

Warrington Schools Forum

Agenda

Date: Tuesday 10 October 2023

Time: 4.30 pm – 6.30 pm

Venue: via Microsoft Teams

	Item	Enc / Verbal	Decision; Discussion; Information	Lead
1.	Apologies and welcome			Chair
2.	Minutes from the previous meeting and matters arising (20 June 2023)	Enc.		Chair
3.	High Needs update	Enc.	Information	Louise Atkin/ Kellie Williams
4.	Growth Criteria	Enc.	Information	Mark Sarjent/ Louise Atkin
5.	Schools and Early Years Funding update	Enc.	Information/ Discussion	Garry Bradbury
6.	Academy Conversion Charges <i>(this item is for information and then for discussion at the next meeting)</i>	Enc.	Information, then discussion at next meeting	Louise Atkin
7.	AOB			Chair
8.	<p>Meeting schedule for 2024:</p> <ul style="list-style-type: none"> • 16 January 2024 <i>(face to face at 5.15 pm – venue to be confirmed)</i> • 19 March 2024 • 18 June 2024 • 8 October 2024 <p>All Tuesdays at 4.30 – 6.30 pm via Teams <i>(except for January meeting)</i></p>			

Warrington Schools Forum

Minutes – 20 June 2023 (via Teams)

Draft to be confirmed October 2023

Membership

Membership with differentiated voting rights ~ Total Membership of 28, of whom 22 are entitled to vote on funding formula issues										
Sector Representation (22)	Appointed by the Council following election by:	Member	Dates and Attendance							
			11 October 2022	17 January 2023	21 March 2023	20 June 2023	10 October 2023			
Maintained Nursery School Senior Staff (1)	Primary Headteachers Group	Marcia Atherton	A	P	P	P				
Special School Staff (1)	Special School Headteachers Group	Lucinda Duffy	P	P	P	P				
Special School Governor (1)	Governors Forum	Hazel Coen	P	P	P	A				
PRU (1)	PRU Management Board	Lindsay Regan	A	A	A	A				
Academy – all phases (9) Agreed this should be: (5 secondary including UTC) (4 primary)	Academy Schools (secondary)	Gwyn Williams	P	P	P	P				
		Vacant	-	-	-	-				
		John Carlin	A	P	P	P				
		Christian Wilcocks	P	P	A	A				
	Academy Schools (primary)	Gary Cunningham CHAIR - Schools Forum	P	P	P	P				
		Paula Warding	A	A	A	P				
		Cath Cooke	P	P	P	P				
		Craig Burgess	P	P	P	A				
	UTC	Chris Hatherall	A	P	A	A				
	Maintained Primary School Sector (6)	WAPH and Governors Forum	Siobhan Bentley	P	A	P	A			
Kathryn Berry			A	A	P	P				
Zoe Jones			A	P	P	P				
Ian Moss			A	P	P	A				
Janet Lazarus Governor			P	P	P	A				
Donna Kendal Governor			A	P	A	A				
Maintained Secondary School Sector (2)	WASCL	Chris Hunt	P	P	A	A				
		Ed McGlinchey	P	P	A	A				
Private Voluntary and Independent Providers (1)	PVI Providers Forum	Kelda Willians	P	A	A	A				

Representing Non-Schools Members (6)	Member	Dates and Attendance						
		11 October 2022	17 January 2023	21 March 2023	20 June 2023	10 October 2023		
Anglican Diocese (1)	Jane Griffiths	A	A	A	X			
Roman Catholic Diocese (1)	Chris Williams	A	A	A	X			
16-19 Institutions (1)	Damian McGuire	P	P	P	P			
Parent Governor (1)	Vacant	-	-	-	-			
NEU (Trades Union)	Lucie Humphreys	P	P	P	P			
NASUWT (Trades Union)	Laura Watson	P	A	P	P			

Representing Warrington Borough Council		11 October 2022	17 January 2023	21 March 2023	20 June 2023	10 October 2023			
		Director, Early Help, Education and SEND	Paula Worthington	P	A	P	P		
Head of Service – Quality Education and Learning	Louise Atkin	A	P	P	P				
Finance Manager	James Campbell	S	P	P	P				
Senior Accountant (Schools)	Garry Bradbury	P	P	P	P				
Executive Member for Children and Young People's Services	Cllr Sarah Hall	A	A	A	A				

Key:

P ~ Present

A ~ Apologies

X ~ Absent with no apologies

C ~ Meeting cancelled

S ~ Substitute

- ~ Vacancy

O ~ Observer

Minutes:

Gill Sykes

1. Apologies and Welcome

The chairperson, Gary Cunningham, welcomed everyone to the meeting and noted that apologies would be recorded in the minutes. Due to the number of apologies the chair asked if the meeting was quorate and it was confirmed that it was quorate.

2. Minutes and Matters Arising (from 21 March 2023)

The minutes were accepted as a true record and there was one amendment to be made.

- Item 7 had a heading of designated schools grant budget and this should be dedicated schools grant budget. This amendment will be made to the final version of the minutes.

