8.173 | 8.380 | 8.606 | 8.354 | 8.112 | 7.879 | 7.670 |
| Other Provisions | 5.027 | 4.114 | 3.742 | 3.391 | 3.010 | 2.669 | 2.270 |
| Inclusion fund (including mainstream SEN / EHCP support) | 20.176 | 22.587 | 24.440 | 25.855 | 26.632 | 26.911 | 26.693 |
| Speech & Language, Sensory, Youth Offending and Child & Adolescent Mental Health support & contributions | 3.551 | 3.573 | 3.634 | 3.727 | 3.823 | 3.921 | 4.022 |
| High Needs Inclusion Infrastructure, cluster teams including parent link workers | 2.680 | 5.920 | 7.283 | 7.158 | 7.129 | 5.963 | 5.083 |
| Other, including TPG/TPECG, H&SC levy and new school start-up costs | 2.641 | 2.656 | 2.738 | 2.810 | 2.901 | 2.979 | 3.038 |
| Investment contingency including Inclusion Fund | 0.000 | 1.000 | 1.000 | 0.500 | 0.000 | 0.000 | 0.000 |
| **Total Expenditure** | **148.744** | **162.276** | **163.897** | **158.111** | **150.977** | **143.592** | **143.278** |
| **In-year +deficit/-surplus** | **19.637** | **25.153** | **20.575** | **11.134** | **0.531** | **-10.995** | **-16.245** |
| **Cumulative Balance without contribution** | **73.613** | **98.766** | **119.341** | **130.475** | **131.006** | **120.011** | **103.766** |

As can be seen in the financial plan on the previous page, there are key financial levers that reflect transformation of the SEND & AP sector throughout Norfolk through:

* Increased investment in mainstream support (Element 3 & Exceptional Circumstances): c. £27m pa 28/29 vs £20m pa 22/23
* Increased specialist resource base provision: c. £20m pa 28/29 vs £6m pa 22/23
* Increased maintained special school provision: c. £60m pa 28/29 vs £46m pa 22/23
* Investment in high needs framework/infrastructure, Community and School Cluster Teams including parent link workers: c. £5m pa 28/29 vs c. £2m pa 22/23
* Reduced use of independent special school provision: c. £4m pa 28/29 vs £43m pa 22/23
* Reduced use of ‘other provisions’: c. £2m pa 28/29 vs £5m pa 22/23
	1. **High Needs Block Funded Placements**

The financial summary shows significant shift in particular areas of spend and these are reflected in the numbers of high needs placements that are expected to be funded by the High Needs Block during the period of the plan.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Placements Numbers by type:** | **2022/23** | **2023/24** | **2024/25** | **2025/26** | **2026/27** | **2027/28** | **2028/29** |
| Maintained / Academy / Free Special Schools | 2,049 | 2,128 | 2,188 | 2,233 | 2,317 | 2,347 | 2,369 |
| Independent Special Schools | 909 | 946 | 820 | 599 | 344 | 119 | 108 |
| Add/Other Provisions | 205 | 187 | 170 | 153 | 136 | 119 | 100 |
| Medical Needs/Hospital Provision | 84 | 20 | 20 | 20 | 20 | 20 | 20 |
| Personal Budgets | 82 | 83 | 84 | 85 | 86 | 87 | 86 |
| Section 19 Placements and Support^ | 157 | 139 | 122 | 105 | 88 | 71 | 52 |
| Alternative Provision | 110 | 110 | 103 | 96 | 89 | 82 | 76 |
| Post-16 (Further Education) | 764 | 781 | 796 | 712 | 629 | 546 | 464 |
| Specialist Resource Bases & Deaf Resource Bases | 420 | 530 | 717 | 970 | 1,132 | 1,132 | 1,132 |
| Short Stay Schools | 432 | 432 | 432 | 432 | 432 | 432 | 432 |
| Other Local Authority Recoupment | 96 | 94 | 83 | 72 | 61 | 50 | 40 |
| **Total Placement Numbers** | **5,308** | **5,450** | **5,535** | **5,477** | **5,334** | **5,006** | **4,879** |
| Mainstream EHCP & funded SEN support |  4,154  |  4,330  |  4,385  |  4,445  |  4,496  |  4,562  |  4,693  |
| **Total** |  **9,462**  |  **9,780**  |  **9,920**  |  **9,922**  |  **9,830**  |  **9,568**  |  **9,572**  |

* 1. **Schools Block transfer assumptions**

Schools Forum will be able to see that the financial summary includes the assumption of further Schools Block to High Needs Block transfers for the full term of the plan.

The LA understands the challenges that this may cause mainstream schools, but the plan reflects the desire to increase investment into mainstream schools to enable transformation of the system as a whole. This investment will be partially funded by increasing the deficit in the initial years of the plan, but also needs to be funded by maintaining contributions from the Schools Block.

The need for the Schools Block to contribute will be mitigated once the system transformation has taken place and embedded, the High Needs Block is back in balance and sustainable, and the deficit repaid.

* 1. **NCC contribution**

Alongside continuation of previous investment in high needs SEN assessment capacity and support, Norfolk County Council are also committing to significant revenue contributions over the period of the plan from its general funds to the School and Community Cluster Teams and further investment in brokerage, commissioning and contract management.

The local authority will also be contributing towards the repayment of the cumulative deficit with the amount to be determined through the ongoing negotiation process with the DfE.

Alongside the revenue financial plan, the local authority has produced phase 2 of the capital investment plan to enable delivery of an in-year balanced HNB and repayment of the deficit.

The key elements of the capital investment plan are a further two special schools alongside an additional c. 540 specialist resource base places. These are above those already committed in phase 1 of the capital programme.

The funding for this investment includes full utilisation of the £120m commitment from Norfolk County Council alongside a request from the DfE through the Free School Wave programme.

* + 1. **Next steps**
	1. **DfE**

Following the feedback meeting due with the DfE at the end of September, NCC will submit their final submission to the DfE in early October along with a free school capital bid that complements the plan.

To date the DfE have signalled that Secretary of State decision making on Norfolk’s Safety Valve submission will likely be towards the end of the autumn term. We anticipate that the DfE will publish agreed Safety Valve plans from this round of engagement towards the end of spring ahead of 1st April 2023 implementation.

