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North Lincolnshire Council

AGENDA	
Meeting:	Schools Forum
Meeting Date:	18 January 2024
Venue:	Ashby Community Hub
Time:	2.00 pm

NO.	AGENDA ITEM	LEAD	PAPERS	COMMENTS
1.	Welcome/Introductions/Apologies	Chair		
2.	Remit of Schools Forum Members	Chair		
3.	Declarations of Disclosable Pecuniary Interests and Personal or Personal and Prejudicial Interests (if any)	Chair		
4.	Minutes and Actions from last meeting for approval	Chair	Attached	For approval
5.	Membership update	Secretary	Oral update	
6.	Dedicated Schools Grant 2024/2025	Tracy Falshaw	Attached	For agreement/discussion
7.	Early Years - Dedicated Schools Grant 2024/2025	Nicola Raines	Attached	For discussion
8.	Schools Funding Formula 2024/2025	Tracy Falshaw/Jayne Standing	Attached	For agreement/discussion
9.	Update on High Needs Funding	Jemima Flintoff	Attached	For agreement/discussion

FOR INFORMATION

Dates of the next meeting(s) (all Thursday at 2pm)

- 18 April 2024
- 20 June 2024

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NORTH LINCOLNSHIRE COUNCIL

SCHOOLS FORUM

9 November 2023

PRESENT: - B Lawrance (Chairman)

School Representatives

Mr B Lawrance, Mr R Biglands, Mrs D Senior and Mr A Sutherland

Academy Representatives

Mr D Flowitt, Mr D Keogh and Mr P Raspin

PVI Representatives

Mrs C Williams

Non School Representatives

Dr H Beverley

Elected Representatives

Cllr J Reed

Local Authority Officers

Mrs T Falshaw, Mrs J Flintoff, Mrs R Maughan, Mrs W Holmes, Ms J Standing and Mrs A Dawson (Secretary).

The meeting was held at Church Square House, Scunthorpe.

1000 **WELCOME/INTRODUCTIONS/APOLOGIES**

Apologies had been received from Ms R Abbott, Mrs M Potterton, Mr L Riley, Mrs A Nuttall, Mrs R Stephenson and Mrs A Cvijetic.

1001 **DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS AND PERSONAL OR PERSONAL AND PREJUDICIAL INTERESTS (IF ANY)**

There were no declarations of Disposable Pecuniary Interests and Personal or Personal and Prejudicial Interests.

1002 **MINUTES AND ACTIONS FROM LAST MEETING FOR APPROVAL**

That the minutes of the last meeting held on 21 September 2023, having been printed and circulated amongst the members, be taken as read and correctly recorded, and be signed by the Chair.

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1003 **MEMBERSHIP UPDATE**

The Secretary advised that there were now two governor representative vacancies on the Forum. The primary academy vacancy was still to be filled and Petula Whittaker had stepped down from all her governor responsibilities due to illness, leaving a maintained governor (special) position vacant. There would shortly be further information on the vacancies going out to governors and they would also be mentioned at the upcoming North Lincolnshire Association of Governing Bodies (NLAG) AGM.

The Secondary Academy vacancy remained unfilled, despite being raised previously. Further information would be circulated in the hope of attracting some interest to the position.

Following the non-attendance for a full year of one of the PVI representatives, Nicola Raines had spoken to them to ascertain if they wished to remain on the forum. The representative advised that they were happy to attend in future, unless there was someone else that would like to take up the position. There was a meeting due to take place imminently with the sector so the possibility of a vacancy would be raised in order to see if there was any interest.

1004 **SCHOOL FUNDING FORMULA 2024/2025**

Mrs R Maughan presented the report.

In July 2023 the Department for Education (DfE) first published provisional National Funding Formula (NFF) allocations at local authority level for schools, high needs and central school services funding blocks for 2024-25. In October 2023 the DfE further published an amended provisional NFF in light of a technical error. The factor values needed to be reduced due to the incorrect processing of pupil numbers in the initial calculations. This error meant the overall cost of the schools NFF was underestimated.

The 2024-25 funding allocation was the final year of the government's three year funding settlement, announced at the 2021 Spending Review and was the second year of transition to direct schools NFF.

In 2024-25 councils were being directed to bring their local formula a further 10% closer to the NFF. The Forum has been supportive of the North Lincolnshire funding formula being close to the NFF for several years and it now matched where appropriate with some flexibility remaining over the sparsity factor methodology. The table at appendix 1 to the report gave details of the factor values.

The report highlighted the key changes in 2024-25.

Discussion ensued on the options relating to the sparsity factor.

All schools would be consulted on funding formula proposals during November and December 2023 and any feedback would be reported at the January 2024 meeting of the Forum.

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Resolved – (a) that the application of the MFG at 0.5%, the maximum permissible level, so long as it was affordable, be endorsed; (b) that a decision on the sparsity factor be deferred until January 2024; (c) that the exceptional premises factor be continued, subject to it meeting the required criteria, and (d) that final proposals for schools funding be submitted to the next meeting in January 2024 on receipt of the final funding allocations in December 2023.

1005 **DE-DELEGATION OF BUDGETS 2024/25**

Mrs T Falshaw presented the report.

As part of the Department for Education's School Funding Reforms introduced from April 2013, councils were directed to delegate specific budgets to schools and academies.

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

De-delegation did not apply to special schools, or pupil referral units (PRUs). However, those schools and academies would have the option to buyback these services at a cost based on the same amount per pupil as for maintained primary and secondary schools.

In the case of special schools and PRUs, the funding to buy such services would be included in any top-up payments. Any decisions made to de-delegate in 2023 – 2024 related to that year only, new decisions would be required for any service to be de-delegated in 2024 – 2025.

Forum members for primary and secondary schools must decide separately for each phase whether each service should be provided centrally; the decision would apply to all maintained mainstream schools in that phase. Members must agree on fixed contributions for the services so that funding could then be removed through the formula before school budgets were issued.

Since 2022 – 2023, Forums had been able to agree de-delegated funding for councils' core school improvement activities in relation to maintained schools. From 2023 – 2024, the school improvement monitoring and brokering grant was no longer being paid to councils.

The report set out details of services that could be de-delegated and those which were currently de-delegated in North Lincolnshire.

Resolved – a) That the proposal to de-delegate budgets as detailed in Appendix 1 to the report be agreed by members representing the primary maintained schools phase, and (b) that the proposal to de-delegate budgets, as detailed in Appendix 1 to the report be agreed by members representing the secondary maintained schools phase.

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1006 TRADE UNION FACILITY TIME FUNDING

Mrs T Falshaw presented the report.

There was currently a Trade Union Facility Time (TUFT) agreement in place which set out the guiding principles on how TUFT would be used to promote positive employee relations and how TUFT funding would be allocated in schools and participating academies.