The following was noted from the minutes:

- Page 3 – Membership: Actions completed and diocese reminded they are a rep and part of Schools Forum.
- Page 3 – Membership: Zoe noted that her school converted to an academy and she could therefore no longer be a rep for maintained schools. The chair noted it had been agreed previously that rather than reconsider membership at each meeting it would be looked at after the October census to see if it is still reflective of all sectors. Zoe would therefore remain as the rep until that time.
- Page 4 - Costs for academy conversion: At the last meeting forum did not agree with the £10K charge and other work was to be undertaken. The chair asked if there was an update on this. Louise noted there was no further action to bring to Schools Forum at this point and an update can be brought at a later date if agreeable with Paula.
- Page 7 - Update on Growth Addition Fund: A working party has met twice to discuss the £728K, which is a very small proportion of overall schools funding and can't be spread too far. Talked about moving from the principle of funding purely on numbers and looking at the issues of places in schools and occupancy criteria. A proposal document on how to implement criteria is still in draft and not yet ready to share with Schools Forum. There are a couple more meetings in the diary and we should be ready to come back to the October Schools Forum to look at how it might work. The chair noted that lots of people had volunteered to be on the working party, but it needed to be a smaller group. Some people did offer their services but it needed to reflect the primary and secondary sectors where the money came from (and where it will be applied). That is why with regards to special it would not be right to have a rep for the working party from that sector.

3. DSG and Education outturns

Garry Bradbury presented his report to the forum to notify of the confirmed outturn position for DSG allocations for 2022/23. To show where we finished with DSG and high needs expenditure and how it fits into the overall education position and how education fits into the overall directorate position.

DSG position:

- The headline underspend of £727K is similar to last year when we finished with a similar size of surplus which allowed us to more or less eliminate the DSG deficit built up over the previous two or three years.
- The £727K shouldn't be mistaken with the £728K we are working with for the growth addition. It is entirely coincidental that the figures are similar. The £727K is underspend for 2022/23 and the £728K is the unallocated headroom from 2023/24.
- We were always likely to slightly underspend DSG. We allocated priorities for 2022/23 before we closed the previous financial year. We were looking at needing £500K in-year to eliminate the deficit but had been able to eliminate virtually all of it at the end of 2021/22, and therefore did not need to call on resources for this. This meant we had c. £500K DSG unspoken for.
- Section 2 of the report shows the £727K underspend in different ways across types of activity and across the reporting structure.
- There is a slight EY underspend of £31K. We are now back to a position where the numbers of EY throughput is increasing again and received a retrospective funding increase of £42K.

Education position:

- Overall there was a marginal underspend of £6K for Education/SEND and for Families and Wellbeing is in the mix alongside large overspends on children's and adult's social care. These overspends are not a surprise as there are massive pressures in social care in Warrington and across the nation.

- We continue to look at DP funding models, Sandy Lane, some special school funding, developing the Peace Centre for Post 19 provision and the transport review. We have already put some additional capacity in the EP service and an audit report on the Sensory Team shows that capacity is needed there. The DSG underspend will help to support some of this.
- Part of the forward planning is to keep some money to have flex in the system to meet ever increasing demand. Increases in SEND and complexity of need and provision needed for children. The tribunal agenda is growing and we can be directed into high cost placements for pupils.
- We would like to prioritise everything but there are so many interdependencies and we may get to a point where we can only prioritise some of them. The challenge may also be if we need to start to look at services to cut and staff to cut.
- A detailed report will be brought to forum with a detailed plan for the DSG underspend so Schools Forum can be comfortable where the money is attributed to.

Recommendation:

- (i) Schools Forum is asked to note the 2022/23 outturn position for DSG, and that this underspend will be brought forward to be an available funding resource for 2023/24. **NOTED**
- (ii) Maintained school representatives are asked to note that no additional balances are due to be returned in respect of de-delegated services. **NOTED**

4. School Balances

Garry Bradbury presented his report to the forum which is to notify members of the final individual balances for maintained schools as at the end of the 2022/23 financial year. This is the position for maintained schools as academy schools are outside this process.

There is a fair year-on-year comparison as there were no in-year conversions to academy, although the headline balances are mixed. The overall aggregate amount remaining in school balances hardly changed from last year to this year. An aggregate of £9m and reduced by £10K. Lots of individual school balances decreased and a smaller number increased. Overall there has been no material change in the aggregate value of balances, however, from one year to the next the school budgets have increased, so in percentage terms the amount of balances retained has reduced by almost a full percentage point (-0.9%). If balances were at the same proportionate level as last year the £9m would be £10m. We have finished the financial year with six schools with an accumulated deficit and these schools have all sought approval from the authority to set a licensed deficit for this financial year. Two other schools didn't finish with a deficit but are projected to go in deficit this financial year. There is a process in place for following up the action plan with those schools asking for a licensed deficit to try to retrieve the situation over a reasonable timeframe.

Schools with surpluses are judged against the traditional terms of reasonable balances and what is 'excessive' from the audit commission (by percentage). There are a number of schools with a surplus excess of more than 8% of funding (primary) and 5% of funding (secondary). There were 23 primaries last year and 18 primaries this year.

In June 2018 Schools Forum agreed to set aside its formal balance challenge so there is no question of anything being clawed back for balances above the threshold. We continue to urge the schools going over the percentages to have a dialogue in school with the leadership team and governors about why they have a surplus above the threshold and if there are any lessons to be learned, or any changes of practice in order to spend one year's money on the children in that year. Acknowledged that schools have to consider the trends in funding and keep contingencies for that, but for those schools with larger balances it may be that more should be spent on current intakes rather than retain for future, but that is for the schools to investigate.

Paula met with one diocese to talk about MATs and posed a question around schools with deficit budgets or moving towards deficit budgets to find out the diocese thinking in terms of support. Also, what the DfE as part of developing the MAT agenda might be thinking for schools in deficit or near to deficit budget. Paula noted that this goes back to the point about diocese reps needing to attend Schools Forum so they are sighted on the financial challenge schools find themselves in.

In response to recommendation (ii) the chair noted that every school will be evaluating their closing balances internally and suggested that Garry could make a direct approach and email those schools with balances above the norm to alert them. We have previously relied on Schools Forum reporting back to schools in question.

