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Nottingham City Council

Schools Forum

Minutes of the meeting held remotely via Zoom and livestreamed on YouTube on 11 October 2022 from 1.52 pm - 3.10 pm

Membership

- | | |
|---------------------------|------------------------------------|
| ✓ Kerrie Fox (Chair) | - PRUs |
| ✓ Paul Burke (Vice Chair) | - Secondary Academies |
| ✓ Kerrie Henton | - AP Academies and Free Schools |
| Debbie Simon | - Early Years PVI |
| ✓ Judith Kemplay |) |
| ✓ Terry Smith |) Maintained Primary Head Teachers |
| ✓ Alison Tones |) |
| ✓ Patricia Lewis |) |
| Laura Patel | - The Nottingham Nursery |
| ✓ Meeta Dave |) |
| Tim Jeffs |) Primary Academies |
| ✓ Rob Perkins |) |
| ✓ Andy Smith |) |
| ✓ David Tungate |) Secondary Academies |
| ✓ Bob White |) |
| ✓ Phil Willott | - Special Academies |
| ✓ Sheena Wheatley | - Trade Unions |
| ✓ Lisa Wilson | - 14-19 Education |

- ✓ indicates present at meeting

Colleagues, partners and others in attendance:

- | | |
|-------------------|---|
| Tony Beck | - Principal Commercial Officer |
| Mark Leavesley | - Governance Officer / Clerk to the Forum |
| Kathryn Stevenson | - Senior Commercial Business Partner |
| Janine Walker | - Head of SEND and Vulnerable Pupils |

1 Appointment of Chair

Resolved to appoint Kerrie Fox as Chair for the academic year 2022-23.

2 Appointment of Vice-Chair

Resolved to appoint Paul Burke as Vice-Chair for the academic year 2022-23.

3 Apologies for Absence

Tim Jeffs
Laura Patel
Debbie Simon
Julia Holmes
Nick Lee

4 Declarations of Interest

None.

5 Minutes

The Forum agree the minutes of the meeting held on 28 June 2022 as a correct record and they were signed by the Chair.

6 Disapplication to Education & Skills Funding Agency for the application of the application of the premises: exceptional circumstances factor in the financial year 2023/24

Kathryn Stevenson, Senior Commercial Business Partner, presented the report, and stated the following:

- as the Department of Education move towards the implementation of the Direct National Funding Formula for schools, local authorities have been advised in the 'Schools Operational Guide: 2023 to 2024' that they must apply to the Secretary of State for approval for the use of the exceptional circumstances factor in the financial year 2023/24 if the latest approval was prior to 2018/19;
- Nottingham City Council (NCC) received approval for the use of exceptional circumstances factor for the financial year 2013/14. This factor is used to allocate funding to schools that were built under the Building Schools for the Future (BSF) Design & Build (D&B) scheme, whereby both the school and the local authority had to commit to funding a lifecycle fund so that the buildings could be maintained to the same standard as a new Private Finance Initiative school for 25 years from the date of completion;
- the purpose of the report was to seek the view of Schools Forum on the disapplication request to the Secretary of State for approval to include BSF funding to the schools that currently attract this funding;
- the deadline for submitting the disapplication request is 18 November 2022;
- the local authority is contractually obliged to fund Bluecoat Beechdale Academy for BSF lifecycle costs until the financial year 2034/35, and Ellis Guilford School until 2036/37. These two schools equate to 2.13% of our schools, therefore NCC meet the threshold of less than 5% of our schools attracting this funding;
- the funding allocated to each school is based on the previous year's allocation and is inflated using the February RPIx as per clause 11 of the Governing Body Agreements with each school;
- Bluecoat Beechdale Academy manage their own BSF Lifecycle Fund, whereas currently the Ellis Guilford School BSF Lifecycle Fund is managed by the local authority and the academy is invoiced annually for the value of the funding allocated to the academy, which is then held by the local authority in a lifecycle reserve and released to the academy as lifecycle works are undertaken;
- the estimated BSF Lifecycle funding allocations for 2023/24 have been based on:

1. adjusting the allocation for 2022/23 to reflect the actual February RPIx (estimate based on 7.23%, actual RPIx 8.34%);
 2. inflating the revised 2022/23 allocation by the estimated inflation for 2023/24, which has been set at 10%;
 3. adding the inflation calculated in 2. to the revised allocation for 2022/23;
- the forecast schools budget for each academy has been based on the illustrative budgets issued by the Education and Skills Funding Agency for 2023/24, based on the data used in the Authority proforma tool for 2022/23, and then adjusted for the inflation that is to be added to the BSF Lifecycle allocations in 2023/24;
 - the option to ‘do nothing’ was considered, but rejected, as this would create a significant budget issue for the local authority and, as stated above, the local authority is contractually obliged to fund the BSF Lifecycle costs for 25 years, with an agreed commitment to fund Bluecoat Beechdale Academy for a remaining 12 years and Ellis Guilford Schools for a remaining 14 years.

Resolved to agree that the Local Authority apply to the Secretary of State for approval to include exceptional circumstances factor funding in the financial year 2023/24 for Bluecoat Beechdale Academy and Ellis Guilford School (schools that were built under the Building Schools for the Future Scheme).

The meeting was quorate and, of the 14 members in attendance at the meeting, the recorded vote was as follows:

- 13 in favour of the resolution;
- no votes against;
- 1 member absent when the vote was counted.

Sector	Name	Vote
Primary Academies 1	Tim Jeffs	<i>Sent apols for the meeting</i>
Primary Academies 2	Meeta Dave	For
Primary Academies 3	Rob Perkins	For
Nottingham Nursery	Laura Patel	<i>Sent apols for the meeting</i>
Maintained Primary 1	Terry Smith	For
Maintained Primary 2	Judith Kemplay	For
Maintained Primary 3	Alison Tones	For
AP Academies	Kerrie Henton	For
Secondary Academies 1	Paul Burke (Vice-Chair)	For
Secondary Academies 2	Andy Smith	For
Secondary Academies 3	Bob White	<i>Not present for the vote</i>
Secondary Academies 4	David Tungate	For

Special Academies	Phil Willott	For
Maintained Special	Patricia Lewis	For
PRUs	Kerrie Fox (Chair)	For
Early Years PVI	Debbie Simon	<i>Sent apols for the meeting</i>
Trade Unions	Sheena Wheatley	For
FE Colleges (14-19)	Lisa Wilson	For

7 Funding updates and national funding consultations

The Forum received a presentation by Kathryn Stevenson, Senior Commercial Business Partner, a copy of which is appended to these minutes.

Resolved to note the presentation and request that Ms Stevenson submit an update to the next meeting of Forum.

8 High Need Places consultation

The Forum received a presentation by Kathryn Stevenson, Senior Commercial Business Partner, a copy of which is appended to these minutes.

Resolved to note the presentation and request that Ms Stevenson submit an update to the next meeting of Forum.

Funding update for 2023/24 and national funding consultations

Kathryn Stevenson

Schools Block (1)

- The Supplementary Grant has been rolled into the schools NFF in 2023/24
- The NFF factor values have been increased on top of the amounts that have already been added for the schools Supplementary Grant.

The Free School meals at any time in the last 6 years (FSM6) and income deprivation affecting children index (IDACI) factors have been increased by 4.3%

The basic entitlement, free school meals (FSM), low prior attainment (LPA), English as an additional language (EAL), mobility, and the lump sum factors have been increased by 2.4%

Local authorities are expected to move their factor rates 10% closer to the NFF factor values

The minimum funding guarantee has been set at 0.5% per pupil

Schools Block (2)

- Based on the illustrative funding allocations released by the Department of Education for 2023/24 52% of our primary schools and 53% of our secondary schools will only be receiving an increase of 0.5% per pupil
- This is a concern given that the proposed pay awards are higher than anticipated
- The LA has asked all maintained schools to update their MTFP's this term to take account of forecast funding settlement and the anticipated pay awards for teaching and non-teaching staff by **21 November 2022**.
- **Table 1** shows a comparison of the schools in the City in receipt of protection in the financial year 2022/23 compared to the illustrative funding allocations for 2023/24

Schools Block (3)

Table 1: Number of schools in receipt of the minimum funding guarantee (MFG) and the number of schools on the school national funding formula (NFF)