There is an expectation from the DfE that we continue our briefings / engagement with our teams and partners throughout the autumn term in anticipation of the outcome. This is in addition to any specific formal consultation.

* 1. **Fair Funding Consultation for Mainstream Schools**

As already referred to, the Safety Valve recovery plan is modelled upon a Schools Block to High Needs Block transfer of 1.5%, c. £8.9m for 2023/24.

This amount does not prevent the Minimum Funding Guarantee from being met and it will enable an increase the element 3 funding from c. £15m 2021/22 to c. £23m 2023/24, rising further to c. £27m in latter years of the plan.

The LA understand that this is a difficult situation for both Schools Forum as a whole as well as individual schools, particularly given current pressures upon schools budget. However, the LA have been unable, with the support of the DfE advisors, to identify a way of balancing the HNB within an acceptable time period to the DfE without factoring in block transfers that will support the increased Element 3 investment and preventative support via the School and Community Cluster Teams, that together far exceed the block transfer identified.

As normal, the LA will be undertaking the Fair Funding consultation with all mainstream schools during this Autumn term, including seeking feedback regarding the impact of Schools Block transfers upon individual schools and trusts. (Please see the ‘Provisional DSG Allocations for 2023-24 and Fair Funding Consultation for Mainstream Schools’ Formula’ also on this agenda.)

This evidence will be available to Schools Forum members in November for when they are considering whether to support any block transfer and whilst they consider their recommendation on the 2023-24 local schools funding formula. Additionally, the evidence will be shared with the Secretary of State within any disapplication request

* 1. **Governance & Plan Implementation**

As all ready stated, the DfE will require quarterly monitoring and reporting over the full 6 years of the programme. It has been stressed that this monitoring will be robust and that a sanction of withholding ‘payments’ will be used if targets are not met. Combining this element alongside our experience from current improvement work that requires a multi-agency approach to implementation we have asserted to the DfE that we will be establishing two new groups to oversee and drive forward this new plan:

* Norfolk Safety Valve Executive Board
* Norfolk Safety Valve Programme Delivery Group

The Delivery Group will be predominantly, possibly exclusively, comprised of NCC colleagues who will have direct responsibility for delivery and contact with the DfE. However, we want to ensure that the Executive Board is comprised of key system leaders in addition to senior representation from across the county council.

Membership of the Executive Board will be:​

* Children & Young People Strategic Alliance (3 reps)​
* Norfolk Learning Board (3 reps)​\*
* Norfolk Schools Forum (3 reps)\*
* Norfolk Local Inclusion Partnership (3 reps)​
* Relevant Cabinet Members ​
* NCC children’s services, finance, corporate communications extended leadership teams

\*1 rep to cover school governor / MAT trustee

We need to ensure that representation reflects the range of schools through both the Norfolk Learning Board and Schools Forum reps. We are planning for the initial Executive Board meeting taking place after the half-term break to enable sufficient time to plan for this meeting and to provide detailed information in advance.

It should be noted that implementation planning is already underway, and the initial meeting of the Executive Board will include an update on work to date, project planning for duration of autumn and spring term ahead of 1st April 2023 DfE plan start-date.

* + 1. **Recommendations**

Schools Forum are recommended to:

* **Consider the contents of the initial submission to the DfE of Norfolk’s draft Safety Valve Plan. Comments from Forum are welcome and will be recorded and considered by the Local Authority.**
* **Agree representatives from Schools Forum to the Norfolk Safety Valve Executive Board**

**Officer Contact**

If you have any questions about matters contained or want to see copies of any assessments, e.g., equality impact assessment, please get in touch with:

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 **Schools Forum**

**Item No.4b**

|  |  |
| --- | --- |
| **Report title:** | **Provisional DSG Allocations for 2023-24 and Fair Funding Consultation for Mainstream Schools’ Formula** |
| **Date of meeting:** | **30 September 2022** |

 **Executive summary**

|  |
| --- |
| This report sets out indicative levels of Dedicated Schools Grant (DSG) funding for 2023-24 and the Local Authority’s proposed options for consultation with schools for the 2023-24 mainstream schools’ local funding formula including:* Mirroring of updated National Funding Formula factor values;
* Indicative Minimum Funding Guarantee and Cap values;
* Potential transfer from Schools Block to High Needs Block to meet ongoing demand upon high needs placements and support, and as part of the DSG deficit recovery plan through the DfE Safety Valve programme.

**Schools Forum are asked to:*** **Note the increase in overall DSG funding for 2023-24**
* **Consider and comment on the proposed options for the Local Authority consultation with schools on for the 2023-24 schools’ funding formula, including potential transfers of Schools Block funding to the High Needs Block.**
 |

1. **Dedicated Schools Grant 2023-24**

**1.1 Spending Review/National Increases**

As announced at the spending review last year, the total national core schools budget is increasing to £56.8 billion by 2024-25; a £7 billion cash increase compared with 2021-22.

By publishing provisional school and high needs funding allocations for 2023-24, the DfE are delivering the second year of that three-year funding settlement. Overall, core schools funding (including funding for mainstream schools and high needs) is increasing by £1.5 billion in 2023-24 compared to the previous year, on top of the £4 billion increase in 2022-23.

Funding through the schools NFF is increasing by 1.9% overall in 2023-24, and 1.9% per pupil, compared to 2022-23. Taken together with the funding increases seen in 2022-23, this means that funding through the schools NFF will be 7.9% higher per pupil in 2023-24, compared to 2021-22.

The Department of Education announced arrangements for the 2023-24 National Funding Formula on their website on 19th July 2022. Please see the links below for detailed information:

Policy paper: National funding formula for schools and high needs - GOV.UK (www.gov.uk)

Provisional allocations: National funding formula tables for schools and high needs: 2023 to 2024 - GOV.UK (www.gov.uk)

* 1. **Norfolk’s Provisional DSG Allocations**

The DfE’s published provisional Dedicated Schools Grant funding for Norfolk for 2023-24 is **£725.921m,** excluding the Early Years Block[[1]](#footnote-2):

|  |  |
| --- | --- |
|  | **£(m)** |
| Schools Block (exc. Growth) | 593.579 |
| High Needs Block | 128.280 |
| Central School Services Block | 4.062 |
| **Provisional DSG Allocation\*** | **725.921** |

Provisional DSG allocations for the Schools Block exclude funding to be received through the growth factor, estimated by the Local Authority at £3.874m for 2023-24.

