

Schools Forum

6th October 2022

Election of Chair & Vice Chair

Membership - Report

Membership Review

- Review of Schools Forum membership carried out
 - Refer to report
 - Pupil numbers: May-22 census used
- No structural changes are required
- Brought update to July meeting detailing 2 vacancies in the Academy sector
 - Since then, a further vacancy has arisen in the Academy sector

Membership

Respresented sector	Current Membership	Updated Membership	Structural Changes	Vacancies at Sept-22
Primary Schools	7	7	0	0
Secondary Schools	0	0	0	0
Mainstream Academies	11	11	0	3
Special Schools	2	2	0	0
Special Academies	1	1	0	0
Maintained Nursery School	1	1	0	0
Pupil Refferal Unit (PRU)	1	1	0	0
Total	23	23	0	3

National Update

22/23 EY DSG update

Coventry City Council DSG PPR - 2022/23

	Early Years Block (£000)	Schools Block & Growth (£000)	Central Sch.Serv Block (£000)	High Needs Block (£000)	Total (£000)	Movement since March (£000)
1 <u>21/22 Total resources (at budget setting)</u>	21,403	264,208	3,454	52,972	342,037	0
1.1 Removal of one-off reserve funding 21/22		(450)			(450)	0
1.2 Pupil number adjustment (Jan-21)				61	61	0
1.3 Pupil number changes (Jan-22)	389				389	0
21/22 DSG (current)	21,792	263,758	3,454	53,033	342,038	0
2 <u>Changes to forecast DSG resource</u>						
2.1 Pupil number changes (Oct-21 & Jan-22)	929	2,888	16	382	4,215	78
2.2 National funding formula increase	579	6,007	(313)	4,423	10,695	0
2.3 Formulaic growth fund allocation change		684			684	0
22/23 DSG (estimated)	23,300	273,337	3,157	57,838	357,632	78
3 <u>Additional non-DSG resource</u>						
3.1 22/23 Contribution from DSG reserves		450			450	0
3.2 22/23 Supplementary High Needs Funding				2,091	2,091	0
22/23 Total resources (estimated)	23,300	273,787	3,157	59,929	360,173	78

2023/24 DSG Update

- National picture: Core Schools Funding
 - DFE: +£4bn in 22/23 and +£1.5bn in 23/24
- Hard National Funding Formula
 - Consultation on transition to hard NFF issued in June
 - Closing date was 9th September
- DFE released Indicative block allocations in July 2022
 - Schools, High Needs and Central Services → next slide
 - Early Years Block and post-16 funding → No updates yet

2023/24 DSG Update (INDICATIVE)

- Coventry Schools Block
 - Increase £11m
 - £7.9m due to Supplementary Fund
 - £3.1m due to NFF (£6m in 2022/23)
 - No growth fund figures yet, no calculator published
- Central School Services Block
 - Further 20% decrease for historic commitments (£207k)
 - 2.5% decrease for ongoing responsibilities (£53k)
- High Needs Block:
 - Increase of £4.1m (£4.4m in 2022/23)

Schools Block - recap

- NFF produces individual school level allocations, **total of this becomes schools block DSG for LA to allocate...**
 - NFF + protection (funding floor)
 - Premises = historic funding level
 - Growth = separate funding stream
- In 22/23 we funded the higher of 2% MFG or NFF allocation
 - The majority of schools were on the 2% MFG increase – with 51 schools seeing a higher increase (30 in 21/22)
- Significant overspend on the formula (£568k) due to data changes – funded by the DSG reserve
- Significant underspend on growth fund (£577k) due to a significant increase in our allocation – contribution to the DSG reserve

2023/24 Schools Block

- Overall School funding through NFF to increase by 1.9% (3.2% in 22/23)
- Core formula factor values (E.G. basic entitlement & lump sum) to increase by 2.4%
- Deprivation funding (E.G. FSM6 & IDACI) to increase by 4.3%
- Minimum per pupil funding to rise by 0.5% (2% in 22/23):
 - £4,405 per Primary pupil (£4,265 in 22/23)
 - £5,715 per Secondary pupil (£5,525 in 22/23)
- Minimum Funding Guarantee (MFG) range: +0% to +0.5%
 - For protection vs 2022/23 per pupil funding
 - Depends on affordability

2023/24 Schools Block continued...