	2022/23	2023/24	Variance
Primary schools on MFG	53	39	-14
Primary schools fully on the schools NFF	22	36	14
Secondary schools on MFG	12	10	-2
Secondary schools fully on the schools NFF	7	9	2
Total number of maintained schools and academies	94	94	

Schools Block (4)

Table 2: Forecast increases in pupil-led funding for schools on the schools NFF

	Primary	Secondary
>0.5% but less than 1%	5	-
>1% but less than 2%	7	2
>2% but less than 3%	11	3
>3% but less than 4%	7	4
>4% but less than 5%	6	-
Total number of schools	36	9

Central Schools Services Block

- No change to how central schools services funding for ongoing commitments is calculated in 2023/24
- Further cut of 20% applied to historic commitments funding in 2023/24 – This bring the total reduction in historic commitments funding between 2020/21 to 2023/24 to £3.275m.

Table 3: Comparison of funding in the Central Schools Services Block 2022/23 to 2023/24

	2022/23 (£m)	2023/24 (£m)	Variance
Ongoing commitments	1.664	1.697*	0.033
Historic commitments	2.905	2.234	(0.581)
Total Funding	4.569	4.021	

*Based on October 2021 pupil numbers, to be updated to reflect the pupils on the October 2022 school census in December 2022

High Needs

- All LAs receiving an increase of between 5% and 7% per head of 2-18 population for 2023/24
- Nottingham will receive the ceiling 7% increase which equates to an indicative £3.661m increase.
- Aiming to ensure funding for schools and settings to support high needs pupils reflects true cost pressures including:
 - HLN top-up bands increased in line with pay award
 - Special school funding review

EY funding - background

- Early Years National Funding Formula (EYNFF) was introduced in April 2017 and determines the hourly funding rates that each LA is paid to deliver the 2,3, & 4 Year old entitlements
- Designed to take account of proportions of designed of children with additional needs based on free school meals (FSM) eligibility, English as an additional language (EAL) and being in receipt of Disability Living Allowance (DLA), as well as an Area Cost Adjustment (ACA) applied to staffing and premises related costs.
- Each LA's hourly funding rate under the EYNFF is applied to the pupil numbers on the School Census and Early Years Census each January to determine the LA's DSG Early Years Block allocation.
- Since 2017 the data underpinning those original LA rates has not been updated. Where funding rates have been increased, it has been by applying a standard same pence/hour rate increase to each LA's funding rate.

Key EY consultation proposals

- Using more recent and/or refined datasets for FSM, EAL and DLA and re-calculating the LA rates on this basis
- Making some changes to the ACA methodology and updating with most recent rateable values data
- Merging the separate Teachers' Pay & Pension grant currently provided to schools for early years pupils into the overall DSG 3 & 4 year old rate
- Introducing a minimum funding rate for Maintained Nursery School supplementary funding

EY Implications

- Area Cost Adjustment changes are having a significant impact on the national funding distribution
- Updates to other datasets less of a concern
- Nottingham moves to the funding floor, with only a 0.9% rate increase for 2023/4 (5p/hour for 3 & 4 YO, 6p/hour for 2YO)
- Gains are capped at 4.5% for 3 & 4 YO and 8.6% for 2YO
- Our consultation response advocated a more even distribution of funding growth in the current economic climate
- Difficult situation to manage and local EY formula consultation required if the merging of the separate teachers pay and pension grant goes ahead
- No local benefit from the introduction of the Maintained Nursery Supplementary funding floor.

Implementing the Direct National Funding Formula Consultation (1)

- Over the Summer the DfE released their next consultation 'Implementing the Direct National Funding Formula (NFF)'
- This is the next consultation in a series of consultations to be carried out by the DfE as they move towards the introduction of the direct NFF
- DfE have stated that they do not have a fixed date by which the direct NFF will be implemented but they expect to have moved onto it within the next 5 financial years, that is by 2027/28 at the latest
- The deadline for submitting the consultation response was 9 September 2022

Implementing the Direct National Funding Formula Consultation (2)

- The consultation focused on:
 - The transfer of funding from schools budgets to the high needs block
 - A national notional SEN budget
 - Pupil growth and falling rolls funding
 - Split site funding
 - Premises: Exceptional circumstances
 - Moving to a simplified pupil-led funding protection under the direct NFF
 - The annual funding cycle
 - Notification of the ESFA of planned school re-organisations and changes in pupil numbers
 - De-delegation