DSG allocations, including the provisional Early Years Block will be updated by the DfE in December’22.

Schools Supplementary Grant of £16.818m, allocated in 2022-23, has been rolled into provisional DSG allocations for 2023-24 and is included in the figures shown above.

* 1. **Schools Block**

For 2023-24 the Schools Supplementary Grant of £16.818m, allocated in 2022-23, has been rolled into the DSG Schools Block for allocation to mainstream schools via the funding formula.

Norfolk’s latest provisional Schools Block DSG allocation published by the DfE for 2023-24 is £593.579m (including the Schools Supplementary Grant of £16.818m) compared to £565.506m received in 2022-23 (excluding growth factor allocations for both years).

It is estimated by the Local Authority that a growth factor allocation of £3.874m may be received for 2023-24, compared to £3.125m received in 2022-23.

The estimated Schools Block DSG for 2023-24 is as follows (2022-23 shown for comparison):

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2022-23 (£m)** | **2023-24 (£m)** | **Change (£m)** |
| Schools Block (exc. Growth) | 565.506 | 576.761 | 11.255 |
| Schools Supplementary Grant in DSG | n/a | 16.818 | 16.818 |
| Growth Allocation- estimated for 23-24 | 3.125 | 3.874 | 0.749 |
| **TOTAL SCHOOLS BLOCK** | **568.631** | **597.453** | **28.822** |

**Therefore, the additional comparable increase for 2023-24 estimated to be available to use within the local funding formula for mainstream schools in 2023-24 is £12.004m** (i.e., £28.822m minus £16.818m).

Final allocations for the 2023-24 Schools Block will not be confirmed until December 2022.

Information on technical changes to the National Funding Formula including allowable unit rates for NFF factors in 2023-24 are included in Appendix A.

It should be noted that Government policy continues to be towards transferring to a direct[[2]](#footnote-3) National Funding Formula, which will determine school funding allocations directly rather than through a local formula.  The DfE expect to move to a direct NFF by 2027-28 at the latest. Further details are also included in appendix A.

* 1. **High Needs Block**

The department has confirmed the following aspects of the high needs NFF:

* + the funding floor is set at 5% so each local authority will see an increase of at least 5% per head of their 2 to 18 population (as estimated by the Office for National Statistics)
	+ the gains cap is set at 7%, allowing local authorities to see gains up to this percentage increase under the formula, again calculated on a per head basis of their 2 to 18 population

There is an indicative increase to High Needs Block for 2023-24 of £7.702m as shown below, compared to the latest HN Block allocation for 2022-23 (updated July 2022):

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2022-23 (£m)** | **2023-24 (£m)** | **Change (£m)** |
| High Needs Block | 120.578 | 128.280 | 7.702 |

This increase alone will not resolve the ongoing High Needs Block overspend pressure due to the level of cumulative DSG deficit, and the anticipated ongoing and increasing demand.

* 1. **Central Schools Block**

There is an indicative increase to Central Schools Services Block for 2023-24 of £0.097m as shown below:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2022-23 (£m)** | **2023-24 (£m)** | **Change (£m)** |
| CSS Block | 3.965 | 4.062 | 0.097 |

The Central Schools Services Block of the DSG will be discussed further at the November Schools Forum meeting when decisions on the de-delegation of services for schools and the top-slicing of the growth fund and criteria will be made.

**1.6 Early Years Block**

The DfE does not publish provisional DSG allocations for the EY Block until December 2022.

However, some information on provisional hourly rates has been provided as part of a EYNFF consultation.

A separate paper is included on this agenda setting out the information received and the LA’s proposed process for consultation on the local Early Years funding formula.

1. **Fair Funding Consultation for Mainstream Schools’ Formula**
	1. **Norfolk’s Allowable Range of Unit Values**

Norfolk is one of many LAs that mirror the National Funding Formula unit rates already. Mirroring is defined by the DfE as being with within 2.5% of the respective NFF values.

To aid the transition to allowable 2023-24 funding values, the DfE published the acceptable factor value range for each local authority. The allowable range for Norfolk is shown in the table in Appendix B.

* 1. **NFF vs Local Formula**

Norfolk County Council (NCC), as the organisation with responsibility for setting the formula for Norfolk in consultation with schools and Norfolk’s Schools Forum, proposes to continue to mirror the National Funding Formula unit values and methodologies for 2023-24, updated to reflect the new values published by the DfE.

A Minimum Funding Guarantee (MFG) will be set between the allowable range of +0.0% to +0.5%. Setting the MFG protection at +0.5% is preferable as it ensures that all schools will receive per-pupil increases through the formula. A funding cap on gains, or a reduction in unit values within the range allowed for Norfolk, may need to be applied in order to ensure that the formula is affordable. All proposed options will provide for the DfE’s Minimum Per-Pupil Funding Levels of at least £4,405 per pupil for primary schools, and at least £5,715 per pupil for secondary schools.

In accordance with DfE expectations that local authorities should be working towards balancing the DSG overall as a grant, including repaying brought forward cumulative deficits, the Local Authority (NCC) is also required to consider the transfer of funding from the Schools Block to the High Needs Block in 2023-24 to meet the ongoing pressures of the High Needs Block and to continue working towards recovery of the current cumulative and in-year DSG deficit.

The Local Authority plans to hold a survey consultation with schools during October 2022 setting out three funding options for 2023-24. Feedback from the consultation will be brought back to the November Schools Forum meeting for Schools Forum members to consider in relation to their recommendation for the 2023-24 local formula that will be requested from Schools Forum at that time. This will include whether a Schools Block to High Needs Block transfer is supported by the Forum.

The Local Authority intends to consult with Norfolk schools via an online survey from 4th October to 1st November 2022.

