



SCHOOLS FORUM

18 October, 2022 at 4.00 pm

Meeting to be held via: **Microsoft Teams**

MEMBERSHIP:	Mr M. Vlahakis	Primary Head Teacher, Cadmus Family of schools
	Mrs C. Draper	Primary Head Teacher, Short Heath Federation
	Mrs J. Garratt	Primary Head Teacher, Walsall Wood
	Mr S. Davies	Primary Head Teacher, Christ Church CE (C) JMI School
	Mrs N. Boys	Primary Academy Head Teacher, Lodge Farm
	Mr M. Moody	Primary Academy Representative, Goldsmiths and Rivers Academies
	Mrs S. Bowen	Secondary Maintained Head Teacher, St. Thomas More Catholic School
	Mr A. Seager	Secondary Academy Head Teacher, Bloxwich Academy
	Ms A. Stoddart	Secondary Academy Head Teacher, Shire Oak Academy
	Mr W. Downie	Secondary Academy Head Teacher, Streetly Academy
	Mrs L. Foster	Primary Governor, Short Heath Federation
	Mr M. Fox	Primary Governor, Kings Hill Primary
	Mr I. Baker	Secondary Academy Governor, Grace Academy
	Mrs C. Fraser	Special School Head Teacher, Castle Business and Enterprise College
	Mrs E. Phillips	Academy Special School, Phoenix Academy
	Mr C. Bury	Principal, The Ladder School, Alternative Provision
	Ms J. Barr	Special School Governor
	Ms M. Turley	Nursery Head Teacher, Ogley Hay Nursery
	Mr T. Hopkins	PVI Representative
	Mr S. Pritchard-Jones	Pupil Referral Unit representative
	Vacancy	16-19 School Forum Representative
OBSERVERS:	Councillor M. Statham	Cabinet Portfolio holder for Education and Skills
	Mr A. Orlik	Observer, C of E Diocese
	Ms S. Guy	Observer, National Education Union

Quorum – 8 members

A G E N D A

1.	Welcome and explanation of rules of procedure for virtual meeting	
2.	Apologies	
3.	Minutes – 26 th September, 2022 – To be considered at the meeting in December, 2022	
4.	Matters arising from the Minutes: To consider any matters arising from the minutes which do not occur elsewhere on the agenda.	
5.	Late items (urgent) to be introduced by the Chair.	
6.	Local Government (Access to Information) Act 1985 (as amended): To agree that the public be excluded from the private session during consideration of the agenda items indicated for the reasons shown on the agenda.	
7.	School improvement working group – Report to Follow	
8.	Walsall Learning Alliance – Verbal Update	
9.	Proposed Mainstream Schools Local Funding Formula 2023/24 – Report Enclosed	
10.	Maintained Schools De – Delegation – Report Enclosed	
11.	Review of Maintained Schools Balances 2021/22 – Report Enclosed	
12.	Review of Dedicated Schools Grant – update on 2022/23 Forecast Position – Report Enclosed	
13.	Disapplication Request – Report Enclosed	
14.	Correspondence – to receive any other items of correspondence that might be of interest or have an effect on the Forum:	
15.	Forward Plan - Enclosed	
16.	Late items (if any)	
17.	Dates of future meeting: <ul style="list-style-type: none"> • Tuesday 13 December, 2022 at 4.00 p.m. • Tuesday 17 January, 2023 at 4.00 p.m. • Tuesday 7 March, 2023 at 4.00 p.m. • Tuesday 20 June, 2023 at 4.00 p.m. 	

The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012

Specified pecuniary interests

The pecuniary interests that are specified for the purposes of Chapter 7 of Part 1 of the Localism Act 2011 are the interests specified in the second column of the following:

Subject	Prescribed description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	<p>Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by a member in carrying out duties as a member, or towards the election expenses of a member.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Regulations (Consolidation) Act 1992.</p>
Contracts	<p>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority:</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	<p>Any tenancy where (to a member's knowledge):</p> <p>(a) the landlord is the relevant authority;</p> <p>(b) the tenant is a body in which the relevant person has a beneficial interest.</p>
Securities	<p>Any beneficial interest in securities of a body where:</p> <p>(a) that body (to a member's knowledge) has a place of business or land in the area of the relevant authority; and</p> <p>(b) either:</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p>

Schedule 12A to the Local Government Act 1972 (as amended)

Access to information: Exempt information

Part 1

Descriptions of exempt information: England

1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the authority proposes:
 - (a) to give any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.
8. Information being disclosed during a meeting of a Scrutiny and Performance Panel when considering flood risk management functions which:
 - (a) Constitutes a trades secret;
 - (b) Its disclosure would, or would be likely to, prejudice the commercial interests of any person (including the risk management authority);
 - (c) It was obtained by a risk management authority from any other person and its disclosure to the public by the risk management authority would constitute a breach of confidence actionable by that other person.

Schools Forum 11 October 2022

Proposed Schools Local Funding Formula 2023/24

1. Summary

- 1.1 The schools local funding formula is the process that is utilised (informed by national guidance which details the funding factors that can be incorporated) to allocate the Schools Block of the Dedicated Schools Grant (DSG) funding that the Council receives to the mainstream schools in the Borough of Walsall. The Department for Education (DfE) requires each Local Authority, in consultation with their Schools Forum, to produce a schools local funding formula for the following financial year, by the third week in January each year. Due to the timing of Schools Forum and Cabinet meetings this therefore normally requires the agreement in advance of the DfE informing each Local Authority of their Dedicated Schools Grant (DSG) for that year (as this is not normally provided until the last week in December each year).
- 1.2 The implementation of the schools National Funding Formula (NFF) commenced from April 2018 to allow for a more equitable and comparable distribution of funding to schools across the country compared to the previous methodology (which was in the main based on historic spending on education in each area rather than on the basis of need).
- 1.3 Allocations for each school have been calculated nationally by the Education & Skills Funding Agency (ESFA) under the values associated with the NFF but the local authority has still been able to operate a local funding formula to calculate individual school budgets due to national delays in implementing the NFF in full.
- 1.4 Following delays in the implementation of the National Funding Formula, consultations on completing the Reforms to the NFF have taken place during the last year. The Government's response to these consultations is that it is the intention to move forward with plans to implement the NFF in full but with a period of managed transition to avoid unnecessary and unexpected disruption to schools.
- 1.5 The transition will involve bringing any LA's local formulae that does not already mirror the NFF progressively closer to the NFF over time. In line with this the approach that authorities are required to follow for 2023/24 is for them to ensure all allowable NFF factors are used in their local formulae and move each local formula factor value (at least) 10% closer to the NFF values (where they are not already at NFF values). Protections within the funding system (such as the minimum funding guarantee) will be maintained to minimise disruption for schools.
- 1.6 The Government's expectation is for all local authorities to have moved to full NFF within the next five years – that is, by the 2027/28 funding year. They do, however, hope that the move can happen sooner – but have confirmed it will not be later than this.

- 1.7 In support of ensuring these requirements were met a working group of Schools Forum members reconvened to review the options available for revising and setting the local funding formula for 2023/24 with a view to identifying routes to move to the implementation the full NFF going forward.
- 1.8 This report summarises the options reviewed by the working group and identifies that as all allowable NFF factors are not currently present in the existing local formula a full consultation with all schools will be required for the authority to be able to ensure the local formula for 2023/24 meets the regulations set out by government. The working group are supportive of these options being used in a full consultation with schools. If this is approved by Schools Forum it will then be reported to Cabinet at their meeting on 18 October 2022, where they are required to approve any formal consultation process.

2. Recommendations

- 2.1 That Schools Forum notes that as there is a requirement to utilise all allowable factors in the local formula for 2023/24, a full consultation exercise with all mainstream schools in Walsall will be required (as there is a need to include the two factors that are not currently utilised – Free School Meals 6 and Pupil Mobility).
- 2.2 That Schools Forum notes the work undertaken by officers and the working group containing members of Schools Forum, and agree the recommended list of funding formula options to be consulted on with all mainstream primary and secondary schools in Walsall.
- 2.3 Schools Forum are asked to note that this recommendation will then be reported to Cabinet on 18 October 2022 to seek their approval to enter in to formal consultation with the list of funding formula options set out.
- 2.4 That Schools Forum note that, if Cabinet are supportive of the consultation, the outcome of the consultation will be reported back to Schools Forum at their meeting on 6 December 2022 to allow them to make a final recommendation to Cabinet at their meeting on 14 December 2022 to determine the formula that will be utilised to distribute funding to mainstream schools and academies within Walsall for 2023/24.