Implementing the Direct National Funding Formula Consultation (3)

- **Key issues** that were highlighted in the LA's response to the consultation:
- **Pupil Growth and falling rolls:**
 - Welcome local flexibility to allocate funding where needed which helps support place planning
 - There should not be a standard rate per pupil or lump sum – we feel levels of deprivation should be taken into account
 - Concerned could generate less funding than previously received
 - No mention of what the DfE intend to do about current commitments, will they be honoured if LA's receive less than has already been agreed?
 - Still so many unknowns how will work in practice. No definition as to what constitutes 'significant growth', what will the thresholds be and how is funding going to be allocated for falling rolls?
 - Support the proposal to remove the restriction that falling rolls funding can only be provided to schools judged good or outstanding.

Implementing the Direct National Funding Formula Consultation (4)

- **Split Sites:**
 - Do not believe that split site funding should be based on the average maximum values made by LA's in 2021/22 as these do not accurately reflect actual costs.
 - Not all costs are driven by the distance between schools, for example running two kitchens, additional caretaking and administration staff, additional telephone systems, second curriculum internet connection and insurance costs.
 - There needs to be a mechanism for schools to reclaim costs if they open a split site in year that has not been accounted for in the NFF
- **The annual funding cycle:**
 - Multi-year funding settlements would be helpful for schools budget planning and guidance on a sensible planning assumption for subsequent % increases to NFF rates and the MFG to use in MTFP's

Proposed High Needs Place Changes 2023/24 Academic Year

11 October 2022

Objective

To share with Schools Forum draft proposals for planned high needs places for the 2023/24 academic year

Linked to:

- Requirement for the LA to consult with Schools Forum over arrangements for high needs pupils
- Requirement for the LA to submit place change notifications relating to academies/FE colleges to the ESFA in **November**

Approach

1. Identify where a place number change may be required taking into account;

- Current numbers
- Known leavers July 2023
- Anticipated/average new admissions
- Limits to physical capacity

2. Agree proposed changes with institutions involved.

Current Published High Needs Places

Institution	Published Places AY22-23
Westbury Special Academy	104
Woodlands Special Academy	89
Nethergate Special Academy	159
Rosehill Special School	120
Oak Field Special School	166
Bluecoat Primary Academy	5
Bluecoat Aspley	16
Bulwell Academy	6
NUSA	12
Mellers Primary	13
Fernwood Primary	2
Denewood Academy	42
Unity Academy	110
Nottingham College	140



Potential HN place changes for Sept 2023

- +10 at Nethergate incorporating final class of 8 in the new ASD unit, and 2 extra post-16 places
- Potential post-16 place increase at Nottingham College based on recent high needs learner numbers. Anticipating could be c.20+ extra places. Need to incorporate projected demand from other LAs.
- No other changes currently anticipated.

Financial Implications

- 10 extra places at Nethergate will cost c.£0.182m for a full year, £0.108m in FY23-24 with 7/12 impact
- **£0.208m** additional budget requirement for special schools for FY 2023/24 arising from place number changes (AY2022/23 and AY2023/24) prior to any funding increase
- Funding increase for 2023/24 will be subject to the outcome of our Special School funding review, which is in progress and conducted on a 4-yearly cycle
- Place cost element of 20 places at Nottingham College would be £0.120m in a full year, £0.080m in FY23-24 with 8/12 impact
- **£0.120m** additional budget requirement for FE recoupment for 2023/24 arising from place number changes over last 2 academic years

Longer term plans

- High Needs Provision capital allocation for 2021/22 of **£2.550m**
- Further HN capital allocations announced in March 2022; £7.3m for 2022/23 and £8.1m for 2023/24
- SEND capital strategy in the pipeline. Will require consultation and approval at the Capital Programme Board
- 50% increase in high needs top-up pupils over the last 5 years
- Nearly 60% of the increase is in pupils with a primary need of ASD, and 18.5% with Speech, Language, Communication Needs
- Data analysis highlights the need to develop options to use capital funding to create a significant number of additional high needs ASD/MLD places at secondary, in the areas of the City with highest prevalence of needs
- Also to build on opportunities for small units for SEN pupils attached to primary schools

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