* 1. **Sparsity/Capping**

The LA is reviewing the use of a funding cap on gains, due to issues highlighted by some small schools following the implementation of the 2022-23 formula.

Historically, a funding cap has been necessary in order to mirror the NFF unit values and methodologies whilst making a Schools Block to High Needs Block transfer. The cap in 2022-23 meant that small schools receiving the sparsity factor for the first time did not realise the large gain in 2022-23 that they may have been expecting as part of the NFF, as overall per-pupil funding in the local formula was capped at increases of +2.82% for schools (beyond which no further increase was received by the schools). This means that the large gains expected by those schools have, effectively, become delayed and, potentially, will be spread over a number of years. This issue could apply equally to other factors if/when there are changes in the methodology within the NFF that target additional amounts to specific school types, although sparsity is thought to be the most notable example of this.

To resolve this issue for 2023-24 and future years, it would be possible to agree and implement alternatives to the use of a hard funding cap in Norfolk.

Three identified options are detailed below. It is proposed that an illustration of these alternative options should be provided as part of the autumn fair funding consultation and feedback sought from schools.

* **MFG baseline adjustments to affected schools**

The LA could request disapplications from the Secretary of State to enable MFG adjustments to the 2022-23 MFG baselines of affected schools in order to ensure that their sparsity funding, if capped in 2022-23, is uplifted to its full value and protected from 2023-24 onwards. This would be subject to DfE approval.

On its own, this may not prevent the problem from occurring again in future. Any school that becomes eligible for sparsity, based on pupil data, for the first time in 2023-24 would not be picked up in disapplication requests which are due for submission in November 2022, and would therefore be subject to the same capping issue when final budgets are set in February 2023 as other schools have been in the past.

A tighter overall cap percentage would be required to enable those schools affected to have their baselines adjusted within the overall funding envelop available.

* **Scaling in addition to the capping of gains**

Scaling allows for a proportion of gains above the cap level to be allocated. Whilst the hard cap that has historically been used prevents any gains above the level of cap, +2.82% per-pupil in 2022-23, scaling allows for a proportion of the gain above the cap to be allocated in addition. It is possible to add scaling of between 0% and 100% to the cap calculation. For example, a cap of 2% and scaling of 80% would allow all per-pupil gains up to 2% to flow through to schools, with any gains above 2% scaled back by 80%. For schools with very large percentage gains due to methodology or data changes, e.g. for sparsity factor in small schools, this option could allow for them to receive a larger proportion of the gain which would speed up their transition to the new formula.

A tighter overall cap percentage would be required in order to implement scaling for those schools with large gains above the cap. Capping and scaling must be applied on an equal basis to all schools. This option potentially removes the need for approval of MFG baseline adjustments from the DfE or could be used in addition to MFG baseline adjustments to mitigate against hard caps on large NFF gains occurring in future.

* **Reduction to unit values, removal of the funding cap**

The transition to a direct national funding formula, and the DfE’s publication of an allowable range of factor values for Norfolk for 2023-24, provides for continued ‘mirroring’ of the NFF within the DfE’s definition (within 2.5% of the NFF formula values) without having to exactly replicate the national unit values.

This means that it is possible to continue to mirror the NFF, with a reduction to Norfolk’s unit values, without the need for a funding cap on gains.

Removal of the funding cap would ensure that all schools eligible for gains from the sparsity factor, or any other factor, would no longer be capped in 2023-24 irrespective of whether they were eligible for sparsity and capped in the past, or become eligible for the factor for the first time in 2023-24.

This option removes the need for approval of MFG baseline adjustments for specific schools from the DfE but would reduce factor unit values for all schools by an equal percentage.

* 1. **Funding Formula Options 2023-24**

The Local Authority are currently planning to consult with Norfolk schools on three funding formula options for different levels of Schools Block to High Needs Block transfer in 2023-24.

Summary of Options

A summary of the different options for funding schools in 2023-24 is given in the table below, followed by more detailed written explanations.

Please note:

* Indicative modelling is based on October 2021 data. No changes to pupil numbers are included. Final budgets will be issued to schools in February 2023 using October 2022 census data and may change significantly if pupil numbers or characteristics are subject to large variations in the final census data set.
* Indicative modelling presumes no change is made to Norfolk’s approach to baselines and capping (i.e. it does not take account of any of the options detailed in 2.2 above).

Detailed technical papers will be issued with the consultation during October.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Option 1** | **Option 2** | **Option 3** |
|  | **2023-24** | **2023-24** | **2023-24** |
| **0.5% (£2.987m) of Schools Block moved to High Needs Block** | **** | **** | **** |
| **Additional 1% (£5.975m) moved to High Needs Block** | **** | **** | **** |
| **Estimated MFG protection**  | **+0.50%** | **+0.50%** | **+0.50%** |
| **Estimated funding cap on gainers under NFF** | **+2.54%** | **+25.85%** | **No cap** |
| **Potential** **Unit Values increase above NFF values** | **** | **** | **+0.50%** |
| **2023-24 Minimum Per-Pupil Funding Levels**  | **** | **** | **** |

Options for feedback:

**Option 1** – **Transfer of 1.5% from Schools Block to High Needs Block**

If we transfer 1.5%, the LA’s Safety Valve model balances in 2027-28 and could therefore be acceptable by the DFE. It should be noted that a significant, cumulative deficit would remain at the end of the 2028-29 that will need repayment via LA and DfE contributions (presuming the DfE accept the plan).

Whichever is your school/trusts’ individual preference, we are keen to understand if you would support this option giving specific implications of the impact of a 1.5% Block transfer, and more Element 3 funding alongside collective, preventative system investment.

**Option 2** – **Transfer of 0.5% from Schools Block to High Needs Block**

If we transferred 0.5%, the LA’s Safety Valve model does not balance and will therefore not be accepted by the DFE, but this would show recognition from the system as a whole that too many children in Norfolk with SEND are being educated within specialist provision rather than in mainstream provision.  This is very likely to result in reductions being made to the funding and support available to mainstream schools (both SEND and non-SEND).

Whichever is your school/trusts’ individual preference, we are keen to understand if you would support this option, giving specific implications of the impact of a 0.5% Block transfer and, therefore, less Element 3 funding or collective, preventative investment.