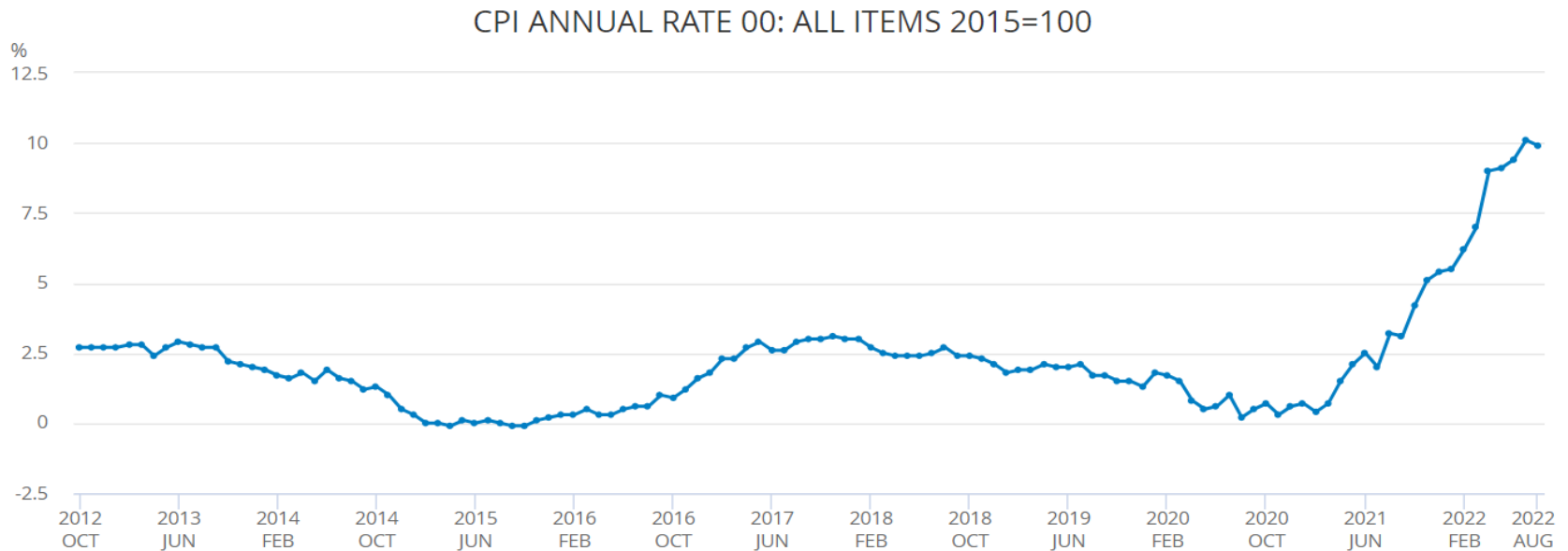
- Despite these figures, key number for the many of Coventry schools is the funding floor level for 22/23: +0.5%
 - i.e. many Cov schools are on the funding floor (as losers under NFF)
 - Other changes **may** increase some new schools above the floor
 - But +0.5% per pupil is the max that floor schools could increase
- **Indicative** figures suggest 68 schools on NFF (above floor)
 - i.e. see increase > +0.5%
 - BUT this is all INDICATIVE (based on Oct-21 census)
- Allocation updated for Oct-22 pupil numbers in December
 - Then need to determine affordability... **0.5% floor not guaranteed**
 - allocation may not equal what we want to give out:
 - Cost of MFG; data differences; high needs 0.5% transfer?

Costs, Pressures, Other

- Teachers pay award September 2022
 - Still unconfirmed
 - Between 5% - 8.9%;
 - Between 3% & 7.1% for September 2023
- Officer's pay award 2022/23
 - Still unconfirmed, could potentially be £1,925 per pro rate employee, estimating 3% in 2023/24
- Energy Inflation
 - For schools on Council contracts
 - Electricity 100% increase from 1st October 2022 & another 100% increase from October 2023
 - Gas increased by 70% in April 2022 & 400% from April 2023
 - Energy Cap
 - Adam Yarnall – Energy Manager 02476 978955
 - energymanagement@coventry.gov.uk

Costs, Pressures, Other

- General inflation: CPI running at +9.9% (Aug-22)
 - In real terms, this means a significant reduction in funding for schools



- National Insurance Levy
 - Government announced a +1.25% from April 2022 & an increase in the threshold where payments kick in
 - Reversed from 6th November

What next?