TUFT funding was pooled centrally for maintained schools and academies which chose to participate in the agreement. Having a central fund in place meant that all staff in schools had access to experienced trade union representatives.

The de-delegation funded the ongoing central approach to reimburse individual schools that employed teachers who needed to be released to carry out trade union duties. There were now five trade unions who were part of the TUFT agreement and could therefore draw on the pooled funding to release their local officers.

Currently the de-delegation was calculated using £2.79 per pupil per year at each maintained school and academy that chose to participate. The per pupil figure had not been revisited in several years despite pay increases and this now meant that there was not sufficient funding to cover the full cost of local officer provision.

The existing TUFT agreement provided for reimbursement on the basis of the actual hourly rate of the supply cover (either agency or in-house), up to a maximum of the hourly rate of the representative being released, and subject to an overall maximum of UPS3. This was not meeting the full cost of the current local officer provision.

The report gave options in relation to the per pupil rate.

A discussion ensued around the existing agreement.

Resolved - That Option 2, set out in the report at paragraph 3.2, to increase the current per pupil rate by 28.3% to £3.58 be approved for one year, on the proviso that the Trade Union Facility Time (TUFT) agreement be revisited with some urgency.

1007 CHANGES TO SCHOOL IMPROVEMENT FUNDING

Mrs J Flintoff presented the report.

All councils had a statutory duty to maintain standards in schools under the 1996 Education Act. In North Lincolnshire strong and effective partnerships had driven a robust approach to school improvement and mutual accountability.

The School Improvement team were responsible for ensuring standards in

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schools of all designations across the authority, for brokering and assuring any external support and providing bespoke specialist challenge and support for schools of concern. Until 2023, the team were part funded through the government's Education and Skills Funding Agency (ESFA) under the Local Authority Monitoring and Brokering (LAMB) Grant, with the remainder funded through core council budgets.

Following consultation in November 2021, the Department for Education announced the decision in January 2022 that ESFA school improvement funding would be reduced by 50% for that financial year and removed in 2023/24 and determined that councils should seek to de-delegate funding from schools for core school improvement activity.

In 2022/23 the council met the reduction in funding through core funding and in 2023/24 the complete cost of the substantive school improvement service was met through core council funding.

School improvement service delivery funded solely from core council revenue meant that the continuity of service was more vulnerable to changes in political and wider council priorities. It was suggested that the service could be funded through de-delegation for maintained schools, with a traded offer to academies.

Discussion ensued on the options set out in the report. Mrs T Falshaw suggested that to allow for further consultation with schools, the potential to use earmarked reserves in 2023/24 could be discussed.

Resolved – a) That the proposal to strengthen the funding arrangements for School Improvement through de-delegation be supported in principle, and b) that the option to use earmarked reserves 2023/24, thus allowing time to consult with all mainstream schools be explored.

1008 UPDATE ON THE USE OF DEDICATED SCHOOLS GRANT

Mrs J Flintoff presented the report.

The Dedicated Schools Grant Central Services Historic Commitments element currently funded three main strands of work:

- Peer Leader Programme/external SIPs
- Learning networks: largely delegated to the Primary Consortium and Secondary Heads and Principals
- Schools' contribution to the Children's MARS board

The DSG for historic commitments 2023/24 was a total of £149,504, for the last financial year the funding was £186,880, a reduction of £37,376.

In the last financial year, Learning Networks funding was used to fund the Primary Consortium to develop the role and reach of Primary Curriculum Pioneers, and to fund Secondary Heads and Principals to work together to improve outcomes for secondary aged children. The remainder of the

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funding was used to fund central education opportunities such as primary engineering and green education projects.

Following consultation with those participating in the Peer Leadership Programme, headteachers agreed unanimously to continue to provide support to another school without the release fee of £1,200 per school. This was agreed with the commitment from the council to fund release time for headteachers, particularly in small schools where prohibitive costs would prevent them from participating without funding to support their release time from a teaching commitment. During the consultation, it was suggested that some funding could instead be put into central training and development for school leaders to further strengthen the programme.

Further analysis of the SIPs/Peer Leader funding element revealed that up to £80,000 had been used to pay for external sourced School Improvement Officers in previous years. This role was now undertaken by a recently retired peer leader headteacher, which provided flexible capacity when required.

Discussion took place on the various options set out in the report.

Resolved – That Option 2, as set out in the report at paragraph 2.2, be approved.

1009 **REPORTS FOR NEXT MEETING OF THE SCHOOLS FORUM**

Mrs J Flintoff advised that intensive meetings had taken place with a view to producing a high needs funding report, to look at three specific aspects; high needs banding, resources provision within mainstream settings and strengthening central support for schools by expanding specialist teams. It was anticipated that a report would be submitted to the next meeting of the Forum.

NORTH LINCOLNSHIRE COUNCIL

SCHOOLS FORUM

DEDICATED SCHOOLS GRANT 2024/25

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 On 19th December 2023 the EFA published the 2024-25 Dedicated Schools Grant (DSG) Allocations.
- 1.2 The allocation for North Lincolnshire is £180.511m after deductions for national non-domestic rates (NNDR) and the direct funding of high needs places by the ESFA.
- 1.3 This report provides information on the planned use of the DSG for 2024/25.

2. BACKGROUND INFORMATION

- 2.1 The DSG allocations are presented in four blocks. Each block is determined by a separate national funding formula:

DSG Allocations after recoupment and deductions for NNDR and direct funding of High Needs Place by ESFA	2024/25 £m	2023/24 £m	Variance £m
Schools Block	136.270	129.981	+6.289
Central Services Schools Block (CSSB)	1.022	1.029	-0.007
Early Years Block (provisional)	15.754	9.892	+5.862
High Needs Block (provisional)	27.465	26.736	+0.729
Total DSG	180.511	167.638	+12.873

N.B. NNDR and High Needs Place Funding Deductions for direct funding are as follows:

<u>Schools Block</u>	
Direct Funding of NNDR	£2.037m
<u>High Needs Block</u>	
Pre16 Alternative Provision Academies & Free Schools - 40 Places at £10k per place	£0.400m
16-19 Academies and Free Schools Post 16 SEN - 28 places at £6k per place	£0.168m
Further Education (FE) & Independent Learning providers (ILP)	<u>£0.120m</u>
	<u>£2.725m</u>