**Option 3** – **No transfer from Schools Block to High Needs Block**

If we made no block transfer the LA’s Safety Valve model does not balance and therefore will not be accepted by the DFE. Whilst individual schools would retain more funds individually, there is significantly less that can be done collectively to support those who could and should be in the mainstream sector to remain there.  Additionally, this is very likely to result in reductions being made to the funding and support available to mainstream schools (both SEND and non-SEND) and may adversely impact upon the preventative (non-statutory) safeguarding services that the LA offers.

Whichever is your school/trusts’ individual preference, we are keen to understand if you would support this option, giving specific implications of the impact of no Block transfer and, therefore, less Element 3 funding or collective, preventative investment.

**All schools will be asked the following questions in the consultation:**

1. Please detail the specific implications of each option upon your school/trust.
2. Please rank your order of preferences (a) for your school/trust and (b) for the system as a whole from the 3 options.
3. If these differ, please advise why.
4. Is there anything else you would wish to add to support Schools Forum, the Secretary of State and LA Members in the decisions that they need to make?
	1. **Recommendations**

**Schools Forum are asked to:**

* **Note the increase in overall DSG funding for 2023-24**
* **Consider and comment on the proposed options for the Local Authority consultation with schools on for the 2023-24 schools’ funding formula, including potential transfers of Schools Block funding to the High Needs Block.**

**Officer Contact**

If you have any questions about matters contained or want to see copies of any assessments, e.g., equality impact assessment, please get in touch with:

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**Appendix A - National Funding Formula**

**National Funding Formula Changes for 2023-24**

The DfE have announced in their guidance, [Schools operational guide: 2023 to 2024 - GOV.UK (www.gov.uk)](https://www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2023-to-2024/schools-operational-guide-2023-to-2024#responsibilities-held-for-all-schools), that the following changes will be made to the 2023-24 National Funding Formula:

Rolling the 2022-23 Schools Supplementary Grant into the NFF by:

* + Adding an amount representing what schools receive through the grant into their baselines
	+ Adding the value of the lump sum, basic per pupil rates and free school meals Ever 6 (FSM6) parts of the grant onto the respective factors in the NFF
	+ Uplifting the minimum per pupil values by the supplementary grant’s basic per-pupil values, and an additional amount which represents the average amount of funding schools receive from the FSM6 and lump sum parts of the grants

Factor value increases (on top of Schools Supplementary Grant changes):

* + 4.3% to free school meals at any time in the last 6 years (FSM6) and income deprivation affecting children index (IDACI)
	+ 2.4% to the basic entitlement, low prior attainment (LPA), FSM, English as an additional language (EAL), mobility, and sparsity factors, and the lump sum
	+ 0.5% to the floor and the minimum per pupil levels (MPPL)
	+ 0% on the premises factors, except for Private Finance Initiative (PFI) which has increased by Retail Prices Index excluding mortgage interest payments (RPIX) which is 11.2% for the year to April 2022

Minimum Funding Guarantee

Local authorities have the freedom to set the MFG in their local formulae between +0.0% and +0.5% per pupil.

**NFF Factor Values**

The DfE’s NFF funding values for 2023-24, are shown below along with the current 2022-23 formula for comparison.

|  |  |  |
| --- | --- | --- |
| **Funding Factor** | **2022-23 Formula** | **2023-24 Formula** |
|  | **£ NFF unit rates**  | **£ NFF unit rates** |
|  |  |  |
| **Age Weighted Pupil Unit** |  |  |
| Primary | 3,217 | 3,394 |
| Key Stage 3 | 4,536 | 4,785 |
| Key Stage 4 | 5,112 | 5,393 |
| **Minimum Per Pupil Funding** |  |  |
| Primary | 4,265 | 4,405 |
| Secondary | 5,525 | 5,715 |
| **Additional Needs Funding** |  |  |
| Primary FSM | 470 | 480 |
| Secondary FSM | 470 | 480 |
| Primary FSM6 | 590 | 705 |
| Secondary FSM6 | 865 | 1,030 |
| Primary IDACI A | 640 | 670 |
| Primary IDACI B | 490 | 510 |
| Primary IDACI C | 460 | 480 |
| Primary IDACI D | 420 | 440 |
| Primary IDACI E | 270 | 280 |
| Primary IDACI F | 220 | 230 |
| Secondary IDACI A | 890 | 930 |
| Secondary IDACI B | 700 | 730 |
| Secondary IDACI C | 650 | 680 |
| Secondary IDACI D | 595 | 620 |
| Secondary IDACI E | 425 | 445 |
| Secondary IDACI F | 320 | 335 |
| **Low Prior Attainment** |  |  |
| Primary LPA | 1,130 | 1,155 |
| Secondary LPA | 1,710 | 1,750 |
| **EAL** |  |  |
| Primary EAL | 565 | 580 |
| Secondary EAL | 1,530 | 1,565 |
| **Mobility** |  |  |
| Primary Mobility | 925 | 945 |
| Secondary Mobility | 1,330 | 1,360 |
| **Lump Sum** |  |  |
| Primary Lump Sum | 121,300 | 128,000 |
| Secondary Lump Sum | 121,300 | 128,000 |
| **Sparsity** |  |  |
| Primary Sparsity | 55,000 | 56,300 |
| Secondary Sparsity | 80,000 | 81,900 |

**Progress towards a Direct National Funding Formula**

Government policy continues to be towards transferring to a direct National Funding Formula, which will determine school funding allocations directly rather than through a local formula. The DfE expect to move to a direct NFF by 2027-28 at the latest.

As the DfE move towards funding of schools via a direct NFF, local authorities will be required to bring their own formulae closer to the schools NFF from 2023-24. In particular:

* + Local authorities will only be allowed to use NFF factors in their local formulae. This means that the looked after children (LAC) factor will no longer be an allowable factor. Norfolk does not use the LAC factor in its local formula.
	+ Local authorities must use all NFF factors – except for the locally determined premises factors which remain optional, and the fringe factor which is compulsory for the 5 local authorities on the fringe. This means that local authorities will have to use all 3 deprivation factors (FSM, FSM6 and IDACI), as well as LPA, EAL, mobility, sparsity and the lump sum. Norfolk uses all NFF factors already.
	+ Local authorities must move their local formula factor values at least 10% closer to the NFF, except where local formulae are already mirroring the NFF. These criteria do not apply to locally determined factors – notably the premises factors.