3. Report detail

- 3.1 The DfE undertook consultations in July 2021 'Fair school funding for all: completing reforms to the National Funding Formula' and June 2022 'next stage of completing the reforms to the National Funding Formula'.
- 3.2 The Government's response to the first consultation confirmed their intention to move forward with plans to implement the full NFF with a view for enforced transition to bring local authority formulae closer to the NFF from 2023/24.
- 3.3 The transition will involve bringing any LA's local formulae that does not already mirror the NFF progressively closer to the NFF over time. In line with this the approach that authorities are required to follow for 2023/24 is for them to ensure all allowable NFF factors are used in their local formulae and move each local formula factor values (at least) 10% closer to the NFF values (where they are not

already at NFF values). Protections within the funding system (such as the minimum funding guarantee) will be maintained to minimise disruption for schools.

- 3.4 In line with the previous direction for the local funding formulas recommended by Schools Forum and supported by Cabinet, Walsall is currently a local authority that has not adopted the NFF in full. At present the local formula does not currently use all allowable pupil led funding factors and a whilst some of the factors that are used are close to the NFF values there are a number that have significant variations to the national figures.
- 3.5 To ensure that the requirements of local funding formulas for 2023/24 can be met, any formula approved by Schools Forum and Cabinet will need to include the addition of two new pupil led funding factors that are currently used in NFF but not in the LA's local funding formula. These are FSM6 (Free School Meals eligibility at any time in the last 6 years) and Pupil Mobility (supports schools with a significant proportion of pupils starting part way through the year). Any addition of factors to the local formula requires a full consultation exercise, and as such all options considered will need to be consulted on with all mainstream schools in Walsall.

NFF Provisional Allocations 2023/24

- 3.6 The DfE have published provisional allocations for 2023/24 setting out the funding that would be received under an NFF calculation assuming no underlying changes in pupil numbers and characteristics from October 2021 census data.
- 3.7 This provisional data shows a potential increase in Schools Block funding of £4.7m for 2023/24 (prior to any amendments to funding relating to any increases or decreases in the overall number of pupils being supported).
- 3.8 Provisional allocations under the NFF are also provided by school and although these allocations show very few schools losing any funding on a per pupil basis under the NFF calculations, it should be noted that the actual level of Schools Block DSG that will be payable to Walsall Council for 2023/24, which is normally provided during the last week in December each year, will be based on the pupil numbers and characteristics set out within the Schools Census carried out during October 2022.
- 3.9 There are also a number of schools within Walsall where, due to increased need for places, the Council have completed expansions within the last 7 years which are not yet full in each year group. This group of schools are therefore expected to see an increase in pupil numbers, above those contained within the October 2022 census, for the period September 2023 to March 2024.
- 3.10 As these pupils will not be in place when the October 2022 census is completed the local funding formula must recognise these additional children and seek to allocate funding for them from within the 'Growth Funding' allocation that is provided to authorities within the Schools Block of DSG to account for these potential changes.

Review of Options for a 2023/24 Local Funding Formula

- 3.11 A working group of Schools Forum members was reconvened to review a number of proposed options for revising and setting the local funding formula for 2023/24 with the aim of identifying the most appropriate option for meeting the regulations set out by government and distributing the total funds available to the authority to fund mainstream education in Walsall.
- 3.12 This group comprised a mixture of primary, secondary and governor representatives from both maintained and academy schools, with the group meeting in July and September 2022, to review and work through options.
- 3.13 The aims of the group were:
- i. To note the Government's intention to implement NFF in full and the enforced transition and requirements from 2023/24.
 - ii. To ensure any options proposed meet the requirements for 2023/24 – that all allowable NFF factors are used in the local formula and to move each local formula factor value (at least) 10% closer to the NFF values (where they are not already at NFF values).
 - iii. To consider options that will see the implementation of the full NFF in Walsall over a range of time periods, for example, one year, two years, three years, etc., in line with the direction of travel provided by Government.
 - iv. To ensure that where schools do see a reduction in funding, on a per pupil basis, for 2023/24 compared to the local funding formula allocations for 2022/23, that number of schools is kept at as low a level as possible and the value of reductions are at a manageable level.
- 3.14 With the above principles in mind the working group reviewed a number of options for implementing changes to the local funding formula for 2023/24. These options can be summarised as follows:

Option 1 – DfE minimum requirement – Utilising all allowable NFF factors (i.e. FSM6 and Pupil Mobility) and moving the Local Funding Formula factor values 10% closer to NFF rates in 2023/24, with Minimum Funding Guarantee (MFG) as the balancing figure of +2%. Pupil numbers for growth in schools which have been expanded and are not yet full in every year group were adjusted in the modelling (relevant values set out in Appendix 1).

In this option, once the changes to include the two additional factors, and to move 10% closer to NFF values were made, as the overall level of funding within the Schools Block is expected to increase by £4.7m (based on the provisional allocations provided by the DfE) for 2023/24 this model did not initially allocate the totality of funding available – which is required within the operational funding guidance. To achieve this, the Minimum Funding Guarantee (MFG) – which ensures that funding on a per pupil basis is increased by at least that level, in this model was set at +2% - which is the maximum level currently expected to be allowable within guidelines.

With option 1 Schools will not see implementation of the full NFF under this option for a number of years (aligned to the timetable set out each year by the DfE for minimum transition movements). Whilst this option therefore provides schools with more time to prepare for full impact, it would also see more uncertainty as it is not known at this stage what the subsequent years minimum directed movements will be, meaning it will be harder for schools to plan to respond to that.

As the government argues the NFF allows for a more equitable and comparable distribution of funding to schools across the country compared to the previous methodology (which was in the main based on historic spending on education in each area rather than on the basis of need), as this option is implemented over a longer period of time it does also elongate the period of potential inequality in funding.

Assuming no change in pupil numbers or characteristics, this modelled option would see 4 schools (3.85%) experience a reduction in funding for 2023/24 compared to 2022/23 with reduction levels ranging between £1,719 and £14,543, and 100 schools (96.15%) gain in funding compared to 2022/23 with increase levels ranging between £10,105 and £192,140.

The 4 schools that do see a reduction in funding in this model are those where growth funding for formal expansions ends in 2022/23 (for previously expanded schools now full in each year group) and where pupil numbers in those schools are not at Published Admission Number (full capacity) levels.

Option 2 – Implement full NFF over a period of 4 years – Utilising all allowable NFF factors (i.e. FSM6 and Pupil Mobility) and moving the Local Funding Formula factor values 25% closer to NFF rates in 2023/24, with MFG as the balancing figure of +2%. Pupil numbers for growth in schools which have expanded were adjusted in the modelling (relevant values set out in Appendix 2).

In this option, once the changes to include the two additional factors, and to move 25% closer to NFF values were made, as the overall level of funding within the Schools Block is expected to increase by £4.7m (based on the provisional allocations provided by the DfE) for 2023/24 this model did not initially allocate the totality of funding available – which is required within the operational funding guidance. To achieve this, the MFG in this model was also set at +2%.

With option 2 Schools will see implementation of the full NFF over a period of 4 years (by 2026/27) with a proposed move 25% closer to NFF values each year within that period (albeit caveated by the fact that if the DfE requires a quicker movement this trajectory may need to change). As with option 1, this option also provides schools with a longer time to prepare for the full impact of the NFF, however there is greater certainty around the potential movement each year across the 4 year period meaning schools can plan for and manage that (albeit as above that may change if there is a quicker trajectory proposed by the DfE).

Again as the government argues the NFF allows for a more equitable and comparable distribution of funding to schools across the country compared to the previous methodology (which was in the main based on historic spending on education in each area rather than on the basis of need), as this option is also

implemented over a longer period of time it does still also elongate the period of potential inequality in funding.

Assuming no change in pupil numbers or characteristics, this option would see 4 schools (3.85%) experience a reduction in funding for 2023/24 compared to 2022/23 with reduction levels ranging between £1,841 and £14,706, and 100 schools (96.15%) gain in funding compared to 2022/23 with increase levels ranging between £10,209 and £191,718.

The 4 schools that do see a reduction in funding in this model are those where growth funding for formal expansions ends in 2022/23 (for previously expanded schools now full in each year group) and where pupil numbers in those schools are not at Published Admission Number (full capacity) levels.

Option 3 – Implement full NFF over a period of 3 years – Utilising all allowable NFF factors (i.e. FSM6 and Pupil Mobility) and moving the Local Funding Formula factor values 33% closer to NFF rates in 2023/24, with MFG as the balancing figure of +2%. Pupil numbers for growth in schools which have expanded were adjusted in the modelling (relevant values set out in Appendix 3).