- 2.2 The **Schools Block** has been set at cash rate per pupil of £5,225.24 for primary schools and a cash rate per pupil of £6,667.30 for secondary schools, plus block amounts of £2.110m for premises and £0.637m for growth.
- 2.3 The DfE has confirmed its commitment to continue to move forward with its plans to implement a direct National Funding Formula, whereby funding will be allocated directly to schools based on a single, national formula. A gradual approach to transition is taking place. In 2024-25 local authorities will continue to set a local schools funding formula, in consultation with schools.
- 2.4 Schools Block funding is ring fenced. However, Local Authorities have the flexibility to transfer up to 0.5% of their schools block funding to another DSG block, with the approval of the schools forum.
- 2.5 The **CSSB Block** enables LA's to carry out its statutory functions for all schools and comprises two distinct elements: ongoing responsibilities and historic commitments.
- **Ongoing Responsibilities £902,928 (39.07 per pupil)** – Funding for local authorities to deliver their ongoing responsibilities for which they have a statutory duty for all pupils in maintained schools and academies. North Lincolnshire receives funding for ongoing responsibilities at a rate of £37.63 per pupil.
 - **Historic Commitments £119,604** – From 2020/21 the DfE began to reduce the element of funding within the CSSB that LAs receive for historic commitments. Allocations have once again been reduced by 20% which equates to a reduction of £29,900 for 2024/25. Local authorities are not able to increase spending on historic commitments, but can with the approval of the schools forum, maintain spending in this area using other funding sources if they wish to.
- 2.6 There are significant changes to the **Early Years Block** for 2024-25 ensuring that the funding system supports the delivery of the new working parent entitlements for children aged 9 months up to and including 2 years old from 2024 as announced in the Spring Budget in March 2023.
- 2.7 The main changes are:
- introduction of a new national funding formula (NFF) covering both the existing 2-year-old entitlement for disadvantaged children and new working parent entitlements to be introduced in 2024 to 2025 for 2-year-olds and children aged 9 months to 2 years
 - new methodology for funding allocations for the new working parent entitlements for 2-year-old children and children aged 9 months to 2 years old for 2024 to 2025
 - extending the 95% pass-through requirement to the disadvantaged 2-year-old entitlement and the new working parent entitlements
 - extending local funding rules to the disadvantaged 2-year-old entitlement and the new working parent entitlements
 - a requirement for local authorities to have a disadvantaged 2-year-old rate that is at least equal to their rate for 2-year-old children of working parents

- new deprivation supplement arrangements for the disadvantaged 2-year-old entitlement and the new working parent entitlements
 - confirming the expectation that local authorities have special educational needs inclusion funds (SENIFs) for all children with special educational needs (SEN) eligible for or taking up the new and existing entitlements, regardless of the number of hours taken
 - extending eligibility for EYPP and DAF to eligible children aged 2 years old and under accessing the entitlements from 2024 to 2025, and increases to the value of both funding streams
 - extending the facility to apply for a disapplication from the 95% pass through rule to the disadvantaged 2-year-old entitlement and the new working parent entitlements, and changes to the criteria against which a disapplication will be considered
- 2.8 All early years allocations are indicative. As in previous years, the mid-year adjustment will continue, based on the early years, school and alternative provision censuses.
- 2.9 The **High Needs Block** supports provision for children and young people with special educational needs and disabilities (SEND) from ages 0 to 25 and for alternative provision (AP) children of compulsory school age who, because of exclusion, illness or other reasons, cannot receive their education in mainstream schools.
- 2.10 The financial allocation from the high needs funding block provides local authorities with funding for place funding and top up funding for schools and colleges, funding for high needs services delivered directly by the local authority or under separate agreement with a school or college (including funding devolved to schools or colleges), as permitted by regulations.
- 2.11 The local authority decides how much funding to set aside for place and top up funding given to schools and colleges and for central high needs services, taking in to account the overall amount required to meet the continuing needs of children and young people with SEND and those who need AP. Further information on the planned use of the high needs block can be found in appendix 1.
- 2.12 The provisional high needs allocation includes a deduction for import/export adjustments. This is a net adjustment to the local authorities DSG reflecting the difference between high needs pupils and students living in one local authority and attending school or college in another. The 2023 to 2024 import/export adjustment data published in July 2023 has been used for the provisional 2024 to 2025 deduction (£624k), and this will be updated in June 2024 with the January 2024 Census data and the February 2024 ILR data.

3. **OPTIONS FOR CONSIDERATION**

- 3.1 The following options are the responsibility of the Schools Forum:
- Central spend on Early Years Provision £584k
 - Historic Commitments (Combined Budgets) £120k
 - Admissions. £118k
 - Servicing of the Schools Forum £22k

- Contributions to responsibilities that local authorities hold for all schools (retained duties) £542k

4. ANALYSIS OF OPTIONS

- 4.1 Central spend on Early Years Provision. The maximum central spend allocation for early years is 5% of all funding streams. The proposed central spend budget amounts 3.97%. The central budget last year amounted to 4.94% of 3 and 4 year old funding.
- 4.2 Historic Commitment funding has been reduced in line with the ongoing reductions to funding.
- 4.3 Ongoing responsibility budgets, including admissions, servicing of schools forum and retained duties have been increased for inflation and pay awards where appropriate.

5. FINANCIAL AND OTHER RESOURCE IMPLICATIONS

- 5.1 The schools forum must be consulted on the school funding formula, arrangements for early year's provision, arrangements for pupils with special needs, arrangements for use of pupil referral units and the education of children otherwise than at school. There are separate reports providing further information on the school funding formula, early years and high needs funding.
- 5.2 No approval is required for the high needs block provision or central copyright licences negotiated nationally by the Secretary of State.
- 5.3 It is the responsibility of the Local Authorities Chief Financial Officer to ensure that DSG grant monies are spent in accordance with the DSG Conditions of Grant and the Schools and Early Years Finance Regulations.

6. RECOMMENDATIONS

- 6.1 That schools forum approve the centrally retained schools budget as detailed in the report:
- Central spend on the early years block provision.
 - Historic Commitments (Combined Budgets)
 - School Admissions
 - Servicing of Schools Forum
 - Contribution to the responsibilities that local authorities hold for all schools.