**Appendix B - National Funding Formula**

The allowable range for Norfolk is shown in the table below:

|  |  |  |  |
| --- | --- | --- | --- |
| **Factor** | **23-24 NFF** | **23-24 APT minimum** | **23-24 APT maximum** |
| **(£)** | **(£)** | **(£)** |
| Primary basic entitlement | 3,394 | 3,309.15 | 3,478.85 |
| KS3 basic entitlement | 4,785 | 4,665.38 | 4,904.63 |
| KS4 basic entitlement | 5,393 | 5,258.18 | 5,527.83 |
| Primary FSM | 480 | 468 | 492 |
| Secondary FSM | 480 | 468 | 492 |
| Primary FSM6 | 705 | 687.38 | 722.63 |
| Secondary FSM6 | 1,030 | 1,004.25 | 1,055.75 |
| Primary IDACI F | 230 | 224.25 | 235.75 |
| Primary IDACI E | 280 | 273 | 287 |
| Primary IDACI D | 440 | 429 | 451 |
| Primary IDACI C | 480 | 468 | 492 |
| Primary IDACI B | 510 | 497.25 | 522.75 |
| Primary IDACI A | 670 | 653.25 | 686.75 |
| Secondary IDACI F | 335 | 326.63 | 343.38 |
| Secondary IDACI E | 445 | 433.88 | 456.13 |
| Secondary IDACI D | 620 | 604.5 | 635.5 |
| Secondary IDACI C | 680 | 663 | 697 |
| Secondary IDACI B | 730 | 711.75 | 748.25 |
| Secondary IDACI A | 930 | 906.75 | 953.25 |
| Primary EAL3 | 580 | 565.5 | 594.5 |
| Secondary EAL3 | 1,565 | 1,525.88 | 1,604.13 |
| Primary LPA | 1,155 | 1,126.13 | 1,183.88 |
| Secondary LPA | 1,750 | 1,706.25 | 1,793.75 |
| Primary mobility | 945 | 921.38 | 968.63 |
| Secondary mobility | 1,360 | 1,326.00 | 1,394.00 |
| Primary lump sum | 128,000 | 124,800.00 | 131,200.00 |
| Secondary lump sum | 128,000 | 124,800.00 | 131,200.00 |
| Primary sparsity | 56,300 | 54,892.50 | 57,707.50 |
| Secondary sparsity | 81,900 | 79,852.50 | 83,947.50 |
| Middle-school sparsity | 81,900 | 79,852.50 | 83,947.50 |
| All-through sparsity | 81,900 | 79,852.50 | 83,947.50 |

**Schools Forum**

**Item No.4c**

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| **Report title:** | **Early Years Funding Consultation** |
| **Date of meeting:** | **30 September 2022** |

 **Executive summary**

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| This report sets out the proposed process for consulting on changes to the funding distribution formula for Norfolk of the Early Years Block of the Dedicated Schools Grant (EY DSG) from April 2023.**Schools Forum are asked to:*** **Consider and comment on the proposed process to consult on changes to Norfolk’s Early Years DSG Funding Formula**
 |

1. **Background and context**
	1. **Setting the scene**

Funded parental entitlements for childcare for 2-, 3- and 4-year-olds is financed by the Early Years Block of the Dedicated Schools Grant (DSG). The DSG is paid to Local Authorities based on an hourly base rate calculated using the Early Years National Funding Formula (EYNFF). Local authorities are then required to follow the School and Early Years Finance (England) Regulations 2022 (S.I. 2022/27) to determine their own local formulae to pay providers for funded hours claimed by parents.

The EY DSG provisional allocation received by local authorities is based on census results obtained via the January school and early years census data. Early Years providers and schools offering the entitlement are required to submit data on the number of children taking up funded places, together with the number of hours. This data determines an initial allocation following the annual spending review and then is adjusted to reflect actual take up during the summer term of the subsequent financial year.

The current local formula has an hourly base rate with a combination of mandatory and optional (quality and flexible) supplements, and SEN inclusion funds. At least 95% of the funding received for 3- and 4-year-olds has to be passed through to providers (including contingency funding and SEN Inclusion Fund top-ups).

Each year, Schools Forum must agree any proposed central spend that the Local Authority wishes to retain up to 5% of the nationally allocated funding to enable the duties to support the market/providers.

The Local Authority last consulted on changes to the formula with Norfolk’s Early Years providers via an online survey between 2nd October to 23rd October 2020.

Feedback from the consultation was brought back to the November 2020 Schools Forum meeting for further consideration and a recommendation for a revised local formula with reduced supplement rates from April 2021 was agreed at Schools Forum at that time.

Subsequently, the DfE increased EYNFF hourly funding rates nationally for 2022-23. Prior to the final hourly rates being published by DfE, the LA held an initial discussion with Schools Forum in November 2021 for a steer on how any increased funding should be applied within the formula. Schools Forum then made a recommendation in January 2022 for the final hourly rates for 2022-23 to be increased in line with the principles of the existing funding formula.

* 1. **Norfolk’s Current Formula**

The current formula for distributing Early Years Block funding is set locally in line with DfE requirements and follows the outcome of the consultation undertaken in Autumn 2020, and the recommendations voted by Schools Forum in November 2020 and then in January 2022. Changes were agreed by Norfolk County Council’s Cabinet.

The EYNFF methodology has not changed since its introduction in April 2017. However, there has been a national uplift in base rates in 2020-21 and 2021-22.

**The current formula per hour for 2-year-old funding:**

* A base rate of £5.50

**The current formula per hour includes for 3- and 4-year-old funding:**

* A base rate of £4.08;
* A deprivation supplement (mandatory) of 25p for children living in the 10% most deprived and 15p for the 11-20% most deprived parts of the county using the IDACI index;
* A flexibility supplement (optional) of 10p paid to providers who enable families to access at least 7.5 hours of funded early education for at least 2 days a week;
* A quality supplement (optional) of 10p paid to Childminders with a level 3 qualification and settings working on a 1 to 8 basis with at least 1 member of staff with a level 6 qualification.