In this option, once the changes to include the two additional factors, and to move 33% closer to NFF values were made, as the overall level of funding within the Schools Block is expected to increase by £4.7m (based on the provisional allocations provided by the DfE) for 2023/24 this model did not initially allocate the totality of funding available – which is required within the operational funding guidance. To achieve this, the MFG in this model was also set at +2%.

With option 3 Schools will see implementation of the full NFF over a period of 3 years (by 2025/26) with a proposed move 33% closer to NFF values each year within that period (albeit again caveated by the fact that if the DfE requires a quicker movement this trajectory may need to change). As with option 1 and 2, this option also provides schools with a longer time to prepare for the full impact of the NFF, and again provides greater certainty around the potential movement each year across the 3 year period meaning schools can plan for and manage that (albeit as above that may change if there is a quicker trajectory proposed by the DfE).

Again as the government argues the NFF allows for a more equitable and comparable distribution of funding to schools across the country compared to the previous methodology (which was in the main based on historic spending on education in each area rather than on the basis of need), and this option begins to shorten the implementation period when compared to options 1 and 2, providing a faster movement to a more equitable distribution of funding.

Assuming no change in pupil numbers or characteristics, this option would see 4 schools (3.85%) experience a reduction in funding for 2023/24 compared to 2022/23 with reduction levels ranging between £1,908 and £14,797, and 100 schools (96.15%) gain in funding compared to 2022/23 with increase levels ranging between £10,267 and £191,485.

The 4 schools that do see a reduction in funding in this model are those where growth funding for formal expansions ends in 2022/23 (for previously expanded schools now full in each year group) and where pupil numbers in those schools are not at Published Admission Number (full capacity) levels.

Option 4 – Implement full NFF over a period of 2 years – Utilising all allowable NFF factors (i.e. FSM6 and Pupil Mobility) and moving the Local Funding Formula factor values 50% closer to NFF rates in 2023/24, with MFG as the balancing figure of +2%. Pupil numbers for growth in schools which have expanded were adjusted in the modelling (relevant values set out in Appendix 4).

In this option, once the changes to include the two additional factors, and to move 50% closer to NFF values were made, as the overall level of funding within the Schools Block is expected to increase by £4.7m (based on the provisional allocations provided by the DfE) for 2023/24 this model did not initially allocate the totality of funding available – which is required within the operational funding guidance. To achieve this, the MFG in this model was also set at +2%.

With option 4 Schools will see implementation of the full NFF over a period of 2 years (by 2024/25) with a proposed move 50% closer to NFF values each year within that period. This option does reduce the time that schools have to prepare for the full impact of the NFF, but does provide greater certainty around the potential movement each year across the 2 year period (as it would be guaranteed that there will not be a quicker trajectory proposed by the DfE – with the DfE's current requirement to move at least 10% closer for 2023/24, even if the remaining 90% gap was then the required movement for 2024/25 this option would meet that requirement).

Again as the government argues the NFF allows for a more equitable and comparable distribution of funding to schools across the country compared to the previous methodology (which was in the main based on historic spending on education in each area rather than on the basis of need), this option further shortens the implementation period when compared to options 1, 2 and 3, providing a faster movement to a more equitable distribution of funding.

Assuming no change in pupil numbers or characteristics, this option would see 4 schools (3.85%) experience a reduction in funding for 2023/24 compared to 2022/23 with reduction levels ranging between £2,043 and £14,980, and 100 schools (96.15%) gain in funding compared to 2022/23 with increase levels ranging between £10,382 and £191,021.

The 4 schools that do see a reduction in funding in this model are those where growth funding for formal expansions ends in 2022/23 (for previously expanded schools now full in each year group) and where pupil numbers in those schools are not at Published Admission Number (full capacity) levels.

Option 5 – Implement full NFF in 2023/24 – Utilising all allowable NFF factors (i.e. FSM6 and Pupil Mobility) and mirror NFF rates in full, with MFG at +0.5%. Pupil numbers for growth in schools which have expanded were adjusted in the modelling (relevant values set out in Appendix 5).

In this option, once the changes to include the two additional factors, and to move 100% closer to NFF values were made, as the overall level of funding within the Schools Block is expected to increase by £4.7m (based on the provisional allocations provided by the DfE) for 2023/24 this model did not initially allocate the totality of funding available – which is required within the operational funding guidance. To achieve this, the MFG in this model was set at +0.5% (which was the maximum that could be afforded within the remaining funding that was available – however this does meet the minimum MFG requirement currently expected to be required for 2023/24 of at least +0.5%).

With option 5 Schools will see implementation of the full NFF immediately in 2023/24. This option does therefore remove the time that schools have to prepare for the full impact of the NFF, but provides certainty that future year allocations will not be further impacted as the NFF would be fully adopted, and also minimises the number of schools seeing a reduction in funding compared to other models.

Again as the government argues the NFF allows for a more equitable and comparable distribution of funding to schools across the country compared to the previous methodology (which was in the main based on historic spending on education in each area rather than on the basis of need), this option would ensure that equitable distribution of funding is achieved immediately, rather than seeing the potential inequality elongated as would be the case with all other options.

Assuming no change in pupil numbers or characteristics, this option would see 3 schools (2.88%) experience a reduction in funding for 2023/24 compared to 2022/23 with reduction levels ranging between £13,914 and £33,527, and 101 schools (97.12%) gain in funding compared to 2022/23 with increase levels ranging between £3,331 and £376,712.

The 3 schools that do see a reduction in funding in this model are those where growth funding for formal expansions ends in 2022/23 (for previously expanded schools now full in each year group).

Primary / Secondary Funding Ratio Split

3.15 The funding ratio split between primary and secondary schools was 1:1.26 for 2022/23 and would move to the following under each option proposed:

- Option 1 – ratio of 1:1.26
- Option 2 – ratio of 1:1.27
- Option 3 – ratio of 1:1.27
- Option 4 – ratio of 1:1.28
- Option 5 – ratio of 1:1.30

Recommended Way Forward

3.16 All options require a full consultation with all maintained primary and secondary schools in Walsall in order to ensure all allocable NFF factors are utilised (i.e. FSM6 and Pupil Mobility).

- 3.17 Given this requirement the working group has therefore recommended that Schools Forum agrees the recommended list of funding formula options as set out to be consulted on with all mainstream primary and secondary schools in Walsall.
- 3.18 Given the requirement to seek approval from Cabinet to enter in to formal consultation, the call in period following that decision, and the period of the October half term break for schools, it is proposed that the consultation would run for a period of 2 weeks from 31 October 2022, and would therefore close on 11 November 2022 – allowing sufficient time to review the feedback and prepare the relevant reports for Schools Forum and Cabinet to consider at their December meetings.
- 3.19 The consultation will provide a copy of this report, details of each option, the current funding factor values in use for 2022/23 and those that each model would result in (appendices 1 – 5 of this report), and also the total budget value attributable to each individual school that each option would result in (based on the October 2021 census data – to ensure like for like comparison to calculated 2022/23 budgets).
- 3.20 The outcome of this consultation would be reported back to Schools Forum at their meeting on 6 December 2022 for recommendation of a final funding formula to Cabinet at their meeting on 14 December 2022.
- 3.21 It must be noted that any formula that is agreed will only apply to mainstream primary and secondary schools and academies in Walsall (as those providers who support children with additional needs e.g. special schools / pupil referral units, and also early year's providers are subject their own funding arrangements).

4. Schools Funding Formula

- 4.1 Set out below is a brief summary of the factors that must be included within any proposed funding formula for 2023/24:

Age Weighted Pupil Unit (AWPU)

- 4.2 AWPU is the biggest part of the funding formula, it is the funding which has not been allocated to the other specific factors and is allocated on a per pupil basis. The AWPU rates are different for Primary and Secondary children.

Deprivation

- 4.3 Walsall allocates funds to schools to meet the additional needs that children from deprived backgrounds may face for both the Income Deprivation Affecting Children Index (IDACI) measure of deprivation and the number of children who receive free school meals (FSM). The updated regulations now also include the ability to allocate funding via an 'FSM6' Free School Meals factor (which represents the number of pupils per school who have been eligible for free school meals at any point in the last 6 years). Previous work has highlighted that this composite measure should ensure that all schools experiencing deprivation will receive some funding to help them. DfE also allocate Pupil Premium funding outside of Walsall's formula to support deprivation, and this is also allocated utilising the 'FSM6' Free School Meals measure.