STRATEGIC LEAD FINANCE

Church Square House
 Scunthorpe
 Author: Tracy Falshaw
 Date: 10th January 2024

Background Papers used in the preparation of this report –

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	DSG BLOCK	Total DSG Allocation 2024/25	Total DSG Allocation 2023/24
INDIVIDUAL SCHOOLS BUDGET (ISB)			
Mainstream Primary & Secondary Schools	SB	138,307,000	132,294,394
ESFA Recoupment for central funding of NNDR	SB	-2,307,485	-1,649,840
Forecast Special Schools Place Led Funding	HN	3,804,520	4,009,853
TOTAL ISB		139,804,035	134,654,407
HIGH NEEDS BUDGET			
Top Up Funding for Maintained Schools		6,211,000	5,088,000
Top Up Funding for Academies		1,778,000	1,214,000
Top Up Funding for Independant Schools		8,250,000	8,454,000
Top Up Funding Colleges		1,578,000	688,000
Top Up Funding	HN	17,817,000	
Tuition and Medical Needs		247,000	247,000
Alternative Provision		1,145,000	1,217,000
Other AP provision	HN	1,392,000	
Special Needs General		550,000	550,000
Autism		550,000	477,000
Portage		192,000	226,000
SEND Education Inclusion		193,000	211,000
EISS		72,000	109,000
SEN Careers & Progression		25,000	25,000
Hearing Support Service		471,000	448,000
Visually Impaired Service		527,000	511,000
Physically Impaired Service		129,000	148,000
Speech & Language Therapy		206,000	206,000
Educational Wellbeing		398,000	398,000
Education Inclusion Team		813,000	836,000
KS2 Provision		453,000	495,000
Preschool SEND (SENIF)		283,000	275,000
SEN support services	HN	4,862,000	
TOTAL HIGH NEEDS BUDGET		24,071,000	21,823,000
EARLY YEARS BUDGET			
3 & 4 yr old funding	EY	8,999,500	7,953,216
Pupil Premium	EY	362,000	205,743
Disability Access	EY	119,000	62,100
Sufficiency Team		376,000	114,000
Early Years SEN		208,000	198,000
Family Support		0	81,000
Central expenditure on children under 5	EY	584,000	
TWO YEAR OLD FUNDING		4,082,000	1,304,949
Under 2 year olds		1,607,500	
TOTAL EARLY YEARS BUDGET		15,754,000	9,919,008
CENTRAL PROVISION WITHIN SCHOOLS BUDGET (CSSB)			
Historic Commitments (Contributions to combined budgets)	CB	119,600	150,000
School admissions	CB	118,000	118,000
Servicing of schools forums	CB	22,000	21,000
National copyright licence charge	CB	160,000	153,000
ESG Retained Duties			
Statutory & Regulatory Duties		216,000	198,000
Education Welfare		116,000	96,800
Asset Management		210,000	200,200
	CB	542,000	
Growth Fund	SB	0	100,000
Falling Rolls Fund	SB	0	50,000
SEN Transport		61,000	61,000
TOTAL CSSB		1,022,600	1,148,000
TOTAL SCHOOLS BUDGET		180,651,635	36,899,861

Additional Information:

	Allocation	Budget	Funding to/from Earmarked Reserve
Funding Block Analysis			
Schools Block before recoupment and deductions for NNDR	138,307,716	138,306,766	-950
NNDR	2,037,485	2,037,485	0
Schools Block after deductions for NNDR	136,270,231	136,269,281	-950
Central Block (CSSB)	1,022,532	1,022,600	68
High Needs Block after recoupment for AP places and FE and ILP provider	27,464,736	27,875,520	410,784
Indicative funding allocation for universal entitlement for 3 and 4 year olds and additoinal 15 hours for eligible working parents	9,374,498	8,999,500	-374,998
Indicative funding allocation for 2 year old disadvantaged entitlement plus working parent entitlement	4,206,212	4,082,000	-124,212
Indicative funding allocation for under 2 year olds	1,692,257	1,607,500	-84,757
Early Years Central Expenditure		584,000	584,000
Early Years Pupil Premium	361,763	362,000	237
Early Years Disability Access Fund	119,210	119,000	-210
	180,511,439	180,921,401	409,962

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NORTH LINCOLNSHIRE COUNCIL

SCHOOLS FORUM

EARLY YEARS – DEDICATED SCHOOLS GRANT

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 This report proposes the base rate and supplements of the Early Years Single Funding Formula (EYSFF) for the year 2024/25 for early education of under two's, two-year-olds, three and four-year olds from the early years block of the Dedicated Schools Grant (EYDSG). The paper is for consultation as the final decision lies with the council.

2. BACKGROUND INFORMATION

- 2.1 Early Years funding is participation based. Funding allocations are currently provisional for 2024/25. Allocations are determined by three census counts (January 2023, 2024, and 2025) for disadvantaged two-year-olds and three and four-year olds, with final allocations published July 2025. Two additional funding streams will be available in 2024, for working parents of two-year-olds and children over nine-months, from April and September 2024, respectively. To ensure allocations for Local Authorities are as accurate as possible, the new working parent funding will be adjusted based on the submission of actual take-up data for the summer and autumn terms 2024 and the January 2025 census.
- 2.2 Funding allocations have increased for existing entitlements for the 2024/25 financial year with an additional 28 pence and 27 pence per hour per child on the hourly rate for two-year olds (£7.56) and three and four-year olds (£5.47) respectively. Early Years Pupil Premium (EYPP) and Disability Access Funding (DAF) have both increased (2p) to 68p per hour per child and (£29) £910 per annum, respectively. EYPP and DAF funding are extended to include the new working parent funding.
- 2.3 Children over nine months of working parents may become eligible for 15 hours of funded early learning and care from the term after they become nine months from April 2024 for 38 weeks of the year. Parents will apply to Childcare Choices for an eligibility code to access a funded place. In the summer of 2023.

2.4 Disadvantaged two-year olds are eligible for a maximum of 15 hours funded early learning and care where:

- their family circumstances mean that they are eligible for free school meals (FSM),
- the family is in receipt of Universal Credit/Tax Credits with an income of approximately £16,000,
- the child is in or has left the care of a local authority; is in receipt of Disability Living Allowance or the child has an Education, Health, and Care Plan.

Approximately 400 children are eligible each term in North Lincolnshire. Additionally, children of working parents may be eligible for a maximum of 15 hours funded early learning and care from April 2024 to support them with the cost of childcare. They too apply to Childcare Choices for an eligibility code to access a funded place. In the summer of 2023, it is estimated that 473 families of two-year olds were paying for childcare

2.5 All three and four-year olds are entitled to a maximum of 15 hours funded early education in the maintained, private, or voluntary sector for 38 weeks of the year. Children of working parents may also be eligible for an additional 15 funded hours. Approximately 52 per cent of funded children take-up the additional funded hours in North Lincolnshire.

2.6 Provider payments for all funding streams are determined using the Early Years Single Funding formula (EYSFF), comprised of a base rate and supplements. EYPP and DAF are ring fenced funding supplements for children that meet eligibility criteria.

3. FINANCIAL AND OTHER RESOURCE IMPLICATIONS

3.1 Funding allocations

The provisional funding allocations for the 2024/25 financial year are:

	Funding Allocation (£)	Part-time Equivalent (pte) Number of children
Under two's (£10.29 per hour per child)	1,692,257	582.18
Disadvantaged 2-year-old funding (£7.56 per hour per child)	1,752,294	406.64
Working parent 2-year-old funding (£7.56 per hour per child)	2,453,918	569.46
Universal Hours 3- & 4-year-old funding (£5.47 per hour per child)	6,467,180	2,074.21
Extended Hours 3- & 4-year old funding (£5.47 per hour per child)	2,907,318	932.46

A higher hourly rate is payable for under two's and two-year-olds to reflect a higher practitioner to child ratio required, 1:3 and 1:4, respectively.