Providers are also able to apply for funding to support children with additional need via the SEN Inclusion Fund (SENIF). This is a mandatory requirement and is currently funded by the Early Years and High Needs blocks.

Other funding factors available for funded 3- and 4-year-olds that meet certain criteria are:

* Early Years Pupil Premium (EYPP)
* Disability Access Fund (DAF)

These allocations are received via Early Years Block for allocation to providers at set rates, and as such, are not included as part of the locally determined funding formula.

* 1. **National Updates**

The hourly rate currently received by Norfolk continues to be at the minimum funding floor for both the 2 and 3- and 4-year-old allocation, at £5.57/hr and £4.61/hr respectively.

In July 2022, a government consultation was launched seeking views on proposed updates on the EYNFF and reforms to the maintained nursery school supplementary funding (MNS) from April 2023.

The DfE are proposing to update the national formulae as these are no longer using the most recent data available. For example, the DLA factor is currently based on August 2015 data) and therefore no longer targeting funding in response to changing levels of need.

It was proposed that the Teachers’ Pay Grant and Teachers’ Pension Employer Contribution Grant for school-based nurseries and maintained nursery schools, which are currently separately allocated, should be rolled into the EYNFF base rates for 2023-24.

Also, increased support for Maintained Nursery Schools was proposed in the consultation through the MNS Supplement factor. Indicative 2023-24 hourly rates for Norfolk were published by the DfE as part of their consultation as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2022-23 (£/hr)** | **2022-23TPG/TPECG (£/hr)** | **2022-23 TOTAL (£/hr)** | **Illustrative2023-24 (£/hr)** | **Indicative****Increase (£/hr)** |
| **3-and-4-year-olds** | 4.61 | 0.06 | 4.67 | 4.88 | **0.21** |
| **2-year-olds** | 5.57 | n/a | 5.57 | 5.68 | **0.11** |
| **MNS Supplement** | 2.66 | 0.51 | 3.17 | 3.80 | **0.63** |

The results of the consultation and the Department’s response will be published in Autumn 2022.

Norfolk County Council has submitted a response recommending that the most recent datasets should be used for determining allocations to LAs, and funding systems should align with those used for Schools funding.

1. **Consultation on Norfolk’s Local Formula**

The Local Authority will consult with Norfolk’s Early Years providers following the publication of the national consultation outcome. This will be based on the principles used to inform the local funding formula and will enable all providers to respond via an online survey.

The survey will ask providers to prioritise (and contribute to) a set of principles by which we will determine the local funding, including:

1. Maximising the base rate to providers by:
	1. reducing and/or removing the optional supplements for quality and flexibility and / or;
	2. reducing the level of the deprivation supplement and / or;
	3. changing the criteria used to award supplements so funding is more targeted where there is the greatest need
2. Simplifying the formula to reduce the administrative burden
3. Ensuring no provider sees a reduction in funding
4. Increasing the SENIF fund
5. **Early Years Consultative Group**

In order that the Local Authority can discuss the implications of local and national policy changes with the sector, not just in relation to funding, we propose convening a consultative group, with representatives from all types of early years and childcare providers in Norfolk.

We made a previous commitment to set up a consultative group to inform future consultations and discuss any impending funding changes. Whilst we acknowledge this has not happened to date, we are developing Terms of Reference for the group and intend to hold the first meeting before October half term. We intend this to be led by the sector and chaired by a sector representative with support for Local Authority early years and finance officers. This will allow the Local Authority to discuss impending changes and current issues for the sector on a termly basis, including funding, recruitment and retention, governance, training and staff development.

The group will support the Local Authority in setting the longer-term early years strategy alongside reviewing issues and achievements.

We anticipate the first meeting taking place this term.

1. **Conclusion & Recommendations**

**Schools Forum are asked to:**

* **Consider and comment on the proposed process to consult on changes to Norfolk’s Early Years DSG Funding Formula**

###### Officer Contact

If you have any questions about matters contained or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with:

If you have any questions about matters contained in this paper please get in touch with:

**Officer Name: Tel No: Email address**:

Jo-anne Lamb 01603 638096 jo-anne.lamb@norfolk.gov.uk

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|  | If you need this report in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help. |

**Schools Forum**

**Item No. 4d**

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| --- | --- |
| **Report title:** | **Central Schools Services Block (CSSB)** |
| **Date of meeting:** | **September 2022** |

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| **Executive summary**This report provides an overview of the use of the Central schools services block (CSSB) provided to each local authority as part of the Dedicated Schools Grant. The allocation is for on-going responsibilities for the local authority in relation to the school system and children’s education. The total value of the allocation of the CSSB in 2022-2023, for Norfolk is £3,964,558.**For information only. Comments from Forum are welcome, will be recorded and considered by the Local Authority.** |
| **Context**The **Central school services block** is allocated to every local authority to carry out central functions on behalf of pupils in state-funded maintained schools and academies.The LA uses this funding to support the wide range of existing responsibilities for the school system. It has been further enhanced by the Monitoring and Improvement Grant, which is being withdrawn.For each local authority, The DFE determine the CSSB by multiplying the CSSB units of funding by the number of pupils recorded in the October 2021 school census in* reception to year group 11, and
* aged 4 to 15 not assigned to a year group.