Action: Garry Bradbury to email those schools with a surplus excess of more than 8% of funding (primary) and 5% of funding (secondary) to recommend that they evaluate internally their closing 2022/23 balances.

Recommendation:

- (i) Schools Forum members are asked to note the level of maintained school balances recorded at the end of 2022/23. **NOTED**
- (ii) Schools Forum members representing WAPH and WASCL are asked to consider whether to recommend that schools evaluate internally their closing 2022/23 balances. **SEE NOTE ABOVE**

5. Transport review update

Paula Worthington informed forum members that a full scale review of transport is being undertaken. The transport budget is overspent, there is increasing demand on the budget and transport has not been reviewed for some time. Paula explained that she has responsibility for the transport budget but delivery sits in another directorate. She commissioned a colleague to carry out work in relation to the Peace Centre and the service model and they are working with another colleague to look at transport.

The review involves speaking to colleagues about how transport and the fleet offer works and includes the following:

- Looking at the detail around bus passes and talking to parents about paying for transport.
- Looking at the fleet around special schools and what other schools have.
- They have talked to adult social care about the fleet taking people to day care that is used in a certain part of the day.
- How decisions are made about routes and the eligibility of routes.
- Post 16 eligibility. We were in a position where all Post 16 automatically received transport and this is not in line with current legislation and policies. We worked with the local government ombudsmen office around changes to the policy to reach a clear position. We will look to do the same with pre 16 once the transport review is concluded.
- Detailed work is being completed around escorts and passenger assistants. A number of children are recommended to have a passenger assistant on transport and sometimes the children and young people are not comfortable that someone sits next to them on the journey to school or education setting.
- Other local authorities have been approached in order to look at their transport offer and compare authorities both neighbouring and across the country. Every authority is struggling with the transport system and some hire companies are giving up their contracts. These hire companies previously transported SEND children but they can earn much more by becoming a delivery driver.

The draft report should be ready in the next couple of weeks and could come to full forum to consider the initial report and the implications and then a smaller working group could be established to explore the detail, agree action and feedback to forum. There will be detail in the report to work through which will require us to make some fundamental decisions about our offer to children and young people.

We are in the run up to election year and recommendations will have to be socialised with our politicians so they are comfortable with any changes that need to be made. The chair noted that the length and complexity of the final report will dictate whether this is discussed at full forum or if we need a small group to consider first and then feedback to forum.

6. AOB

Suggested dates for Schools Forum 2024, all Tuesdays at 4.30 – 6.30 pm via Teams (unless stated otherwise):

- 16 January 2024 to be face to face starting at 5.15 pm – venue to be confirmed
- 19 March 2024
- 18 June 2024
- 8 October 2024

The chairperson thanked everyone for attending and the meeting was closed.

Date and time of next meeting is Tuesday 10 October 2023 at 4.30 – 6.30 pm via Teams

REPORT



Report to:	Schools Forum	Item:	3
Date:	10/10/2023	For:	Information
Title:	Allocation of funding; High Needs Block		
Author:	Head of Service Quality Education Service Manager – SEND	Presenter:	Louise Atkin / Kellie Williams

1. PURPOSE

- 1.1 The purpose of this report is to brief Schools Forum on the findings of the SEND Sufficiency work and the recommendations to increase SEND provision, in particular those which require financial investment.

2. BACKGROUND

- 2.1 A comprehensive review of the future requirements for the education provision for children and young people with Special Educational Needs and/or Disabilities (SEND) has taken place to identify the need for establishing further specialist placements.

- 2.2 The review highlighted that:

- The overall number of pupils identified with SEND in Warrington schools has increased significantly from 3,853 in 2018/19 to 5,131 in 2022/23. Despite this the proportion of pupils requiring SEN Support or an EHC Plan is still significant below the national averages (SEN Support is 11.4% compared to 13% and EHC Plans 4% compared to 4.3%).
- There has also been a significant rise in the number of EHC Plans maintained by the Council to an all-time high of 1,878 pupils. This is in line with the national trend and reflects the growing proportion of pupils presenting with a higher complexity of need.
- The proportion of pupils' with EHC Plans educated in mainstream has risen just 8% from 727 in 2015 to 786 in 2023. This equates to 41.9% of all placements (which is largely in line with the national average – 40.9%), but overall is down from an all-time high in 2016.

- Designated Provisions continue to play an important role in supporting pupils with SEND to have access to mainstream learning and social opportunities.
- The number of pupils placed in state funded special schools has increased by 57% from 264 to 415 and those in the independent and non-maintained sector has also increased 80% - from 66 in 2015 to 103 in 2023.
- In the next seven years there will be shortage of nursery placements, 75 Designated Provision Places and almost 200 special school places if no further work is completed to improve local school place sufficiency for pupils with EHC Plans.

3. COMMITTED PROJECTS IN TRAIN

3.1 Following on from the report to Schools Forum in 2022, work is underway to:

- a) Relocate the further education offer from Woolston Learning Village to the Peace Centre.
- b) Increase the number of commissioned specialist post 16 education placements and supported internships for learners with EHC Plans.
- c) Standardise the top-up funding for Designated Provision places with a view to embedding this from the 1 April 2024.
- d) Establish a new 16 place KS3/4 SEMH provision at the site of Cardinal Newman School.

3.2 These projects are in addition to the 56 place ASD Free School which was actioned in 2019 and is planned to open in September 2025.

3.3 Projects which are underway are expected to be met using the resources allocated in the 2022/23 and 2023/24 High Needs Block budget. The retention of a contingency in this budget has enabled the Council to respond to the growing costs in the market and the current deficit in local high needs places.