	Funding Allocation (£)	Part-time Equivalent (pte) Number of children
Early Years Pupil Premium (EYPP) 68p per hour per child – ring fenced		
3- &4-year-olds	225,653	582.18
2-year-olds	129,629	334.44
Under two's	6,481	16.72
Disability Access Funding (DAF) £910 per annum lump sum – ring fenced		
3&4 year olds	69,160	76
2 year olds	42,770	47
Under two's	7,280	8
Total EYDSG	15,753,940	-

For children to be eligible for EYPP their families must meet the FSM criteria and/or the child must be in care or have left care under an adoption, child arrangements or special guardianship order. The funding is payable for universal hours only. DAF is payable for children with a disability in receipt of Disability Living Allowance, to support inclusion.

The council are required to pass-through a minimum of 95% of EYDSG to providers of funded early education, it should be noted that the pass-through rate will increase to 97% in coming years. It is proposed to retain the following:

Funding stream	Pass-through rate %	Allocation £
Under two's (working families)	95	84,613
Disadvantaged two-year olds	97	52,330
Working families two-year olds	97	71,968
Three and four-year olds	96	374,980
Total Centrally Retained		583,891
Increase of		190,891

Retained funds support early years services provided by the council and will provide a small grant fund to enable settings to extend their operating hours and create additional places required for the expansion. The proposals comply with the requirement to pass through at least 95% of all funding streams.

3.2 Sector consultation

The Department for Education consulted on the methodology for the new funding streams. The response to the consultation, funding rates and operational guidance were published on 29 November 2023.

All settings were consulted in relation to the structure of the local funding formula. Almost all respondents (92%) agreed that the new funding streams should follow the same structure the as existing formula, that the funding for disadvantaged children be differentiated through EYPP and Deprivation supplements (88%) and that the eligibility and supplement rate be consistent for deprivation across all funding streams (100%). However, there was a low response rate of just 25 settings.

Members should consider the proposed funding formula for the 2024/25 financial year for under two's, two, three and four-year-olds. It should be noted that other scenarios were modelled; however, the models presented in the report provide the highest base rate for the sector.

3.3 Supplements

The EYSFF must include a deprivation supplement for three and four year olds, other supplements can be tailored to the local childcare market. Supplements must be no more than 12 per cent of the total value of planned funding to be passed through to providers.

During the consultation, it was proposed to extend the deprivation supplement to all funding streams, settings were in favour of this. A rate of 12p per hour per child is proposed. This is payable for a maximum of 15 hours only. The funding criteria will match that of EYPP.

3.4 Under two's

The EYDSG provisional allocation for children over nine months to two years after the centrally retained deduction is £1,607,644 (38 weeks allocation).

Funding projections use pte numbers of children from the DfE estimates and are illustrated below.

Base rate: £9.75 per hour per child
Deprivation: 12p per hour per child
EYPP: 68p per hour per child

Projected numbers of under two's	Estimated budget required (£)
Autumn 2024 14 weeks (pte number – 288.52 children)	591,236
Spring 2025 12 weeks (pte numbers – 288.52 children)	506,851

Total Expenditure	1,098,178
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Projections demonstrate an underspend of £509,467, however the funding allocation is based on a full calendar year and funding is not applied until September 2024. In the summer term 2023, it is estimated that 472 families of children over nine months were paying for childcare. If the families of these children were eligible for a funded place there would be an overspend of £188,903, however funding is adjusted termly by the ESFA to reflect actual take-up.

3.5 Two-year-old funding

The EYDSG provisional allocation for two-years after the centrally retained deduction is £4,018,980. It is proposed to recognise disadvantaged children through the introduction of a deprivation and EYPP supplement.

Funding projections using pte numbers of children from the calendar year 2023 and working family estimates are illustrated below:

Base rate: £7.46 per hour per child
 Deprivation: 12p per hour per child
 EYPP: 68p per hour per child

Projected numbers of two-year-olds	Estimated Disadvantaged children £	Estimated children of working family's £	EYPP £
Summer 2024 (pte numbers – 393 children)	532,820	635,962	4,631
Autumn 2024 (pte number – 376 children)	594,641	741,955	5,404
Spring 2025 (pte numbers – 410 children)	555,762	635,962	4,632
Total Expenditure	1,683,223	2,013,878	14,666

Projections demonstrate an underspend of £384,811; this ensures affordability of the formula and flexibility to fund an increasing number of children.

3.6 Three and four-year old funding

The EYDSG provisional allocation for three and four-year olds after the centrally retained deduction is £8,999,518 for the universal and extended funded hours.

To project funding and ensure affordability of any proposed funding, formula scenarios have been modelled using pte numbers of children in the calendar year 2023. It should be noted the pte numbers of children in

the projections are fractionally lower than those in the EYDSG funding allocation, as such with all scenarios there is a contingency (£454K). This ensures affordability of the formula and flexibility to fund an increasing number of children.

Proposal:

Base rate: £5.18 per hour per child (27p increase)

Deprivation: 12p per hour per child

EYPP: 68p per hour per child

Sufficiency Lump Sum: £7000/£4500 The council have a duty to ensure that there are sufficient childcare places to meet demand. For a provider to be eligible there must be no other 0-5-year-old childcare provision within 1½ miles of the provider, and they must not benefit from economies of scale.

Projected numbers of three and four-year olds	Estimated Universal children		Estimated Extended children		EYPP
	pte	£	pte	£	£
Summer 2024	2382	2,310,577	1114	1,038,260	81,963
Autumn 2024	1518	1,661,816	668	726,321	59,036
Spring 2025	2065	1,938,432	947	883,137	71,902
Total Expenditure		5,910,825		2,647,178	212,901

3.7 Population projections

Population projections are presented for three and four-year-olds for three terms of the financial year 2024/25. The projections are based on doctor registrations in each ward of North Lincolnshire; adjusted to reflect average take-up of funding for both universal and extended hours.

If take-up of the population is as estimated the initial funding allocation will be roughly correct with limited adjustment.

Population Projections

	Universal 15 Hours		Extended 15 Hours	
	Population	Funded Hours	Population	Funded Hours
Summer 2023	2,417	435,060	1,210	217,800
Autumn 2023	1,544	324,240	785	131,880
Spring 2024	2,067	372,060	1,050	189,000
Total – PTE Hours (estimated North Lincs)	2009.33		1015	
Dedicated Schools Grant – PTE Hours	2,074.21		932.46	

4. OTHER IMPLICATIONS

- 4.1 The statutory guidance states that all Ofsted registered childcare is eligible to deliver funded early education places, including schools, academies, private and voluntary day nurseries and pre-schools, as well as childminders and after school clubs. Each provider is subject to an agreement that includes diversity and equality.
- 4.2 The Disability Access Fund supports accessibility for children with a disability at their chosen setting. An Early Years Inclusion Fund is also available for providers to apply for additional funds to support children with emerging SEND. Additional funding is also paid to named settings on a child's Education, Health, and Care Plan (both funded from High Needs Block of Dedicated Schools Grant). Of the centrally retained funding from the early years block £208K supports SEN and inclusion of children in the sector.
- 4.3 The funding is participation based, as such providers receive funding based on registered children's hours each term. Supplements recognise and tailor the funding to the differentiated cost of delivery where applicable. Deprivation funding and the EYPP support providers to target cohorts of children to narrow the gap in educational achievement.