- Detail still to work through
 - October 22 Census
 - No Early Years operational guidance yet
 - No Early Years indicative allocations
 - Modelling done as part of the EYNFF Consultation
 - 3 & 4 YO funding rate increases by 4.5%
 - 2 YO funding rate increases by 3.9%
 - Teachers Pay & Pension grant would be rolled into the 3 & 4 year old funding rate
 - LAs encouraged to use a quality supplement to ensure this funding continues to be used to support the costs it was originally designed for.
 - This would be a change to the EY funding formula & as such, if the consultation is approved, will need to be considered by the sub group.

Current central exp position

	2020/21	2021/22	2022/23	22/23 inc/dec
	£000	£000	£000	£000
Centrally Retained Services				
1.4.1 Contribution to combined budgets	1,110	786	531	-255
1.4.2 School admissions	600	625	565	-60
1.4.3 Servicing of schools forums	3	3	3	0
1.4.4 Termination of employment costs	323	323	323	0
1.4.5 Falling Rolls Fund	0	0	0	0
1.4.6 Capital expenditure from revenue (CERA)	0	0	0	0
1.4.7 Prudential borrowing costs	0	0	0	0
1.4.8 Fees to independent schools without SEN	0	0	0	0
1.4.9 Equal pay - back pay	182	182	182	0
1.4.11 SEN transport	310	310	310	0
1.4.12 Exceptions agreed by Secretary of State	4	4	0	-4
*1.4.14 Other Items	265	724	677	-47
1.5.1 Education welfare service	299	313	322	9
1.5.2 Asset management	175	175	235	60
1.5.3 Statutory/ Regulatory duties	312	319	319	0
Total	3,583	3,764	3,467	-297
Historic Commitments	1,929	1,605	1,346	-259
NFF (Central Expenditure)	1,654	2,159	2,121	-38

*From 2021/22 TPS grant for centrally employed teachers is included in our central block DSG allocation

Central Expenditure

- What level of review is needed?
 - Schools Forum needs to approve CSSB expenditure in November
- Undertook a significant review in November 2021
 - All centrally funded service areas completed reports detailing what the service does, how it is funded and what the future of the service looks like
 - These reports were considered by the Schools Forum sub group & service managers were on hand to answer any queries the group had
 - Very little change to services offered since that review
- Option 1: SF already happy to approve based on detailed 22/23 review
- Option 2: SF wants SF Sub-group to be reconvened to review all central expenditure areas again

Fair Funding Consultation

Fair Funding Consultation

- We will consult on formula approach, but as in previous years our intention would be to mirror NFF as closely as possible.
 - Will also include an option should +0.5% be unaffordable
- Consultation will also cover:
 - Minimum Funding Guarantee Disapplications
 - De-delegation options (maintained schools)
 - Fair Funding Scheme of Delegation changes
- Consultation to close by mid November
- Report outcomes to Cabinet in early January

MFG Disapplication Requests - Report

MFG Disapplications

- MFG disapplication process allows LAs to apply to the DfE to adjust the funding that the MFG calculation applies to
 - So the MFG is calculated on a like for like basis preventing the inclusion/exclusion of a specific budget leading to an inappropriate amount of protection.
- In 22/23 the LA operated the Coventry Education Improvement Strategy commissioning pot
 - The additional budget required to fund this was funded from DSG central reserve.

MFG Disapplications

- Reserve money utilised is one-off and therefore it is important that this does not become part of the MFG baseline.
 - Inappropriate amount of protection
 - Schools funding formula could become unaffordable.
- Intention is to apply for MFG disapplication to ensure the inclusion of this funding does not distort the level of MFG protection.
- Submission deadline
 - 10th October
 - Second deadline on 18th November

Approval / Ratification

- **The Schools Forum should give it's support for the LA to apply for the MFG disapplication set out**

Voting: All