Lump Sum

- 4.4 A lump sum is an amount of funding that each school receives without reference to pupil numbers, deprivation, buildings etc. This is designed to cover the costs all schools need to meet regardless of their size. The maximum lump sum allowable under the regulations is currently £175,000 per school.

Low Attainment

- 4.5 The only factor allowable to take account of Special Educational Needs (SEN) in the funding formula for mainstream schools is low attainment, which looks at the number of Primary pupils identified as not achieving the expected level of development. The Walsall funding formula then allocates an amount of funding to provide schools with the resources required to support these children.

English as an Additional Language

- 4.6 For pupils where English is an additional language funding is allocated through the formula to allow schools to provide additional support for a period of up to 3 years after they enter the statutory school system.

Pupil Mobility

- 4.7 This measure allows authorities to allocate additional funding to schools based on numbers of pupils who entered a school during the last three academic years, but did not start in August or September (or January for reception pupils).

Business Rates

- 4.8 Business rates for each school are funded through the formula based on an estimate of cost.

Split Sites

- 4.9 The purpose of this factor is to support schools which have unavoidable extra costs because the school buildings are on separate sites.

Premise Rental – Exceptional Factor

- 4.10 One school in the Borough has to pay extra costs relating to rent. The rationale for allowing this funding factor is that it is similar to business rates. There has been individual agreement with the DfE to allow this factor.
- 4.11 The following factors are allowable but have either not been used in the Walsall funding formula or do not apply:
- Private Finance Initiative (PFI) contracts – Not applicable as there are no schools in Walsall where there are additional unfunded costs due to PFI contracts
 - London fringe – Not applicable as this is only applicable to local authorities who have some but not all of their schools within the London fringe area

- Sparsity – Not applicable as this factor is used to support schools in rural areas where there are on average smaller year groups.

4. Financial implications

- 4.1 As required under the DfE guidelines, all proposed options for the local funding formula set out in the report would allocate all of the funding that Walsall Council receives within the Schools Block of its DSG to schools in Walsall.
- 4.2 The different options that will be consulted on will provide details of the potential individual impact on a school by school basis. If schools see fluctuations in pupil numbers between years this will impact on budgets as it always has (and there will also be schools who gain from this process where pupil numbers have increased).
- 4.3 Once the authority receives final details of its DSG allocation for 2023/24 a further review of proposed funding factor values may be required to ensure that the final factor values that are utilised are affordable within the overall level of funding that will be available to the authority.

5. Legal implications

- 5.1 The DfE has prescribed the way in which schools should be financed for the 2023/24 financial year. These guidelines are set out in the Schools revenue funding 2023 to 2024 operational guide, and can be found at the following link:

<https://www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2023-to-2024/schools-operational-guide-2023-to-2024>

- 5.2 The purpose of these arrangements is to help secure greater consistency in the way in which funding is distributed to schools. The Council is bound to adhere to the rules issued by DfE, and the proposed Walsall Funding Formula sets out how funding will be allocated to schools in Walsall within the prescribed arrangements.

6. School Improvement

- 6.1 As part of making any decisions regarding possible changes to the funding formula factor values, consideration should be made of the potential impact on the desired outcomes of the Walsall school improvement programme.

7. Members eligible to vote

- 7.1 All elected members with voting rights are eligible to vote on this matter.

Appendix 1

Detail of potential funding formula factor values for 2023/24 based on Option 1

Factor			2022/23 Local value	2023/24 NFF value	Current Variance	Option 1	Option 1
			£	£	£	10% Closer	Revised Factor Value
			£	£	£	£	£
Basic Entitlement (AWPU)	Primary		3,211	3,394	(183)	18	3,229
	Secondary	KS3	4,831	4,785	46	(5)	4,826
		KS4	4,831	5,393	(562)	56	4,887
Free School Meals	Primary		1,258	480	778	(78)	1,180
	Secondary		1,508	480	1,028	(103)	1,406
Free School Meals 6	Primary		-	705	(705)	71	71
	Secondary		-	1,030	(1,030)	103	103
Deprivation	Band F	Primary	215	230	(15)	1	217
		Secondary	307	335	(28)	3	310
	Band E	Primary	256	280	(24)	2	258
		Secondary	415	445	(30)	3	418
	Band D	Primary	384	440	(56)	6	390
		Secondary	548	620	(72)	7	555
	Band C	Primary	415	480	(65)	7	421
		Secondary	594	680	(86)	9	603
	Band B	Primary	445	510	(65)	6	452
		Secondary	640	730	(90)	9	649
	Band A	Primary	614	670	(56)	6	620
		Secondary	860	930	(70)	7	867
Lump Sum		School	175,000	128,000	47,000	(4,700)	170,300
Low Prior Attainment	Primary		871	1,155	(284)	28	900
	Secondary		1,302	1,750	(448)	45	1,347
English as Second Language	Primary		548	580	(32)	3	551
	Secondary		548	1,565	(1,017)	102	650
Mobility	Primary		-	945	(945)	95	95
	Secondary		-	1,360	(1,360)	136	136
MFG			0.50%	0.50%		2%	

Appendix 2

Detail of potential funding formula factor values for 2023/24 based on Option 2

Factor			2022/23 Local value	2023/24 NFF value	Current Variance	Option 2 25% Closer	Option 2 Revised Factor Value
			£	£	£	£	£
Basic Entitlement (AWPU)	Primary		3,211	3,394	(183)	46	3,257
	Secondary	KS3	4,831	4,785	46	(11)	4,819
		KS4	4,831	5,393	(562)	141	4,971
Free School Meals	Primary		1,258	480	778	(194)	1,063
	Secondary		1,508	480	1,028	(257)	1,251
Free School Meals 6	Primary		-	705	(705)	176	176
	Secondary		-	1,030	(1,030)	258	258
Deprivation	Band F	Primary	215	230	(15)	4	219
		Secondary	307	335	(28)	7	314
	Band E	Primary	256	280	(24)	6	262
		Secondary	415	445	(30)	8	422
	Band D	Primary	384	440	(56)	14	398
		Secondary	548	620	(72)	18	566
	Band C	Primary	415	480	(65)	16	431
		Secondary	594	680	(86)	22	615
	Band B	Primary	445	510	(65)	16	462
		Secondary	640	730	(90)	23	663
	Band A	Primary	614	670	(56)	14	628
		Secondary	860	930	(70)	17	878
Lump Sum	School		175,000	128,000	47,000	(11,750)	163,250
Low Prior Attainment	Primary		871	1,155	(284)	71	942
	Secondary		1,302	1,750	(448)	112	1,414
English as Second Language	Primary		548	580	(32)	8.0	556
	Secondary		548	1,565	(1,017)	254	802
Mobility	Primary		-	945	(945)	236	236
	Secondary		-	1,360	(1,360)	340	340
MFG			0.50%	0.50%		2%	

Appendix 3

Detail of potential funding formula factor values for 2023/24 based on Option 3

Factor				2022/23 Local value	2023/24 NFF value	Current Variance	Option 3	Option 3
							33% Closer	Revised Factor Value
				£	£	£	£	£
Basic Entitlement (AWPU)		Primary		3,211	3,394	(183)	61	3,272
		Secondary	KS3	4,831	4,785	46	(15)	4,816
			KS4	4,831	5,393	(562)	187	5,018
Free School Meals		Primary		1,258	480	778	(259)	998
		Secondary		1,508	480	1,028	(343)	1,166
Free School Meals 6		Primary		-	705	(705)	235	235
		Secondary		-	1,030	(1,030)	343	343
Deprivation	Band F	Primary		215	230	(15)	5	220
		Secondary		307	335	(28)	9	316
	Band E	Primary		256	280	(24)	8	264
		Secondary		415	445	(30)	10	425
	Band D	Primary		384	440	(56)	19	403
		Secondary		548	620	(72)	24	572
	Band C	Primary		415	480	(65)	22	436
		Secondary		594	680	(86)	29	623
	Band B	Primary		445	510	(65)	22	467
		Secondary		640	730	(90)	30	670
	Band A	Primary		614	670	(56)	19	633
		Secondary		860	930	(70)	23	883
Lump Sum		School		175,000	128,000	47,000	(15,667)	159,333
Low Prior Attainment		Primary		871	1,155	(284)	95	966
		Secondary		1,302	1,750	(448)	149	1,451
English as Second Language		Primary		548	580	(32)	10.7	559
		Secondary		548	1,565	(1,017)	339	887
Mobility		Primary		-	945	(945)	315	315
		Secondary		-	1,360	(1,360)	453	453
MFG				0.50%	0.50%		2%	