4. PROJECTS FOR FURTHER DEVELOPMENT

4.1 To improve our sufficiency of school places for children and young people with SEND, it is recommended to:

1. Provide further SEND support to all mainstream schools so that the right to mainstream education is the default position.
2. Increase specialist nursery places to 24 by September 2024, 28 by 2025 and 32 by 2026.

3. Establish additional Designated Provision Places over the next seven years in consultation with Headteachers and DP Leaders.
4. Review the use of the Chaigeley site to increase the number of pupils which can be safely accommodated in line with their PAN of 75.
5. Consult with leaders of Fox Wood School to increase the PAN to 156.
6. Complete further work with Green Lane School to understand how best for pupils to fully utilise the space including those classrooms based on the second floor.
7. Work with Woolston Brook School to improve their retention of pupils by investing in fabric of the building and the therapeutic offer supporting pupils with EHC Plans.
8. Establish an Exceptional Provision to prevent pupils destined for the ASD Free School moving into independent places.

5. RECOMMENDATIONS

5.1 It is recommended that Schools Forum members:

- a) Note the impact on the High Needs Block and capital budgets as set out in Appendix 1.

Appendix 1 – Financial implications

Ref	Existing Commitments	Type	Age	Additional Places	One off - £000k		Recurrent - £000k
					Capital	SEN Capital	High Needs Funding
1.	ASD Free School	Special	8-16	56	£350k		£1,200k
2.	The Peace Centre: <ul style="list-style-type: none"> • Sixth Form Provision (16-19 years) • Supported Internships (19-25 years) • Adult Services (19 to 25 years) 	Special	16-19 19-25 19-25	20-60 40 50		£1,400k	£850k
3.	SEMH Designated Provision	Designated	11-16	16		£950k	£252k
Sub-total					£350k	£2,500k	£3,317
Ref	New proposals	Type	Age	Additional Places	One off - £000k		Recurrent - £000k
					Capital	SEN Capital	High Needs Funding
4.	Specialist Nursery Places	Special	3-4	12		£65k	£678k
5.	Additional Designated Provision Places	Designated	4-16	70		£500k	£1,200k increasing to £1,800k
6.	Adaptation of Woolston Learning Village for Fox Wood School	Special	4-16	33		£100k	£561k
7.	Review of the Chaigeley site	Special	8-16	30		£100k	000
8.	Green Lane School	Special	8-16	20		£50k	£170k
9.	Woolston Brook School	Special	8-16	-		£100k	000
10.	Exceptional Provision	Exceptional	8-11	16		£100k	£260k
Sub-total						£1,015	£2,869

REPORT

Report to:	Schools Forum	Item:	4
Date:	10 October 2023	For:	Information
Title:	Allocation of Growth Addition Funding		
Author:	Principal Manager School Organisation	Presenter:	Louise Atkin

1. PURPOSE

- 1.1 The purpose of this report is to brief Schools Forum on the agreed criteria for allocating Growth Addition Funding.

2. BACKGROUND

- 2.1 As part of the delegated schools budget, Warrington Borough Council receives a small calculated funding uplift based on the change in school population between the October School Census of each year, most recently between 2021 and 2022.
- 2.2 This pot of money is the only finance available beyond the primary and secondary allocations, therefore although entitled a growth fund, is in reality a contingency fund which is used to set a balanced budget for all schools.
- 2.3 The remainder of this fund is what can be considered to be available for use as a pot for growth addition.
- 2.4 Although calculated between October of each year, the funding only becomes available after October; for 2021/22, the funding was made available, therefore it is a lagged fund which can be used during 2022/23 academic year.
- 2.5 A sub-group of Schools Forum members and LA Officers have met to establish principals and criteria for allocating funding in 2023/24.

3. PRINCIPLES FOR GROWTH ADDITION

- 3.1 Growth addition is a year by year allocation, and there is no guarantee of future amounts remaining once each addition has been used to underwrite that year's schools' funding formula.

- 3.2 Although granted for growth between 2021 and 2022, the lagged nature of the funding means that it is available for use in 2022/23 academic year. However for the first year it will need to be used for growth in two years, that which happened in 2022/23 and that planned for 2023/24.
- 3.3 Eligibility will be calculated in accordance with listed criteria by the school organisation team and recommended for approval or rejection by the work group from Schools Forum.
- 3.4 Growth addition is intended as a contribution towards revenue funding and will only cover up to 50% of the cost per place of any expansion or additional places offered. Growth addition is not intended to cover all costs or existing shortfalls. This percentage will be set each year in accordance with the amount of places required and funding received, in order to share growth addition for all schemes.
- 3.5 All mainstream schools are eligible for growth addition, regardless of status, organisation or phase. It is not available to special schools, nurseries or post-16 education establishments, as these places are funded from alternative sources and by alternative methodologies.
- 3.6 Growth must be sufficient that additional teaching staff are required to educate the additional places or the school incurs other additional expenditure to accommodate.
- 3.7 Growth addition will not be used for school led expansions, only that agreed upon request by Warrington Borough Council.
- 3.8 Total growth addition for the school places must not exceed the total amount available. School growth addition will be pro-rata reduced in this case.
- 3.9 If the growth addition pot is not fully spent, it will be ring fenced for future growth addition. It is not a requirement to fully spend the growth addition each year.

4. RISKS TO FUNDING ALLOCATION

- 4.1 Primary drop off in births will reduce the chance of a future calculated funding uplift for a growth addition fund by introducing a negative growth to the overall calculation.
- 4.2 Spending the growth addition pot in full now will reduce the chance for a growth addition fund to be available for unplanned growth in the future. Hence the recommendation to hold back a proportion of the pot for projects which are already in the pipeline and their number places to be funded are known.