5. RECOMMENDATIONS

- 5.1 That members note the provisional funding allocation in relation to the Early Years Block of the DSG for 2024/25.
- 5.2 That members support the proposed pass-through rates for the centrally retained funding and a small grants programme to extend early years places.
- 5.2 That members support the proposed base rates of:
- Under two's - £9.75 per hour per child
 - Two-year-olds - £7.46 per hour per child
 - Three and four-year-olds - £5.18 per hour per child
- 5.3 That members support the proposed local supplements of the EYSFF – deprivation (12p per hour per child) and sufficiency lump sum (£7000/£4500).
- 5.3 That members support an increase in EYPP and DAF to nationally funded rates (68p per hour and £910 lump sum respectively).

EARLY YEARS MANAGER SUFFICIENCY AND QUALITY

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Date: 9 January 2024

Background Papers used in the preparation of this report –

Dedicated schools grant (DSG): 2024 to 2025 financial year allocations

Early years entitlements: local authority funding operational guidance 2024 to 2025

NORTH LINCOLNSHIRE COUNCIL

SCHOOLS FORUM

SCHOOL FUNDING FORMULA 2024-25

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 Local Authorities are required to inform Education & Skills Funding Agency (ESFA) by 22 January 2024 of their school funding formula details following consultation with all schools.

2. BACKGROUND INFORMATION

- 2.1 On 19th December 2023 the ESFA published the 2024-25 Dedicated Schools Grant (DSG) Allocations, based on October 2023 School Census data. The allocation for North Lincolnshire is £180.511m (£167.638m in 2023/24) after deductions for National Non Domestic Rates (NNDR) and the direct funding of high needs places by ESFA.
- 2.2 The element of DSG available for the Individual Schools Budget (ISB), for all mainstream schools is £138.308m before deductions for the funding of NNDR directly by the ESFA.

	2024/25	2023/24
Schools Block (£m)	138.308	131.631
Deduction for NNDR (£m)	2.037	1.650
Schools Block after deduction for NNDR (£m)	136.271	129.981

- 2.3 The Operational guide sets out how individual school budget (ISB) shares can be calculated. To continue the introduction of the National Funding Formula (NFF) the Department for Education (DfE) again direct that all local authorities move closer to the NFF so that resources are distributed based on the individual needs and characteristics of every school in the country.
- 2.4 North Lincolnshire Council's local formula now reflects the NFF for all factors, except the Exceptional Premises factor (listed buildings). NFF factor values have increased in 2024-25 (appendix 1).
- 2.5 This report sets out the final proposals for the North Lincolnshire schools funding formula.

3. OPTIONS FOR CONSIDERATION

- 3.1 MFG: Local authorities have the freedom to set the Minimum Funding Guarantee (MFG) between 0 and 0.5%
- 3.2 Sparsity Factor: The sparsity factor has been incorporated into the formula and modelled with the following options
- (a) Option 1 - Fixed Sum: £1.163m. With distance taper: £1.210m
 - (b) Option 2 - NFF values: £0.899m. With distance taper: £0.911m
- 3.3 Exceptional Factor: At the meeting in November 2023 the Schools Forum agreed to support the continued use of an Exceptional Factor for Listed Building Premises costs. This is an optional factor.
- 3.4 Educational Functions: In previous years, the local authority has set a single rate per pupil for both primary and secondary maintained schools to ensure a 50% contribution towards the cost of providing statutory duties for Educational Functions that it carries out. The rate was static for several years and from 2023-24 increased to £8.19 per pupil. However, the current rate is insufficient to cover this cost. Appendix 2 gives further details of the duties covered by this funding. (Appendix 2)
- 3.5 Notional SEN: This is not a separate budget but is intended as a guide to aid school spending decisions. The DfE expect the calculation of the notional SEN budget to include:
- (a) a small part of the basic entitlement funding
 - (b) a larger part of deprivation funding, reflecting the higher prevalence of lower-level SEN amongst disadvantaged pupils
 - (c) the majority or whole of the low prior attainment factor funding, as this is the best proxy currently available for pupils with low-cost, high incidence SEN

The local authority currently calculate the notional SEN budget contributions at 5% of Basic Entitlement, 5% of Deprivation Factors and 100% of Low Prior Attainment.

- 3.6 Capping & Scaling: This allows the gains for individual schools to be capped as well as scaled back to ensure the local formulae is affordable. Capping and scaling cannot take a school below the minimum per pupil level (MPPL) and a gains cap must be set at least as high as the MFG threshold. This ensures all schools retain any gains up to the MFG threshold even when a cap is applied.

4. ANALYSIS OF OPTIONS

- 4.1 MFG: On 9th November 2023 Schools Forum endorsed the application of the MFG at the maximum level affordable. The proposed funding formula provides the maximum MFG of 0.5%. Fifteen schools will receive MFG protection with the cost varying depending on which Sparsity funding option is used.

- 4.2 Sparsity Factor: If Option 1 was chosen there would be a shortfall in funding of £352k or £345k without the distance taper and is therefore unaffordable. Option 2 including the distance taper is therefore the preferred option.
- 4.3 Exceptional Factor: Listed Building Premises funding will cost £72k in 2024-25. Two schools qualify for funding.
- 4.4 Educational Functions: To maintain a 50% contribution for Educational Functions, it is proposed that this be increased to £8.44 per pupil, an increase of 3%. This will ensure sufficient funding is available for the local authority to provide statutory duties for Educational Functions that it carries out for maintained schools.
- 4.5 Notional SEN: In line with DfE expectations, it is proposed there be an increase in the Notional SEN contribution by increasing the deprivation factors from 5% to 25%. See appendix 3 for examples of what this funding could provide.
- 4.6 Capping and Scaling: Without Capping and Scaling, the funding required would be £138.446m resulting in a shortfall of £0.138m. A cap on gains of 0.5% and remaining gains above the cap scaled back by 8.25% brings the funding formula back within the funding allocation. (Appendix 4)

5. FINANCIAL AND OTHER RESOURCE IMPLICATIONS

- 5.1 No schools are expected to require Growth Funding or Falling Rolls Funding in 2024-25 however, costs can be met by reserves should this be required.
- 5.2 The proposed funding formula for 2024-25 will cost £138.307m.