Appendix 4

Detail of potential funding formula factor values for 2023/24 based on Option 4

Factor			2022/23 Local value	2023/24 NFF value	Current Variance	Option 4	Option 4	
			£	£	£	50% Closer	Revised Factor Value	
			£	£	£	£	£	
Basic Entitlement (AWPU)		Primary		3,211	3,394	(183)	92	3,302
		Secondary	KS3	4,831	4,785	46	(23)	4,808
			KS4	4,831	5,393	(562)	281	5,112
Free School Meals		Primary		1,258	480	778	(389)	869
		Secondary		1,508	480	1,028	(514)	994
Free School Meals 6		Primary		-	705	(705)	353	353
		Secondary		-	1,030	(1,030)	515	515
Deprivation	Band F	Primary		215	230	(15)	7	223
		Secondary		307	335	(28)	14	321
	Band E	Primary		256	280	(24)	12	268
		Secondary		415	445	(30)	15	430
	Band D	Primary		384	440	(56)	28	412
		Secondary		548	620	(72)	36	584
	Band C	Primary		415	480	(65)	33	447
		Secondary		594	680	(86)	43	637
	Band B	Primary		445	510	(65)	32	478
		Secondary		640	730	(90)	45	685
	Band A	Primary		614	670	(56)	28	642
		Secondary		860	930	(70)	35	895
Lump Sum		School		175,000	128,000	47,000	(23,500)	151,500
Low Prior Attainment		Primary		871	1,155	(284)	142	1,013
		Secondary		1,302	1,750	(448)	224	1,526
English as Second Language		Primary		548	580	(32)	16	564
		Secondary		548	1,565	(1,017)	509	1,057
Mobility		Primary		-	945	(945)	473	473
		Secondary		-	1,360	(1,360)	680	680
MFG				0.50%	0.50%		2%	

Appendix 5

Detail of potential funding formula factor values for 2023/24 based on Option 5

Factor			2022/23 Local value	2023/24 NFF value	Current Variance	Option 5	Option 5
			£	£	£	100% Closer Full NFF	Revised Factor Value
						£	£
Basic Entitlement (AWPU)	Primary		3,211	3,394	(183)	183	3,394
	Secondary	KS3	4,831	4,785	46	(46)	4,785
		KS4	4,831	5,393	(562)	562	5,393
Free School Meals	Primary		1,258	480	778	(778)	480
	Secondary		1,508	480	1,028	(1,028)	480
Free School Meals 6	Primary		-	705	(705)	705	705
	Secondary		-	1,030	(1,030)	1,030	1,030
Deprivation	Band F	Primary	215	230	(15)	15	230
		Secondary	307	335	(28)	28	335
	Band E	Primary	256	280	(24)	24	280
		Secondary	415	445	(30)	30	445
	Band D	Primary	384	440	(56)	56	440
		Secondary	548	620	(72)	72	620
	Band C	Primary	415	480	(65)	65	480
		Secondary	594	680	(86)	86	680
	Band B	Primary	445	510	(65)	65	510
		Secondary	640	730	(90)	90	730
	Band A	Primary	614	670	(56)	56	670
		Secondary	860	930	(70)	70	930
Lump Sum		School	175,000	128,000	47,000	(47,000)	128,000
Low Prior Attainment	Primary		871	1,155	(284)	284	1,155
	Secondary		1,302	1,750	(448)	448	1,750
English as Second Language	Primary		548	580	(32)	32	580
	Secondary		548	1,565	(1,017)	1,017	1,565
Mobility	Primary		-	945	(945)	945	945
	Secondary		-	1,360	(1,360)	1,360	1,360
MFG			0.50%	0.50%		0.5%	

School Forum

18 October 2022

Maintained Schools De-delegation 2023/24

1. Purpose of report

- 1.1 To provide maintained schools with the opportunity to decide whether to de-delegate funding for relevant services back to the local authority for the 2023/24 financial year.

2. Recommendations

- 2.1 That Schools Forum note the insurance options available under the DfE's 'Risk Protection Arrangement', and the work that has been undertaken by the council to seek to be able to offer a comparative insurance package.
- 2.2 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of the Free School Meal Eligibility Service (estimated at £19.08 per free school meal eligible pupil).
- 2.3 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Insurance Services (estimated at £22.00 per pupil).
- 2.4 Maintained Secondary School members of Schools Forum **approve or do not approve** utilisation of the DfE's Risk Protection Arrangements for insurance cover (set at £21 per pupil for the 2022/23 financial year but subject to potential increase for 2023/24).
- 2.5 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Staff Costs – Teaching Union and Public Duties (estimated at £4.99 per pupil).
- 2.6 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Behaviour Support Services (estimated at £11.00 per pupil).
- 2.7 Maintained Secondary School members of Schools Forum **approve or do not approve** de-delegation of Additional School Improvement Services (estimated at £7.00 per pupil).
- 2.8 Maintained Primary School members **approve or do not approve** de-delegation of Free School Meal Eligibility Service (estimated at £19.08 per free school meal eligible pupil).
- 2.9 Maintained Primary School members **approve or do not approve** de-delegation of Insurance services (estimated at £22.00 per pupil).
- 2.10 Maintained Primary School members of Schools Forum **approve or do not approve** utilisation of the DfE's risk protection arrangements for insurance cover

(set at £21 per pupil for the 2022/23 financial year but subject to potential increase for 2023/24).

- 2.11 Maintained Primary School members **approve or do not approve** de-delegation of Staff Costs – Teaching Union and Public Duties (estimated at £4.99 per pupil).
- 2.12 Maintained Primary School members of Schools Forum **approve or do not approve** de-delegation of Behaviour Support Services (estimated at £11.00 per pupil).
- 2.13 Maintained Primary School members of Schools Forum **approve or do not approve** de-delegation of Additional School Improvement Services (estimated at £7.00 per pupil).
- 2.14 Maintained Primary and Secondary School members recognise that library services, maternity support and contingency are not being offered under de-delegation and they will have to purchase individually any service they require.

3. Background

- 3.1 As part of the funding changes introduced for the 2013/14 financial year, the Education Skills Funding Agency (ESFA) introduced the concept of de-delegation. The process of de-delegation only applies to maintained schools and not to academies. Within maintained schools it only applies to primary and secondary schools and not to special, PRU or stand-alone nursery schools.
- 3.2 The ESFA definition of de-delegation is reported in depth later in this report. In simple terms there are various services that prior to 1 April 2013 the local authority could hold money centrally for if it wished to deliver the service. Now the value of those funds is highlighted as a funding factor. These funds are passed to schools to commission their own services. However, if schools in a phase (e.g. primary / secondary) and the local authority both want the local authority to deliver that service then a decision can be made to pass those funds back (de-delegate) to the local authority.
- 3.3 Clearly while the decision to de-delegate can be informally discussed anywhere, the formal legally binding vote takes place within Schools Forum. The purpose of this report is therefore to ensure that Schools Forum has the opportunity to make an appropriate formalised vote.
- 3.4 This report does not include the significant data about each service where there is the option for de-delegation, as that supporting information has already been provided to those making the decision. An example of this is that Primary Forum discussed this issue at their meetings on 6 October 2022 and received detailed information on each service to inform their conversation. Primary representatives on Schools Forum can use that conversation to inform their vote as they wish. Additionally the relevant secondary heads all received the same detailed information directly prior to today's meeting. However it must be clear that it is only the Schools Forum vote that is binding.

4. Guidance from DfE

- 4.1 The operational guidance from the DfE in relation to de-delegation states the following:

De-delegated services are for maintained schools only. Funding for de-delegated services must be allocated through the formula but can be passed back, or de-delegated for maintained mainstream primary and secondary schools with Schools Forum approval.

De-delegation does not apply to special schools, nursery schools, or PRUs. Where de-delegation has been agreed for maintained primary and secondary schools, our presumption is that the local authority will offer the service on a buy-back basis to those schools and academies in their area which are not covered by the de-delegation.

In the case of special schools and PRUs, the funding to buy such services will be included in any top-up payments. Any decisions made to de-delegate in 2022/23 related to that year only, so new decisions will be required for any service to be de-delegated in 2023/24.

From 2017/18, schools forums have been able to agree to de-delegate further funding for additional school improvement provision for maintained schools.

This provision sits alongside the new school improvement monitoring and brokering grant for statutory local authority intervention functions. This grant commenced in September 2017.

Schools forum members for primary maintained schools and secondary maintained schools must decide separately for each phase whether the service should be provided centrally and the decision will apply to all maintained mainstream schools in that phase.