5. CRITERIA FOR ELIGIBILITY

- 5.1 All applications or projects to be assessed to the criteria listed below and recommended from school organisation team to Schools Forum for decision:

	Criteria
A	School must have agreed an expansion or additional places with school organisation team to take additional pupils, which may or may not also involved capital investment.
B	VA schools or Academies must have a signed funding agreement in place in order to access the growth fund or cabinet report for community schools.
C	Expansion or additional places will be 10% or more of total places or per year group places offered, depending on type of expansion.
D	Growth addition can be used for temporary or permanent places whether bottom up from new reception or new year 7, or made available in existing year groups
E	Growth addition can only be used for creation of additional places, not the filling of vacant places by new pupils. Vacant places are generally defined by the original PAN on entry for the cohort, unless alternative places figure is to be used.
F	Schools that have lowered PAN or removed places will not be eligible for growth funding to admit above the lowered PAN for three years unless exceptional criteria* exist.
G	Schools who operate a lower PAN but regularly overadmit will be ineligible for funding (oversubscribed schools) unless exceptional criteria* exist.

** Examples of exceptional criteria, but not limited to: buildings unfit for education or condemned causing PAN changes, recovery from situations necessitating a lower PAN such as fire or flood, and significant unexpected intakes beyond what is 'normal' or forecast requiring reactive changes.*

5.2 For the avoidance of doubt, the decision by Schools Forum whether to provide growth addition in accordance with criteria is binding. Once School Forum have approved, payments will be made.

6. RECOMMENDATIONS

6.1 It is recommended that Schools Forum members:

- (a) Agree with the criteria set out in this report to allocate funding.
- (b) Delegate consideration of applications for Growth Funding to the sub-group of Schools Forum members and LA Officers to report back to School Forum members.
- (c) Note the risks which could impact funding.

Report



WARRINGTON
Borough Council

Report to:	Schools Forum	Item:	5
Date:	10th October 2023	For:	Information / Discussion
Title:	2024/25 Schools and Early Years Funding Update		
Author:	Garry Bradbury	Queries to:	Gbradbury@warrington.gov.uk
Presenter:	Garry Bradbury		

1. INTRODUCTION

- 1.1 The purpose of this paper is to update Schools Forum members with details of the indicative funding – and underlying methodologies - of Dedicated Schools Grant (DSG) for financial year 2024/25, and in particular how this impacts on the calculation of individual school allocations for that period.
- 1.2 The current standing policy of Warrington Borough Council, and Schools Forum, is to replicate National Funding Formula (NFF) as closely as possible, so the intention is that the changes outlined in this report will follow through into Warrington’s school funding formula for 2024/25, unless there are circumstances which dictate otherwise, such as affordability (discussed in section **3.2**)

2. NFF FORMULA VALUES

- 2.1 The NFF formula values for 2024/25 were revealed by the Education & Skills Funding Agency (ESFA) on 17th July. Those values, inflated by Warrington’s Area Cost Adjustment (ACA) multiplier (a small increase on this year, up from 1.00363 to 1.00377) are illustrated in **Appendix 1**, and compared to those from this financial year.
- 2.2 The addition to schools’ revenue funding for 2024/25 will be similar to that awarded in 2023/24 – nationally around £2,000 million. In cash terms, this is around a 2% increase, and many NFF formula values have been uplifted by approximately this percentage. This year’s Mainstream Schools Additional Grant has been subsumed into next year’s base DSG allocation, so basic entitlement and lump sum have been increased by a **further** 4%, and even more for FSM6. The most-recently announced additional grant (Teachers Pay Additional Grant) comes too late to be similarly baselined, so will continue as a separate grant into next year.
- 2.3 One directed change which will impact Warrington is that, following national consultation, Authorities’ freedom to apply discretionary funding for schools operating on more than one site will cease, and be replaced by a standard formula factor.
- 2.4 The announced funding increases, whilst obviously welcome, would appear to fall somewhat short of prevailing inflationary pressures, and the Area Cost Adjustment inequalities between Authorities, mentioned often at Forum, will remain. To illustrate:

Warrington's funding per primary pupil for 2024/25 will be £5,054

The national average figure is £5,325/pupil.

The lowest funded is £4,819, the highest £6,957

Warrington's funding is the 119th lowest (of 151 local authorities). It is 5% below the national average, 27% below the highest funded, and only 5% above the lowest.

Warrington's funding per secondary pupil for 2024/25 will be £6,431

The national average is £6,936/pupil.

The lowest funded is £6,124, the highest £9,330

Warrington's funding is the 128th lowest of the 151. It is 7% below the national average, 31% below the highest funded, and again only 5% above the lowest.

3. IMPLICATIONS OF REVISED NFF

3.1 The table below illustrates the 'cost' of applying NFF 2024/25 values to current data (proxies and all), and compares it to the provisional settlement without any growth funding.