The current allocation to Norfolk LA is £3,964,558.The **Monitoring and Improvement grant** has been paid to LAs since 2017 to continue to monitor performance of maintained schools, broker school improvement provision and intervene as appropriate. It is further used to support the statutory and regulatory duties across the education system, including Academies. For example, to support inclusion and prevent exclusion. It is, however allocated on the basis of the number of local authority-maintained schools. **Monitoring and Improvement grant allocation**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year | 2019/202 | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
| Income | £727,279 | £724,668 | £656,976 | £239,588 | £0 |
| Spend/Forecast | £727,279 | £724,668 | £656,976 | £659,193 | TBC |

This year the grant has been halved and will cease completely by April 2023. The Schools White Paper indicates there is no cessation in the expectation of LAs in relation to local authority maintained schools and the duties remain in statute.  |
| **Responsibilities held by the Local Authority**The Local authority holds wide ranging responsibilities that need to be funded to be fulfilled:**Statutory and regulatory duties**Director of children's services and personal staff for director (Sch 2, 15a)Planning for the education service as a whole (Sch 2, 15b)Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22)Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c)Formulation and review of local authority schools funding formula (Sch 2, 15d)Internal audit and other tasks related to the local authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e)Consultation costs relating to non-staffing issues (Sch 2, 19)Plans involving collaboration with other local authority services or public or voluntary bodies (Sch 2, 15f)Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17)Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21)**Education welfare**Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20)School attendance (Sch 2, 16)Responsibilities regarding the employment of children (Sch 2, 18)**Asset management**Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a)General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b)**Other ongoing duties**Licences negotiated centrally by the Secretary of State for all publicly funded schools (Sch 2, 8); this does not require schools forum approvalAdmissions (Sch 2, 9)Places in independent schools for non-SEN pupils (Sch 2, 10)Remission of boarding fees at maintained schools and academies (Sch 2, 11)Servicing of schools forums (Sch 2, 12)Back-pay for equal pay claims (Sch 2, 13)Writing to parents of year 9 pupils about schools with an atypical age of admission, such as UTCs and studio schools, within a reasonable travelling distance (Sch 2, 23)**Historic commitments**Capital expenditure funded from revenue (Sch 2, 1)Prudential borrowing costs (Sch 2, 2(a))Termination of employment costs (Sch 2, 2(b))Contribution to combined budgets (Sch 2, 2(c))**In addition – for LA maintained Schools only**The LA has a duty (now working with the Regional Director} to intervene with schools causing concern  |
| **Central Services Block**The CSSB is used in agreement with Schools Forum members. Budgets agreed by Schools Forum for these items 2022/23:

|  |  |
| --- | --- |
|  | **£** |
| Termination of employment costs | 64,994 |
| Servicing of schools forums | 30,000 |
| Places in independent schools for non-SEN pupils | 100,000 |
| Admissions | 487,011 |
| Director of children's services and personal staff for director[[3]](#footnote-4) | 119,700 |
| Licences (Forum approval not required) | 693,506 |
| All other responsibilities held for all schools, formally ‘Education Services Grant’  | 2,288,794 |
|  | **3,784,005** |
| Also, in addition: |  |
| TPG/TPECG for centrally employed teachers which was rolled into the DSG CSS Block | 180,553 |
| Central School Services Block | **3,964,558** |

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| **Monitoring and Improvement Grant (M&I)**The M&I grant is predominantly used to support the following services in Learning and Inclusion (Norfolk Children’s Services) * Part funding for two roles in the Intervention Service
* Part funding roles in the Inclusion Service, Inclusion helpline and reducing exclusions

The White Paper suggests that Schools Forum should be invited to support the funding in relation to the activity supported by this grant, after April 2023. Following feedback, via discussions this term with school leaders, and Schools Forum, we will bring a proposal to Schools Forum outlining in greater detail the work that this grant has funded, any new arrangements within Children’s Services, the risk to existing provision and a de-delegation request.  |
| **Conclusion**Schools Forum should note:* that the CSSB is allocated to support on-going LA central functions with the agreement of the Schools Forum
* that the Monitoring and Improvement Grant to support further LA central functions, in particular, for LA maintained schools will cease from April 2023, and that the LA will provide more detail in November to support a de-delegation request following discussions with school leaders.
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| **Officer Contact**If you have any questions about matters contained or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with: If you have any questions about matters contained in this paper, please get in touch with: **Officer Name: Tel No: Email address**:Chris Snudden 01603 223452 Chris.snudden@norfolk.gov.uk(Director learning and Inclusion)

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SCHOOLS FORUM FORWARD PLAN

**I – Information D- Decision**

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|   | Autumn Term |  |  | Spring Term |  |  | Summer Term |  |
| **30/9/22**(Friday)09:00 – 12:00 | **September (Face-to-face, Easton College)**DSG Management Plan Update and Safety Valve ProgrammeProvisional DSG Allocations for 2023-24 and Fair Funding Consultation for Mainstream Schools’ Formula Early Years Funding ConsultationCentral Schools Services Block: info on LA services | **D****D****D****I** | **27/01/23**(Friday)09:00 – 12:00 | **January (Remote/Venue TBC)**Election of Chair/Vice ChairReview MembershipProposed Schools Budget including central costsEstimated Pupil variations 2023-24 DSG Safety Valve | **D****I/D****D****I****I** | **17/05/23**(Wed)09:00 – 12:00 | **May (Remote/Venue TBC)**Dedicated Schools Grant 2022/23 OutturnAnnual Audit Report (Norfolk Audit Service)DSG Safety Valve | **I****I****I** |
| **16/11/22**(Wed)09:00 – 13:00 | **November (Face-to-face, venue TBC)**Early Years BlockDe-delegation/CSS BlockSchools Block (inc. consultation outcomes and, if necessary, Schools Block transfer)DSG Safety Valve | **D****D****D****I** | **15/03/23**(Wed)09:00 – 12:00 | **March (Remote/Venue TBC)**Agree next year’s planFinal pupil variationsDSG Safety Valve | **D****I****I** | **07/07/23**(Friday)09:00 – 12:00 | **July (Remote/Venue TBC)**Updates on Scheme for Financing Schools(Financial Regulations)DSG Safety Valve | **D****I** |

1. Provisional Early Years Block allocations are expected to be published in December 2022. The current EY Block allocation for the 2022-23 financial year is £44.594m. [↑](#footnote-ref-2)
2. Change of terminology from previous years when reference was made by Govt. to a Hard National Funding Formula [↑](#footnote-ref-3)
3. Our budget paper describes this as: “Contribution towards the Director of Learning & Inclusion central budgets - Early Intervention and Achievement. This can be evidenced as a historic commitment prior to April 2013. This meets the rules of contributing towards Education Benefit”. [↑](#footnote-ref-4)