They must decide on fixed contributions for these services so that funding can then be removed from the formula before schools budgets are issued.

There may be different decisions for each phase. The services which may be de-delegated are:

- Additional school improvement services*
- Contingencies (including schools in financial difficulties and deficits of closing schools)*
- Behaviour support services*
- Support to underperforming ethnic groups and bilingual learners*
- Free school meals eligibility*
- Insurance*
- Museum and library services*
- Licences / subscriptions (other than those paid by the DfE)*
- Staff costs supply cover (e.g. long-term sickness, maternity, trade union and public duties).*

Local authorities should make a clear statement of how the funding is being taken out of the formula for each de-delegated service (for example – primary insurance £20 per pupil, secondary behaviour support services £30 per FSM pupil). There should be a clear statement of how contingencies and other resources will be allocated. Academies will continue to receive a share of funding for these services in their delegated budget.

2023/24 de-delegation arrangements for schools converting to academy status are as follows:

- conversion date on or before 1 April 2023 – no de-delegation*
- conversion date between 2 April 2023 and 1 September 2023 – local authority retains any de-delegation funding until 1 September 2023.*
- conversion date between 2 September 2023 and 31 March 2024 – local authority retains any de-delegation funding until 31 March 2024*

After the dates specified, the academy will receive the full formula allocation and the department will recoup this from the local authority.

The local authority should continue to provide the services to new academies where funding is de-delegated, if they are asked to do so. If the local authority is unable to provide the requested service, the department expects the local authority and the academy to come to an arrangement to pay the funding directly to the academy.

Exceptions to this would be in cases where contractual arrangement to pay services in advance have already been made, and the local authority does not have the ability to continue to provide this service.

Where there has been agreement that a school is entitled to receive an allocation from a de-delegated contingency fund, that agreement should be honoured if the school converts to an academy at any point in the year.

Where a school converts to an academy in the period 2 April 2023 to 1 September 2023, local authorities will have an opportunity to present an evidence-based case to request a recoupment adjustment for the period 2 September 2023 to 31 March 2024.

Local authorities should report any unspent de-delegated funding remaining at year-end to their schools forum.

Local authorities can carry funding forward to the following funding period as with any other centrally retained budget and can choose to use it specifically for de-delegated services.

5. Insurance Cover Options

- 5.1 Currently a Traded insurance Service is offered to all Walsall maintained schools (via de-delegation for primary and secondary schools and via traded offer to special schools, PRU's and nurseries – as these schools are not subject to de-delegation) to buy back the full portfolio of covers including Property, Public & Employer's Liability, School Journey and Minibus insurances. The Council's proposed charge for 2023/24 is £22 per-pupil per year.
- 5.2 By comparison, a 'risk protection arrangement' (RPA) set up by the DfE in 2014 is now also available to maintained schools. The RPA does not technically constitute an insurance 'policy', but in practical terms it operates in identical fashion.
- 5.3 The scope and terms of covers provided by the RPA are at least equal to the Council's corporate insurances policies in nearly all areas – the only exceptions being:

- Motor / minibus insurance is not offered / covered by RPA but is available on the open insurance market, however the authority can also offer this as standalone cover at a rate of £800 per vehicle per year;
 - Contract Works cover is limited to £250,000 (compared to unlimited cover provided under the council insurance provision), which for the vast majority of capital projects will be adequate, but if works exceeding this value are planned, then additional cover needs to be arranged. The authority's cover is unlimited;
 - Statutory inspection (known as engineering inspection) of lifts, boilers, etc is not provided by the RPA, however this is included within the authority package.
 - The Zurich 'Safer Schools' app is free for all maintained schools within the authority's package. This is not offered by the RPA and would incur a charge if schools opted to move to the RPA but wished to retain the app.
- 5.4 The RPA also provides a full claims handling service directly to schools purchasing its service, details of which are available on the RPA website.
- 5.5 Although historically the RPA has only been available to academy schools, following consultation during the autumn of 2019 the DfE decided to extend the RPA offer to all Local Authority Maintained schools.
- 5.6 Following a price increase late last year the current rate, for 2022/23, for the RPA is £21pppy – this represents an increase from the price of £19pppy offered by the RPA in previous years.
- 5.7 It is not yet known whether the RPA will therefore increase prices further from the 2023/24 financial year, however the proposed rate for insurance cover set out by the authority is fixed for that period.
- 5.8 Following the change by the DfE to open the RPA to maintained schools, these schools are now able to choose to opt into the RPA scheme as an alternative to choosing to de-delegate their insurance arrangements back to the authority.
- 5.9 This decision would need to be made en-masse for all primary and secondary maintained schools via a formal vote at Schools Forum, with a vote in support meaning all primary and secondary maintained schools would be opted in to the RPA scheme (similar to a vote for de-delegation to the authority). This option would see charges for the service deducted directly from the Council's Dedicated School Grant (DSG) allocation, with a corresponding reduction in the funding then paid to individual maintained schools.

Work Undertaken by the authority

- 5.10 The insurance de-delegation offer to maintained schools provides the full range of covers (with the exception of motor / minibus insurance which would still see a charge of £800 per vehicle per year) at a rate of £22 per pupil, per year.
- 5.11 Whilst this is slightly higher than the current rate offered by the RPA it does still include engineering inspection cover within the price (which the RPA does not, and which is likely to cost more than £1 per pupil if purchased on the open insurance market), and also provides schools with the benefit of retaining the local knowledge of each school and a tailored response / support for managing insurance activity and claims. It also provides schools now with a fixed rate for the

2023/24 year and removes any risk of additional increases that may need to be proposed by the RPA.

- 5.12 A full comparison of the covers proposed by the council, and those currently offered by the RPA are set out at Appendix 1.

6. School Improvement Grant

- 6.1 The DfE have abolished the school improvement grant from 2023/24 onwards, following 50% reduction in 2022/23. However, the DfE recognises that local authority maintained schools value the early support and challenge which councils provide to maintained schools as part of their core school improvement activities and want this to continue, and are therefore enabling councils to deduct funding from maintained school budgets, via the de-delegation process, going forward to provide this.
- 6.2 If de-delegation is not supported the government reserves the right to permit de-delegation against the wishes of Schools Forum in order to ensure councils have sufficient funds to deliver their core school improvement activities, if satisfied that the local authority has demonstrated such de-delegation was necessary to ensure they were adequately funded to exercise their core school improvement activities as set out in the Schools Causing Concern guidance.

7. Financial implications

- 7.1 Where the decision to de-delegate is not approved schools will need to identify the costs of procuring the service directly and ensure that they account for these costs when setting their school budget.

8. Legal Implications

- 8.1 Where the decision to de-delegate is not approved schools will need to ensure they follow the correct rules in terms of procuring alternate services.

9. School Improvement

- 9.1 No issues directly arising from this report.

10. Members eligible to vote

- 10.1 Only maintained secondary members (or their nominated representative) with voting rights are eligible to vote on this issue for Secondary Schools.
- 10.2 Only maintained primary members with voting rights are eligible to vote on this issue for Primary Schools.

Appendix 1 – Comparison of Insurance Covers Offered by the council and the RPA

Perils	Council De-delegated Offer		RPA	
	Cover	Excess	Cover	Excess
Lightning	✓	£0	✓	See Note 2
Explosion	✓	£0	✓	See Note 2
Aircraft	✓	See Note 1	✓	See Note 2
Riot	✓	£0	✓	See Note 2
Civil commotion	✓	£0	✓	See Note 2
Earthquake	✓	See Note 1	✓	See Note 2
Malicious damage	✓	See Note 1	✓	See Note 2
Fire	✓	£0	✓	See Note 2
Storm	✓	See Note 1	✓	See Note 2
Terrorism	✓	£0	✓	See Note 2
Flood	✓	See Note 1	✓	See Note 2
Escape of water	✓	See Note 1	✓	See Note 2
Impact by vehicles	✓	See Note 1	✓	See Note 2
Falling trees/branches	✓	See Note 1	✓	See Note 2
Leakage of oil	✓	See Note 1	✓	See Note 2
Glass breakage	✓	See Note 1	✓	See Note 2
Theft	✓	See Note 1	✓	See Note 2

Accidental damage	✓	See Note 1	✓	See Note 2
Business interruption	✓	£0	✓	See Note 2
Works in progress	✓ - unlimited	£0	✓ - £250k	See Note 2
Money	✓	£0	✓	See Note 2
Fidelity Guarantee	✓	£0	✓	See Note 2
Computers	✓	See Note 1	✓	See Note 2
Public Liability	✓	£0	✓	£0
Employer's Liability	✓	£0	✓	£0
Hirer's Liability	✓	£0	✓	£0
Motor / minibuses	✗ (*)	£250	✗	n/a
Engineering Inspection	✓	n/a	✗	n/a
Governors' Liability	✓	£0	✓	£0
Libel and slander	✓	£0	✓	£0
Personal Accident	✓	£0	✓	£0
School Journey	✓	£15	✓	£0
PRICE PER PUPIL PER YEAR	£22 (fixed until end of March 2024)		£21 (at time of writing; potential increase prior to April 2023)	

Note 1 – Excess of £500 applies to primary schools and £1,500 to secondary schools

Note 2 - Excess of £250 applies to primary schools and £500 to secondary schools

(*) Minibus cover – available at an additional charge of £800 per vehicle per year

Schools Forum

18 October 2022

Review of Maintained School Balances 2021-22

1. Purpose of report

- 1.1 To provide a summary of balances held by maintained schools at 31st March 2022 as reported to the Department for Education (DfE) under consistent financial reporting regulations.