	<i>Primary</i>	<i>Secondary</i>	<i>Total</i>
AWPU	£64,105,493	£70,470,187	£134,575,680
Free School Meals	£2,077,083	£1,225,493	£3,302,576
Free School Meals Ever 6	£3,608,286	£3,373,440	£6,981,726
Deprivation: IDACI	£2,169,946	£2,314,955	£4,484,901
Low Prior Attainment	£5,784,809	£4,281,146	£10,065,956
English as Additional Language	£1,007,086	£916,465	£1,923,551
Mobility	£182,308	£38,215	£220,523
Sparsity	£1,414	£0	£1,414
Lump Sum	£9,398,600	£1,770,751	£11,169,350
Premises	£1,188,290	£1,049,372	£2,237,662
	£89,523,315	£85,440,024	£174,963,339
MPPFL protection	£1,124,961	£279,309	£1,404,270
MFG protection	£268,706	£42,624	£311,330
	£1,393,667	£321,933	£1,715,600
TOTAL	£90,916,982	£85,761,957	£176,678,939

3.2 This current formula 'cost' of £176,678,939 compares with a provisional Schools Block settlement (based on current numbers) of £176,625,687, meaning an indicative shortfall of £53,253. This is with the current Minimum Funding Guarantee of 0.5%. We do not know yet what the aggregate position will be a) once the new data are used to recalculate the funding formula, and b) we have accounted for the additional growth funding we will receive for any retrospective 'pockets' of NOR increase between the respective censuses of October 2022 and October 2023.

	<i>Unit of Funding</i>	<i>NOR</i>	2024/25
Primary Unit of Funding	£5,053.85	17,755	£89,728,601
Secondary Unit of Funding	£6,431.23	13,164	£84,659,424
Rates			£2,155,955
Split Site			£81,707
			£176,625,687

- 3.3 Once these have been assessed, we may be left with an amount of available “headroom” funding, such as was used in current year to create an admissions growth contingency of £728,310. If another iteration of this was decided not to be appropriate, it might be possible to increase MFG above its default level of 0.5% (up to 2% is permissible under regulations, but we are unlikely to have sufficient funding to accommodate this higher figure). Another option would be an increase in one or more of the formula values – although this has recurrent, and perhaps problematic, consequences for future years.
- 3.4 Of course it is possible, if some of the data (e.g. FSM) have increased significantly, that we shall still have a formula funding shortfall. In which case, as we cannot reduce the MFG below 0.5%, we will have to consider reducing one or more formula values to make it ‘fit’ the available level of funding (Either that, or we consider introducing a cap on gains on a school-by-school basis). As is usual, we shall address this at the Forum meeting in January 2024 - prior to submitting our formula APT - at which point we will know the consequence of the issues described in **3.2**.

4. HIGH NEEDS BLOCK

- 4.1 Before the deduction for commissioned places is applied, the High Needs Block for the next financial year will increase by £1,426,926 to £34,039,702. This is a 4.4% overall year-on-year increase; less than last year’s 6.2%, but this had been expected, following even larger (double digit) increases in 2021/22 and 2022/23.
- 4.2 Pressures on High Needs remain extreme, and the likelihood is that funding allocations for Education & Health Care Plans and maintained settings (Designated Provision and special schools) will require substantial increase in 2024/25. Numbers and costs at external provision, both pre- and post-16 continue to grow, not helped by the delays surrounding the ASD free school. Schools Forum will remain apprised of high needs commitments throughout this funding cycle, and beyond.

5. EARLY YEARS FUNDING ANNOUNCEMENTS

- 5.1 The July funding announcement did not provide any substantive information about Early Years funding for 2024/25, but in recent months there have been great developments regarding the extension of EY funding to younger age groups over the next few years, and also a mid-year increase to the current universal hourly rates of funding.

5.2 Extension of Early Years Funding

From April 2024, working parents of 2-year-olds will be able to access 15 hours of free childcare per week for 38 weeks of the year from the term after their child’s 2nd birthday, benefiting parents of up to 285,000 children. This will be extended to working parents of 9 month to 3-year-olds from September 2024, benefiting parents of up to a further 355,000 children. And from September 2025, all working parents of children aged 9 months up to 3 years will be able to access 30 hours of free childcare per week.

5.3 Increases to Existing Entitlements

The Spring budget announced additional funding of £204 million from this September, rising to £288 million next year (financial year 2024 to 2025) to increase the funding paid to nurseries for the existing free hours offers. This investment will allow the national average rate for local authorities for 2-year olds to increase by 30%, from the current national average rate of £6 per

hour to around £8 per hour from September 2023. The national average 3 to 4 year old rate for local authorities will rise broadly in line with inflation from the current national average rate of £5.29 per hour to just over £5.60 per hour from September 2023. The figures for Warrington are shown below. Again, you will notice that our funding falls below the national average for all offers:

	<i>Original WBC Funding Rate Apr-Aug</i>	<i>Sep-Mar WBC Funding Rate</i>	Average annual WBC Rate 2023/24	Annual Nat. Ave 2023/24	<i>Current WBC settings' rate</i>	<i>Rate from September</i>
3 & 4 yr. old (Univ & Ext)	£4.90	£5.24	£5.10	£5.62	£4.92	£5.26
2 yr. old	£5.71	£7.56	£6.79	£7.95	£5.31	£7.16
Mtd. Nursery Schl protection	£3.80	£4.01	£3.92	£4.63	£3.80	£4.01
Early Years Pupil Premium*	£0.62	£0.66	£0.64	£0.64	£0.62	£0.66
Disability Access Fund*	£828.00	£881.00	£858.92	£858.92	£828.00	£881.00

*schools which have already received annual amounts for EYPP and DAF should expect an incremental top-up shortly

- 5.4 The assumption must be that these increased funding rates will form the baseline for 2024/25 funding levels, even with the extension of the scheme as mentioned in 5.2.

6. TIMELINE AND THE FUTURE

- 6.1 The local authority is responsible for making the final decisions on the formula; however, each local authority's process should ensure that there is sufficient time to gain Schools Forum and political approval before the APT deadline in January 2024.