6. OUTCOMES OF CONSULTATION

- 6.1 All schools have been consulted on the funding formula. Two responses were received.
- 6.2 Schools were asked if they agreed with the calculation of the notional SEN. One school agreed and the other felt there was insufficient funding for SEN within school budgets.
- 6.3 The consultation asked two questions in relation to de-delegation, to agree to increase the rate of de-delegation for Staff Costs and whether they support the proposal to strengthen school improvement services through de-delegation funding in 2025-26. Both schools agreed to these proposals.
- 6.4 Schools were consulted on the methodology for the Sparsity factor, One school agreed with the proposed option i.e. option 2 with distance taper.
- 6.5 All schools were consulted on the Exceptional Factor – Premises, allowing recognition of additional cost pressures faced by schools that have premises with grade II listed buildings status. One respondent agreed.

6.6 Local authorities are directed to set a Minimum Funding Guarantee (MFG) of between nil and +0.5%; the consultation asked whether the maximum affordable MFG should be used; both schools agreed.

7. RECOMMENDATIONS

- 7.1 Schools Forum endorse the distribution of the individual schools budget using the proposed funding formula:
- (a) MFG set at maximum of 0.5%
 - (b) Sparsity Factor using NNF values and the distance taper
 - (c) Exceptional Factor for listed buildings premises to be applied
 - (e) Notional SEN contribution from deprivation factors increased to 25%
 - (f) A cap on gains of 0.5% and scaled back by 8.25% to be applied
- 7.2 Maintained school representatives of the forum approve the contribution of £8.44 per pupil toward the cost of Education Functions that the LA provides on behalf of maintained schools.

STRATEGIC LEAD FINANCE

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Date: 10/01/24

Background Papers used in the preparation of this report –
Schools Revenue Funding 2024-25: Operational Guide – Dec. 2023
National Funding Formula for Schools and High Needs Policy Document 2024-25

Funding Formula Factor Values				
Pupil-Led Factors	2024-25		2023-24	
	Primary	Secondary	Primary	Secondary
AWPU - Primary	£3,562		£3,394	
AWPU - Secondary KS3		£5,022		£4,785
AWPU - Secondary KS4		£5,661		£5,393
Deprivation				
FSM	£490	£490	£480	£480
FSM Ever 6	£820	£1,200	£705	£1,030
IDACI Band F	£235	£340	£230	£335
IDACI Band E	£285	£450	£280	£445
IDACI Band D	£445	£630	£440	£620
IDACI Band C	£485	£690	£480	£680
IDACI Band B	£515	£740	£510	£730
IDACI Band A	£680	£945	£670	£930
English as an Additional Language	£590	£1,585	£580	£1,565
Mobility - children starting school outside of normal entry dates	£960	£1,380	£945	£1,360
Prior Attainment	£1,170	£1,775	£1,155	£1,750
Other Factors				
Lump Sum	£134,400	£134,400	£128,000	£128,000
Sparsity	£57,100	£83,000	£56,300	£81,900
Minimum Per Pupil Funding Level (MPPL)	£4,610	£5,995	£4,405	£5,715

Educational Functions

Ongoing functions and responsibilities the local authority holds for maintained schools	
General Duties grant ends 2017/18. Contribution proposed from DSG Maintained Schools	£ Amount
Statutory and Regulatory duties:	
<p><i>Functions of LA related to best value and provision of advice to governing bodies in procuring goods and services</i></p> <p><i>Budgeting and accounting functions relating to maintained schools</i></p> <p><i>Functions relating to the financing of maintained schools</i></p> <p><i>Authorisation and monitoring of expenditure in respect of schools which do not have delegated budgets, and related financial administration</i></p> <p><i>Monitoring of compliance with requirements in relation to the scheme for financing schools and the provision of community facilities by governing bodies</i></p> <p><i>Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 for maintained schools</i></p> <p><i>Functions made under Section 44 of the 2002 Act (Consistent Financial Reporting)</i></p> <p><i>Investigations of employees or potential employees, with or without remuneration to work at or for schools under the direct management of the headteacher or governing body</i></p> <p><i>Functions related to local government pensions and administration of teachers' pensions in relation to staff working at maintained schools under the direct management of the headteacher or governing body</i></p> <p><i>Retrospective membership of pension schemes where it would not be appropriate to expect a school to meet the cost</i></p> <p><i>HR duties, including: advice to schools on the management of staff, pay alterations, conditions of service and composition/organisation of staff; determination of conditions of service for non-teaching staff; appointment or dismissal of employee functions</i></p> <p><i>Consultation costs relating to staffing</i></p> <p><i>Compliance with duties under Health and Safety at Work Act</i></p> <p><i>Investigation and resolution of complaints relating to maintained schools</i></p> <p><i>Provision of information to or at the request of the Crown relating to schools</i></p> <p><i>School companies</i></p> <p><i>Functions under the Equality Act 2010</i></p> <p><i>Establish and maintaining computer systems, including data storage</i></p> <p><i>Appointment of governors and payment of governor expenses</i></p>	25,000
25,000	
Education Welfare:	
<i>Inspection of attendance registers</i>	0
0	
Asset management:	
<p><i>General landlord duties for all maintained schools (Sch 1, 10a (section 542(2) Education Act 1996; School Premises Regulations 2012) to ensure that school buildings have:</i></p> <ul style="list-style-type: none"> <i>• appropriate facilities for pupils and staff (including medical and accommodation)</i> <i>• the ability to sustain appropriate loads</i> <i>• reasonable weather resistance</i> <i>• safe escape routes</i> <i>• appropriate acoustic levels</i> <i>• lighting, heating and ventilation which meets the required standards</i> 	82,000

<ul style="list-style-type: none"> • adequate water supplies and drainage • playing fields of the appropriate standards <p><i>General health and safety duty as an employer for employees and others who may be affected (Health and Safety at Work etc Act 1974).</i></p> <p><i>Management of the risk from asbestos in community school buildings (Control of Asbestos Regulations 2012).</i></p>	2,000
84,000	
Central support services:	
<p><i>Clothing grants</i></p> <p><i>Provision of tuition in music, or on other music-related activities</i></p> <p><i>Visual, creative and performing arts)</i></p> <p><i>Outdoor education centres (but not centres mainly for the provision of organised games, swimming or athletics)</i></p>	18,000
32,000	
Premature retirement and redundancy:	
<i>Dismissal or premature retirement when costs cannot be charged to maintained schools</i>	0
0	
Monitoring national curriculum assessment:	
<i>Monitoring of National Curriculum assessments</i>	59,000
59,000	

Notional Funding Illustrative examples**Primary School with 220 pupils**

Factor	Pupil Numbers	Unit Value (£)	Total (£)	Of which notional SEN budget contribution		Of which notional SEN budget contribution	
Basic Entitlement	220	3562	783,640	5%	£39,182	5%	£39,182
Low Prior Attainment	62	1170	72,540	100%	£72,540	100%	£72,540
FSM	70	490	34,300	5%	£1,715	25%	£8,575
FSM6	75	820	61,500	5%	£3,075	25%	£15,375
IDACI Band F	110	235	25,850	5%	£1,293	25%	£6,463
IDACI Band E	1	285	285	5%	£14	25%	£71
IDACI Band D	5	445	2,225	5%	£111	25%	£556
IDACI Band C	0	485	0	5%	£0	25%	£0
IDACI Band B	0	515	0	5%	£0	25%	£0
IDACI Band A	0	680	0	5%	£0	25%	£0
					£117,930		£142,762
A notional budget of £142,762 could pay for 9 pupils with High Needs at 6,000 totalling £54,000 plus 25 pupils with SEN support at £3,500 (average) totalling £87,500.							