2. Recommendations

- 2.1 That Schools Forum note the contents of the report.

3. Background

- 3.1 Consistent financial reporting regulations require local authorities to submit details of all income and expenditure incurred by its maintained schools during the financial year and to confirm the level of committed and un-committed surplus balances held by each school at 31 March each year.

4. School Balances 2021/22

- 4.1 As at 31 March 2022 Walsall maintained schools reported surplus revenue uncommitted balances totalling £6.912m, after £3.424m of prior year commitments and after a further £1.904m requested to be committed, largely due to Properly Assigned Sum projects.
- 4.2 Capital balances reported for maintained schools totalled a further £1.281m.
- 4.3 In addition surplus balances totalling £0.148m were held by schools in respect of Community Facilities provision, i.e. extended schools activities, were also reported.
- 4.4 A summary of these balances are shown in the following table:

Sector	Uncommitted Surplus Balances	Surplus as % of Income to Schools	Capital Balances	Community Facility Balances
Primary	£7,087,360	6.40%	£1,019.189	£122,805
Secondary	£248,334	3.75%	£0	£0
Special	(£402,954)	(3.93%)	£85,822	£0
PRU	(£440,867)	(19.09%)	£42,606	£0
Nursery	£419,785	9.30%	£133,121	£25,674
Total	£6,911.657		£1,280.738	£148,479

4.4 A number of schools reported year-end deficits totalling (£1.903m) overall. Deficits were reported by 1 Special school and 1 Pupil Referral Unit.

4.5 The Council is working with these schools, and one of them has now moved back to a balanced budget position for 2023/24 onwards, and the other is subject to a licenced deficit process with updated recovery plans being put in place to implement actions to move back to a balanced budget. Monitoring of that updated recovery plan will then take place on at least a termly basis.

5. Financial implications/Value for Money

5.1 Following the implementation of the balance control mechanism in 2012 the total level of uncommitted balances across all maintained schools had seen an ongoing downward trajectory – from £8.196m at the end of 2013/14, to £5.833m at the end of 2019/20 financial year. Balances had increased as at the end of 2020/21 to £7.444m, which was out of line with the prior year's trends and it was likely that this was as a result of a short term change linked to the impact of Covid-19 with many schools seeing changes in costs across that year against those originally planned and budgeted for.

5.3 In 2021/22 the uncommitted balances have returned to the downward trajectory that had been seen across all maintained schools with balances reducing from £7.444m to £6.912m between the end of 2020/21 and 2021/22.

5.4 Schools will also be aware that there is ongoing uncertainty around the longer term impacts of the continued move toward the National Funding Formula, so again for both these reasons the Council would expect the current level of balances to continue to reduce going forward, and do not therefore recommend that there is a need to review the Councils current balance control mechanism at this point.

6. Legal Implications

6.1 Balances held by maintained schools as at 31 March each year are reported to the DfE under the consistent financial reporting regulations.

7. School Improvement

7.1 DfE's intention is that schools should avoid building up excessive balances, and should instead utilise the funding they receive for the benefit of pupils that are currently attending the school. However they also recognise the fact that reserves allow schools to plan for wider developments or respond to unforeseen cost pressures, and as such some level of reserves will normally be required.

8. Members eligible to vote

8.1 The report is for information only and no vote is required.

Schools Forum

18 October 2022

Review of Dedicated Schools Grant - Update on 2022/23 Forecast Position

1. Purpose of report

- 1.1 To inform Schools Forum of the Dedicated Schools Grant (DSG) forecast outturn position for 2022/23.

2. Recommendations

- 2.1 That Schools Forum note the updated position set out in the report.

3. Background

- 3.1 Schools Forum has been monitoring DSG expenditure in recent years, and this report provides an update for the 2022/23 financial year.
- 3.2 As the Schools and Central Schools Services blocks of the DSG are fully committed at the beginning of the year, in agreement with Schools Forum, the forecast will not change through the year and these blocks are therefore not included within this report.
- 3.3 The accumulated surplus on the Dedicated Schools Grant (DSG) at the end of 2021/22 totalled £0.142m. The breakdown of this between allocated and unallocated balances is summarised in Table 1 below:

Table 1 – DSG Surplus as at end 2021/22	
Area	Amount (£m)
Balances Previously Allocated to Specific Areas of Investment:	
School Readiness / Early Help	0.029
2 Year Old Places	0.228
Sector Led Improvement Model	0.378
Subtotal – allocated Reserve	0.635
Prior year DSG overspend	(0.493)
Net DSG Reserve	0.142

- 3.4 The prior year DSG overspend has been carried forward and will be offset against 2022/23 funding allocations.

4. 2022/23 High Needs Block Monitoring

- 4.1 The 2022/23 High Needs budget and projected expenditure, as at September 2022, is shown in Table 2 below:

Table 2 – High Needs Position as at September 2022			
High Needs Expenditure 2022/23	Annual Budget (£m)	Spend Forecast as at Sep'22 (£m)	Forecast Variance at year end over/ (underspend) (£m)
Place funding Specials	8.196	8.196	0.000
Place funding PRUs	1.250	1.250	0.000
Place funding – ARP's	0.333	0.351	0.018
Top-up mainstream schools & ARPs,	9.599	9.410	(0.189)
Top-up out of borough schools	2.170	2.170	0.000
Top-up specials schools	10.678	10.678	0.000
Top-up pupil referral units	0.889	0.889	0.000
Contingency for PRU & Special	1.575	1.403	(0.172)
Top-up non-maintained special, independent AP & FE	9.141	9.141	0.000
SEN Support Services	3.104	3.104	0.000
Other alternative provision incl. home & hospital tuition, support for inclusion, outreach	1.868	1.868	0.000
Tuition Costs	0.400	0.400	0.000
AP Free School Deduction	0.040	0.000	(0.040)
Previous year's deficit	0.277	0.295	0.018
Updated HNB – July 2022 updated allocation	(0.365)	0.000	0.365
Total Budget / Expenditure	49.155	49.155	0.000

- 4.2 The Education, Skills and Funding Agency (ESFA) updated the High Needs Block allocation as at July 2022. The overall change is a reduction of £0.365m. This is largely due to an increase in the import/export adjustment within the funding allocation and presently Walsall is a net exporter, which means we have more Walsall pupils with EHCP's attending out of borough schools than out of borough pupils with EHCP's attending Walsall schools. There is currently sufficient funding within mainstream growth to cover this.
- 4.3 Whilst the High Needs Block forecast for 2022/23 is affordable within the funding allocation for the year, work has commenced with the support of the ESFA to review the potential high needs position for future years in line with expected increases in places required in this area. The Council is currently populating a DSG Management Plan with the relevant data which will identify if there is a risk of pressure / deficit going forward, and if so this will support with the identification of mitigating actions to manage that.

- 4.4 Once this work has been completed and reviewed with the ESFA a report will be presented to a future Schools Forum to provide an update on this, linked to the 'Specialist Provision Working Group' work plan and direction of travel.