- 6.2 Key deadlines are as below:

05/10/23	School Census Day (basis of formula calculation)
17/11/23	Deadline for submitting disapplication requests
22/01/24	Deadline for submission of final APT formula proposal for 2024/25
29/02/24	Deadline for confirming school budget shares to mainstream maintained schools

- 6.3 Consequently, once Accountancy has assessed, in late December, the impact of the confirmed DSG allocation compared to the revised cost of NFF, and established whether we have a funding shortfall or surplus, we will need to discuss appropriate strategies at the "in-person" Forum meeting of 16th January 2024, in sufficient time for submitting the APT on 22nd January.

7. RECOMMENDATIONS

- 7.1 That Schools Forum members note the contents of this report.

- 7.2 Schools Forum should consider giving a steer to the Authority on how:

- (a) To reduce the cost of the local funding formula, if the actual settlement makes a full implementation of NFF unaffordable; or
- (b) To utilise remaining headroom funding in the Schools Block settlement, if a surplus remains after implementation of NFF with the new October data

Local authority name Local authority number
Warrington 877

Factor	2024 to 2025 national funding formula (NFF) value including area cost adjustment (ACA)	2023 to 2024 national funding formula (NFF) value including area cost adjustment (ACA)	Percentage Increase
Primary basic entitlement	£3,610.56	£3,406.32	6.00%
KS3 basic entitlement	£5,091.12	£4,802.37	6.01%
KS4 basic entitlement	£5,738.55	£5,412.58	6.02%
Primary FSM	£491.85	£481.74	2.10%
Secondary FSM	£491.85	£481.74	2.10%
Primary FSM6	£833.13	£707.56	17.75%
Secondary FSM6	£1,214.56	£1,033.74	17.49%
Primary IDACI F	£235.89	£230.83	2.19%
Primary IDACI E	£286.07	£281.02	1.80%
Primary IDACI D	£451.70	£441.60	2.29%
Primary IDACI C	£491.85	£481.74	2.10%
Primary IDACI B	£521.96	£511.85	1.98%
Primary IDACI A	£687.58	£672.43	2.25%
Secondary IDACI F	£346.30	£336.22	3.00%
Secondary IDACI E	£456.72	£446.62	2.26%
Secondary IDACI D	£637.39	£622.25	2.43%
Secondary IDACI C	£697.62	£682.47	2.22%
Secondary IDACI B	£752.83	£732.65	2.75%
Secondary IDACI A	£953.58	£933.38	2.16%
Primary EAL3	£597.24	£582.11	2.60%
Secondary EAL3	£1,611.05	£1,570.68	2.57%
Primary LPA	£1,189.47	£1,159.19	2.61%
Secondary LPA	£1,796.75	£1,756.35	2.30%
Primary mobility	£973.66	£948.43	2.66%
Secondary mobility	£1,400.26	£1,364.94	2.59%
Primary lump sum	£136,211.59	£128,464.64	6.03%
Secondary lump sum	£136,211.59	£128,464.64	6.03%
Primary sparsity	£57,917.53	£56,504.37	2.50%
Secondary sparsity	£84,216.30	£82,197.30	2.46%
Split sites basic eligibility funding	£54,504.71	N/A	N/A
Split sites distance funding	£27,202.17	N/A	N/A

Report



Report to:	Schools Forum	Item:	6
Date:	10 October 2023	For:	Information, then discussion at next meeting
Title:	Charging Maintained Schools for Costs Associated with Facilitating Academy Conversions		
Author:	School Organisation and Buildings Manager	Presenter:	Louise Atkin

1. BACKGROUND INFORMATION

- 1.1 On 21st March 2023 a report on academy conversions was presented to Schools Forum. The report explained it is anticipated the number of schools opting to convert to academy status will be increasing, resulting in additional workload for the local authority at a time when revenue is decreasing.
- 1.2 The report also explained the key tasks that officers carry out to facilitate a conversion, ensuring liabilities are transferred appropriately to the new academy, and the potential need for additional resources to be required, particularly if several schools opt to convert at the same time. The key tasks listed were:
- Legal work associated with the Commercial Transfer agreement; the document which sets out the basis on which the school will convert, including the treatment of employment issues, assets, liabilities and existing contracts, this involves liaising with the Trust's appointed solicitors.
 - Legal work carried out by Estates officers, associated with land and building transfers, this can vary significantly between conversions and also involves liaising with the Trust's appointed solicitors.
 - Employment and HR procedures including carrying out consultation under TUPE regulations and transferring employment to the academy (this can vary by school type).
 - Setting up service level agreements and contracts for the new academy, reconciling the school's previous accounts, along with updating other local authority records such as asset registers and payroll.
 - Closure of the school's financial records and ensuring suppliers are paid for goods and services ordered as a local authority school.
 - Supporting changes in relation to Information and Communications Technology (ICT), this can vary significantly depending on what/how many local authority ICT services the school chooses to move away from.
- 1.3 A survey by the Local Government Association suggests that in 2018 the average cost to local authorities, in terms of staff time and spending on things such as legal fees, had been between £6,400 and £8,400 for each maintained school that becomes an academy. Some local authorities charging schools to recover these costs, with charges ranging from

£2,500 to £20,000 per school. These figures are likely to have increased since 2018 due to inflation and rising costs associated with staffing.

- 1.4 In order to ensure the local authority can manage the conversion process efficiently and effectively, in support of the school's decision to convert, the local authority informed school's forum that the local authority was to re-introduce a charge to recoup costs incurred. The report explained that a number of potential charging options had been considered and the Senior Leadership Team had agreed to introduce a flat fee of £10,000. This was felt to be reasonable on the basis the converting school can receive a £25,000 grant from the DfE to support their conversion.
- 1.5 The flat fee aimed to avoid additional costs that would be incurred by introducing a full cost recovery/school specific option (for example costs associated with recording of time and creation of invoices). It also aimed to help converting schools to budget for their conversion by allocating a specific amount of the £25,000 one-off grant (received from the Department for Education), to help meet the additional costs of conversion.
- 1.6 At the Schools Forum meeting on 21st March it was agreed the local authority should not absorb all the costs, however members felt a flat fee would not be fair and the charge should be on a case by case basis, taken from the school's balance at the appropriate time.