Secondary School with 750 pupils

Factor	Pupil Numbers	Unit Value (£)	Total (£)	Of which notional SEN budget contribution		Of which notional SEN budget contribution	
Basic Entitlement (KS3)	480	5022	2,410,560	5%	£120,528	5%	£120,528
Basic Entitlement (KS4)	270	5661	1,528,470	5%	£76,424	5%	£76,424
Low Prior Attainment	210	1775	372,750	100%	£372,750	100%	£372,750
FSM	260	490	127,400	5%	£6,370	25%	£31,850
FSM6	310	1200	372,000	5%	£18,600	25%	£93,000
IDACI Band F	90	340	30,600	5%	£1,530	25%	£7,650
IDACI Band E	40	450	18,000	5%	£900	25%	£4,500
IDACI Band D	75	630	47,250	5%	£2,363	25%	£11,813
IDACI Band C	95	690	65,550	5%	£3,278	25%	£16,388
IDACI Band B	95	740	70,300	5%	£3,515	25%	£17,575
IDACI Band A	15	945	14,175	5%	£709	25%	£3,544
					£606,965		£756,020
A notional budget of £756,020 could pay for 50 pupils with High Needs at 6,000 totalling £300,000 plus 130 pupils with SEN support at £3,500 (average) totalling £455,000.							

Capping and Scaling Factors

Pupil Led Factors	Total with 0.5% capping & 8.25% scaling factors applied	Total no capping and scaling factors applied
1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	99,914,768	99,914,768
2) Deprivation	15,108,844	15,108,844
3) English as an Additional Language (EAL)	962,423	962,423
4) Mobility	142,101	142,101
5) Low prior attainment	8,763,499	8,763,499
Other Factors		
6) Lump Sum	10,214,400	10,214,400
7) Sparsity factor	910,885	910,885
8) Fringe Payments	-	-
9) Split Sites	-	-
10) Rates	2,037,484	2,037,484
11) PFI funding	-	-
12) Exceptional circumstances - Premises Listed Buildings	72,220	72,220
13) Additional funding to meet minimum per pupil funding level	170,558	170,558
Total Funding for Schools Block Formula (excluding MFG Funding Total)	138,297,181	138,297,181
14) Minimum Funding Guarantee	148,932	148,932
Less capping and scaling deduction	- 139,347	-
Net Minimum Funding Guarantee	9,585	148,932
Total Funding for Schools Block Formula	138,306,766	138,446,113

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NORTH LINCOLNSHIRE COUNCIL

SCHOOLS FORUM

UPDATE ON HIGH NEEDS FUNDING

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To provide a briefing to Schools Forum on work being undertaken to review the bandings and use of High Needs Funding for children with SEND.

2. BACKGROUND INFORMATION

- 2.1 The High Needs element of the Dedicated Schools Grant supports schools and local authority to provide support for children with SEND. This includes the costs of some elements of local authority SEND staffing, as well as paying for specialist placements, and providing the banding rates for top up funding for children whose needs mean that they cannot be adequately supported using the notional element of the SEND funding.
- 2.2 Locally, the bandings for children with an EHCP who attend mainstream schools in North Lincolnshire are due to be reviewed; it is proposed that the Local Authority work with schools through the Primary Consortium and the Secondary Heads and Principals to evaluate the current funding levels. Additionally, work is underway to benchmark local funding bandings for SEND in comparison to regional neighbours. It is intended that this work will place the LA in a good position to bring revised bandings proposal to Schools Forum in the autumn, in readiness for the financial year 2025/2026.
- 2.3 To address more immediate issues, under the DFE funding rules for High Needs, local authorities can make arrangements for the use of exceptional funding. The attached working draft exceptional funding protocol is being developed to ensure that schools are funded to meet exceptional circumstances, for example where there are significant in-year changes to the number of children with an EHCP, or where children have, through their EHC Plan had an agreement for independent specialist provision but where no such provision is available.

3. OPTIONS FOR CONSIDERATION

- 3.1 In North Lincolnshire, our shared ambition is that children thrive in their families, achieve in their schools and flourish in their communities. Ensuring schools are supported to meet children's needs at the lowest level, enabling children to stay within mainstream where ever possible is key in this ambition. Whilst the work to review and benchmark North Lincolnshire SEND funding bands for mainstream schools takes place, an exceptional funding process would support schools to meet children's emerging or escalating needs.

4. ANALYSIS OF OPTIONS

- 4.1 Agree the proposal to put in place an exceptional funding process for schools to meet children's individual needs where needed
- 4.2 Do not accept the proposal for exceptional funding

5. FINANCIAL AND OTHER RESOURCE IMPLICATIONS

- 5.1 High needs funding will support piloting this approach. Children's onward journeys and life chances are shown to be better where they can remain in mainstream schools, the costs of Independent Specialist Provision for children are high and availability poor. This approach will support more children to remain in local mainstream schools.

6. OTHER IMPLICATIONS

- 6.1 Ensuring that wherever possible, children are able to access high quality inclusive education which meets their individual needs through strong, inclusive schools is pivotal to their future education and career pathways.

7. OUTCOMES OF CONSULTATION

- 7.1 Initial discussions have taken place with Headteachers, and the PIP forum. Consultation is on going with regard to banding changes in readiness for next financial year

8. RECOMMENDATIONS

- 8.1 It is recommended that Schools Forum accept the proposal for SEND Exceptional Funding.

ASSISTANT DIRECTOR EDUCATION

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Date: 8 January 2024

Background Papers used in the preparation of this report –

[High needs funding: 2024 to 2025 operational guide - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/114422/high-needs-funding-2024-to-2025-operational-guide.pdf)

[The notional SEN budget for mainstream schools: operational guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/114422/the-notional-sen-budget-for-mainstream-schools-operational-guidance.pdf)

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