5. 2022/23 Early Years Block Monitoring

- 5.1 The 2022/23 Early Years budget and projected expenditure, as at September 2022, is shown in Table 3 below:

Table 3 – Early Years Position as at September 2022			
Early Years Expenditure 2022/23	Annual Budget (£m)	Spend Forecast as at Sep'22 (£m)	Forecast Variance at year end over/ (underspend) (£m)
EYSFF - 2yr old entitlement	3.306	3.306	0.000
EYSFF – 3 & 4 year old Universal and Extended Entitlement	14.630	14.630	0.000
EYSFF - Maintained Nursery School supplement	1.399	1.399	0.000
EYSFF – Contingency to manage increases in provision throughout the year	0.500	0.500	0.000
Disability Access Fund for 3 & 4 year olds	0.124	0.124	0.000
SEN Inclusion Fund for 2 year olds	0.020	0.020	0.000
SEN Inclusion Fund for 3 & 4 year olds	0.069	0.069	0.000
Early Years Pupil Premium for 3 & 4 yr. olds	0.287	0.287	0.000
Early Years Support Team	0.500	0.500	0.000
Total Budget / Expenditure	20.835	20.835	0.000

- 5.2 The forecast is currently in line with budget, however this may change when actual pupil data is known for the autumn and spring term when the October 2022 and January 2023 census data is finalised. Should this risk materialise then actions to manage that pressure would need to be identified.

6. Financial Implications

- 6.1 Taking account of previous decisions by Schools Forum and the Council to allocate / utilise previously built up surpluses over the past few years, and the current pressures and risks on DSG funding shown within the report, the overall reserve balance will need to be regularly reviewed going forward.

7. Legal Implications

- 7.1 No issues directly arising from this report.

8. School Improvement

- 8.1 No issues directly arising from this report

9. Members eligible to vote

- 9.1 This item provides an update on the financial position and no vote is required.

**Schools Forum
11 October 2022**

‘Exceptional Circumstances’ Disapplication Request for 2023/24

1. Purpose of report

- 1.1 To provide Schools Forum with information regarding premises rental costs that one school in the borough incurs and to seek support for an application to disapply the regulations and (if approved by the Secretary of State) provide funding to that school to meet those costs.

2. Recommendation

- 2.1 Schools Forum support the proposal to apply to the Secretary of State for a disapplication for a period of up to 6 years, which (if approved) aims to ensure that appropriate funding continues to be allocated to support the premises rental costs of the school concerned, minimising uncertainty and the financial impact that would otherwise be placed upon that schools budget.

3. Background

- 3.1 Schools do not normally incur premises rental costs, as the land and buildings in the main are either owned by the local authority, an academy trust or another education trust. However there is one school in Walsall that does incur such costs.
- 3.2 The funding factors allowed within local authority mainstream schools funding formula do not include a specific factor to allocate remises rental funding, like they do with other building related costs such as business rates (which as set out above is in the main due to the fact that the majority of schools do not incur these costs).
- 3.3 The allowable funding factors however do, in certain circumstances, include the ability to utilise an ‘Exceptional Circumstances’ factor – where examples of possible use within that factor do include premises rental.
- 3.4 Funding for the premises rental costs of the school concerned are added to the overall Schools Block of DSG funding that is paid to Walsall – and as such do not therefore represent a pressure on other school budget allocations. Given this Walsall has for a significant number of years therefore included an ‘Exceptional Circumstances’ factor within its local mainstream schools funding formula to passport this funding to the individual school incurring those costs.

- 3.5 However to utilise the 'Exceptional Circumstances' factor local authorities need to seek approval from the Secretary of State to disapply the normal regulations. Whilst Walsall did originally gain this approval some years ago, updated guidance now confirms that where local authorities received that approval prior to 2017/18 (which is the case for Walsall) the local authority now needs to submit a new disapplication request for consideration by the Secretary of State for continued use.
- 3.6 The deadline date for local authorities to submit any application for a 'Exceptional Circumstances' disapplication for the 2023/24 year is 20 November 2022. This is for the department to ensure decisions can be communicated back to local authorities prior to the APT submission deadline.
- 3.7 The disapplication process set out by the DfE requires the Local Authority to formally consult with Schools Forum and ask for their support on all disapplication requests submitted to the Secretary of State. As such this report aims to ensure Schools Forum are aware of this issue and seek their support for that disapplication request.
- 3.8 Formal guidance from the DfE allows, with consultation and support from Schools Forum, for this request to cover a period of up to 6 years (with no need for further approval within that period unless there is a material change in circumstances - which would then require further consultation and a new disapplication request). As such it is proposed the disapplication request is for a period of 6 years to seek to minimise uncertainty to the school concerned.

4. Financial Implications

- 4.1 Given that premises rental funding for the school concerned is received in addition to the main Schools Block funding, there are no financial implications for other schools from supporting this request.
- 4.2 If this request is not supported and made (and approved) then there would be a detrimental financial impact on the one school concerned, with premises rental costs having to be met from within their budget share without specific additional funding provided in relation to that.

5. Legal Implications

- 5.1 The Department for Education has prescribed the way in which schools should be financed for the 2023/24 financial year. These guidelines are set out in the Schools Revenue Funding 2023 to 2024 operational guide, and can be found at the following link:

<https://www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2023-to-2024/schools-operational-guide-2023-to-2024>

- 5.2 The purpose of these arrangements is to help secure greater consistency in the way in which funding is distributed to schools. The Council is bound to adhere to the rules issued by Department for Education, and the proposed Walsall Funding Formula sets out how funding will be allocated to schools in Walsall within the prescribed arrangements.

6. School Improvement

- 6.1 No issues directly arising from this report.

7. Members Eligible to Vote

- 7.1 All members with voting rights are eligible to vote on this matter.

WALSALL

SCHOOLS FORUM

FORWARD PLAN OF DECISIONS

The forward plan sets out decisions which the Schools Forum intend to take over the following 4 months. Preparation of the forward plan helps the Schools Forum to programme its work. The purpose of the forward plan is to give plenty of notice and an opportunity for consultation on the issues to be discussed. The plan is updated in the middle of each month with the period of the plan being rolled forward by one month and republished. The plan is available for public inspection on the Council's website at www.walsall.gov.uk. Copies of the plan can be obtained from Neil Picken, Democratic Services, Walsall MBC, Council House, Lichfield Street, Walsall, WS1 1TW, 01922 654369 or e-mail neil.picken@walsall.gov.uk. Please note that the decision dates are indicative and are subject to change. Please contact the above addressee if you wish to check the date for a particular item.

The Schools Forum agenda and reports are available for inspection by the public 7 days prior to the meeting of the Forum. The papers are available on the Council's website referred to above shortly before the meeting. Background papers are listed on each report submitted to the Schools Forum and members of the public are entitled to see these documents unless they are confidential. The report also contains the name and telephone number of a contact officer. These details can also be found in the forward plan.

Meetings of the Schools Forum are held on Microsoft Teams and live streamed online and available to the public to view. Occasionally there are items included on the agenda which are confidential and for those items the public will be asked to leave the meeting.

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**FORWARD PLAN OF DECISIONS TO BE TAKEN
BY SCHOOLS FORUM
FROM SEPTEMBER, 2022**

DECISION TO BE CONSIDERED	BACKGROUND PAPERS AND CONTACT OFFICER	DATE ITEM TO BE CONSIDERED
School improvement working group	Chair	Standing Item for each meeting
Election of Chair and Vice Chair for 2022/23	Democratic Services Officer	September 2022
School Music Service	Walsall Music Education Hub & Service. Walsall Arena & Arts Centre (Forests Arts Centre)	September, 2022
Update on Local Government Pension Scheme Charges (if required)	Finance Manager	September, 2022
Specialist Support Services	Head Teachers – North Star Federation/Short Heath Federation	September, 2022
School improvement working group	Chair	October, 2022
Proposed Mainstream Schools Local Funding Formula 2023/24	Finance Manager	October, 2022
Maintained Schools Delegation	Finance Manager	October, 2022

Review of Maintained Schools Balances 2021/22	Finance Manager	October, 2022
Review of Dedicated Schools Grant – update on 2022/23 Forecast Position	Finance Manager	October, 2022
Strategic Education and Inclusion Board Update on Impact of Board	Chair of Walsall Strategic Education Inclusion Board and School Governance Manager	October, 2022
Disapplication Request	Finance Manager	October, 2022
Proposed Mainstream Local Funding Formula 2023/24	Finance Manager	December, 2022
School improvement working group	Chair	January, 2023
Mainstream Funding Formula 2023/24	Finance Manager	January, 2023
Central Expenditure Budgets 2023/24	Finance Manager	January, 2023
High Needs Funding Formula (Outcome)	Head Teachers – North Star Federation/Short Heath Federation	January, 2023
School improvement working group	Chair	March, 2023

School improvement working group	Chair	June, 2023
Schools Forum Annual Report	Democratic Services Officer	June, 2023
Dates for 2023/24 meetings	Democratic Services Officer	June, 2023