2. FURTHER CONSIDERATION

- 2.1 Some conversions can be more time consuming than others, however this is not always apparent at the onset. The time and resources spent on each conversion does not necessarily depend on the size of the school or whether that school is a primary or secondary school, for example land transaction issues can occur in either of these educational phases and can be costly and time consuming to resolve.
- 2.2 During the past six months two schools of similar size (1FE primary schools) within Warrington have converted and joined multi-academy trusts. Despite the schools being roughly of the same size the workload associated with their conversions differed significantly. The work for the local authority associated with one of the conversions took approximately 4 months, whereas the other took approximately 10 months. In an effort to reduce the cost associated with the conversions records of officer time spent were not kept by all officers. However, it is anticipated the work associated with one conversion exceeded £10,000, whereas the other will have been less than £10,000.
- 2.3 Further research has been undertaken and has shown that the costs charged to schools for facilitating academy conversions vary vastly, it also shows that local authorities are finding the need to review and increase their charges. Some local authorities operate a full cost recovery model and others charge a fee that does not cover all of the time spent on facilitating the conversion, for example only charging for commercial and property legal fees (and not for the work carried out by other services). In Oxfordshire County Council's 'Academies Programme End of Year Report', dated March 2023 the local authority estimates the cost to them per conversion is £12,000. Oldham Council's 'Policy and Guidance on Academy Conversions', dated 2022 suggests this local authority have introduced a flat rate charge of £10,000. A Sefton Council report dated June 2023 shows this local authority introduced a flat rate fee of £8,000 with intention to also capture officer's time and other costs for 12 months with a view to introducing a full cost recovery model if it is identified the £8,000 sum does not meet the costs incurred.

- 2.4 In light of the March 2023 school's forum discussion, alongside improving transparency, it is proposed that for future conversions:
- At the onset of the conversion the converting school will be reminded the local authority will be issuing a charge for costs incurred to facilitate the conversion. Acknowledging that some schools are opting for the academy trust to receive the one-off conversion grant, the headteacher will be required to confirm whether the school's governors opt for the charge to be deducted from the school's balance prior to conversion or whether the charge is to be paid for by the academy trust. In the event the preference is for the academy trust to receive the charge, confirmation will also be required from the academy trust.
 - Throughout the conversion all officers facilitating the conversion shall record time spent working on the conversion, along with any other costs incurred (such as searches or purchase of licenses). The lead facilitating officer will undertake the additional task of collating officer's records of time and sharing costs, this will be communicated to the headteacher of the converting school.
 - Towards the end of the conversion the total cost will be confirmed to the converting school's headteacher (and academy trust if appropriate), this will be based on time spent and other cost incurred, it will be non-negotiable and will also include a proportionate allowance for work required post conversion. The charge will be deducted from the school's balance or, in the event of the trust providing payment, the value will be specified within the commercial transfer agreement (CTA).
- 2.5 Converting schools should note the minimum charge is envisaged to be in the region of £6K, however the charge may exceed £10K. The charge will not be financially benefitting to the local authority and would not be applied to schools that are subject to an academy order (where a school is judged as performing lower than expected targets by Ofsted and ordered to become an academy).

3. CONCLUSION

- 3.1 As explained in the March 2023 report, absorbing the costs associated with academy conversions is not sustainable for the local authority. Conversion decision making is held by schools and the DfE, as a result the local authority has limited influence over the pace and flow of demands placed on its resources associated with conversions. This presents the risk of local authority resources becoming further stretched, and consequently the academy transfer process potentially taking longer than what may be considered 'reasonable'. There may also be a negative impact on local authority delivery of other essential services.
- 3.2 The Senior Leadership Team had considered a number of potential charging options and had opted to introduce a flat fee of £10,000 that aimed to avoid additional costs that would be incurred by introducing a full cost recovery/school specific option. Following discussion at school's forum the process described in 2.4 above is proposed. It should be noted this will result in an increase in officer time and therefore an increase in cost. To aid budgeting, the envisaged minimum charge of £6,000 should be noted, as should the potential for costs to exceed £10,000. The £6,000 minimum charge includes the assumption that the additional workload presented by conversions can be met in-house, should there be a need to outsource work (for example in the event a high number of schools convert at the same time) work may need to be outsourced and consequently additional costs incurred.

4. RECOMMENDATION

4.1 Schools Forum is asked to note:-

- The change in approach to charge for costs incurred by the local authority in order that the conversion process can be managed efficiently and effectively in support of the school's decision to convert.
- The revised proposal to operate a school specific non-negotiable cost recovery model by capturing the hours and costs of supporting the transfer, instead of the flat-rate sum of £10,000 initially proposed. This approach will increase the time and cost associated with facilitating conversions.
- The minimum charge is envisaged to be in the region of £6,000, however the charge may exceed £10,000. In order to ensure adequate resources are devoted, enabling the work to be undertaken within a reasonable timeframe, additional costs could be incurred should there be a need to outsource tasks associated with the conversion.
- That failure to agree payment of the charge prior to conversion could result in delaying completion of the conversion process.
- That in the event a conversion is deferred for any reason, and costs have already been incurred by the local authority, reasonable charges will still apply.
- The way in which the charge is calculated will be reviewed on an annual basis, with consideration being given to any change in circumstance, for example inflation or deflation in the specific areas of work.