

# SCHOOLS FORUM

THURSDAY 19 JANUARY 2023

At 2.00 pm

by

Virtual Meeting - Online access, on [RBWM YouTube](#)

## SUPPLEMENTARY AGENDA

### Part I

<u>Item</u>	<u>Subject</u>	<u>Page No</u>
6.	<u>School Budget Funding 2023/24</u> To note the content of the report.	3 - 34

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Report Title:	Dedicated Schools Grant & Formula Funding 2023/24
Contains Confidential or Exempt Information?	No – Part 1
Lead Member:	Councillor Stuart Carroll - Deputy Chairman of Cabinet, Adult Social Care, Children's Services, Health and Mental Health
Meeting and Date:	Schools Forum 19 <sup>th</sup> January 2023
Responsible Officer(s):	Kevin McDaniel - Executive Director of People Services James Norris - Head of Finance Achieving for Children (RBWM)
Wards affected:	All

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## REPORT SUMMARY

- 1 *The purpose of this report is to inform the Schools Forum of the December 2022 settlement for the Dedicated Schools Grant (DSG) 2023-24 across the four elements of the Schools Block, Central School Services Block, High Needs Block and Early Years Block.*
- 2 *To discuss with the Schools Forum the RBWM proposals for the 2023-24 Early years Formula consultation.*
- 3 *To discuss with the Schools Forum the final pupil led data and impact on the schools formula allocation for 2023-24.*
- 4 *To inform the Schools Forum of the school high needs top up rates for 2023-24 and special schools minimum funding guarantee.*

## 1. DETAILS OF RECOMMENDATION(S)

***Recommendation: That Schools Forum notes the report and provides comments on the contents of this report; options for the allocation of headroom and proposed Early Years consultation questions.***

## 2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

### Options

**Table 1: Options arising from this report**

Option	Comments
Schools Forum notes and provides comments on the contents of this report; options for the allocation of headroom	Compliance with operational guidance.

Option	Comments
and proposed consultation questions. <b>This is the recommended option.</b>	
Continue with no changes. <b>This is not recommended.</b>	Failure to comply with use the latest operational guidance.

### 3. KEY IMPLICATIONS

3.1 The key implications of this report are set out in Table 2.

**Table 2: Key Implications**

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Schools Forum notes the report and provides comments on the contents of this report; options for the allocation of headroom and proposed Early Years consultation questions.	Schools Forum don't engage with the budget setting process.	Schools Forum engage with the budget setting process.	Schools Forum engage with the budget setting process providing insight into the impact on RBWM schools of the funding formula.	Schools Forum engage with the budget setting process providing insight into the impact on RBWM schools of the funding formula with comparative data relating to other local authority schools.	19-01-23

### 4. FINANCIAL DETAILS / VALUE FOR MONEY

#### FINANCIAL SUMMARY

4.1 The Government published details of the latest 2023/24 provisional DSG grant settlement in December 2022. The information contained in this report is based on the most up to date information available from the ESFA at the time of writing and reflects the impact of the December 2022 announcements.

#### BACKGROUND

4.2 School Funding is received through the Dedicated Schools Grant (DSG), and is split into four blocks, each with its own formula to calculate the funding to be distributed to each local authority.

- Schools Block – funds mainstream primary and secondary schools through the school formula, and growth funding for new growing schools/bulge classes

- High Needs Block – funds places in special schools, resource units and alternative provision, and top up funding for pupils with EHCPs in all settings including non-maintained, independent, and further education colleges
- Early Years Block – funds nursery schools, nursery classes in mainstream schools, and early year’s settings in the private, voluntary and independent (PVI) sector through the free entitlement for 2, 3 & 4 year olds
- Central Schools Services Block – funds services provided by the local authority centrally for all schools, such as the admissions service

4.3 The Government announced the provisional school funding arrangements for the schools, high needs and central blocks in July 2022. On the 16th December 2022 the ESFA announced the 2023-24 settlement, including funding for all four blocks of the Dedicated Schools Grant (DSG).

4.4 The DSG must be deployed in accordance with the conditions of grant and the latest School and Early Years Finance (England) Regulations. Detailed guidance is contained within various operational guidance documents issued by the Education Funding & Skills Agency (EFSA). The latest Operational guidance can be found at the following [link](#)

Further operational guidance is available for the Early Years block funding. [Early years guidance can be found here](#)

4.5 This report sets out the December 2022 settlement for 2023/24 and specific considerations for the Early years Funding Consultation.

## **5. DEDICATED SCHOOLS GRANT FUNDING 2023/24**

5.1 The DSG settlement sent out to local authorities in December 2022 is set out in Table 3 comparing the latest allocations for 2023/24, including the 2022-23 Schools Supplementary grant to the base DSG for 2022-23. The schools supplementary grant is to form part of the schools formula allocations for 2023/24 onwards and will no longer be paid out as an in-year grant to individual schools.

5.2 The 2023-24 indicative early years block funding has been based on the January 2022 census count. The ESFA will update the block funding to reflect January 2023 count in the summer term.

5.3 For the Schools block the final settlement is based upon the October 2022 school census. Whilst the 2023-24 formula allocations to each local authority have been updated from the October 2021 to October 2022 pupil numbers on roll, the updated pupil characteristics such as Low prior attainment and Free Schools meal eligibility has not been reflected in the grant to each local authority. Changes in schools pupil led data and the resulting formula allocations have to be met within the total block funding, excluding the growth fund. Due to delays in primary legislation local

authorities are not funded at National fair funding rates. Individual schools will continue to be funded via local formula allocations.

5.4 In early 2023-24 Local Authorities will be informed of the final EFSA deduction to be made at source for allocations direct to Academy schools and the final imports and exports funding. The notification will change the net funding estimate due to RBWM. In addition to this a merger of a Further Education college within the borough will result in a change to the RBWM high needs in year funding for 2023-24. Table 3 sets out the breakdown DSG for 2023/24 as at December 2022.

**Table 3: Comparison of DSG Block Funding 2022/23 to 2023/24**

Dedicated Schools Grant	Current DSG 2022-2023	DSG settlement 2023-2024	Movement between years	% Movement	Note	
	£'000s	£'000s	£'000s	£'000s	%	
Schools Formula Funding	101,694					
Schools In year grant - Supplementary (non DSG)	3,064	104,758	108,773	4,015	3.8	1
Schools Block - Growth Fund		603	1,040	437	72.5	
High Needs Block		27,433	30,183	2,750	10.0	
Indicative Early Years		10,272	11,210	938	9.1	2
Central School Services Block		1,035	995	(40)	(3.9)	3
Gross Dedicated Schools Grant + Schools Supplementary Grant		144,101	152,201	8,100	5.6	
Less:						
Direct Funding - High Needs		(3,040)	(3,176)	(136)	4.5	
Recoupment Estimate - Academies and Free Schools		(65,982)	(70,469)	(4,487)	6.8	4
Schools Supplementary in year Grant		(3,064)	0.00	3,064	(100)	1
Net Dedicated schools Grant		72,015	78,556	6,541	9.1	

Note

1. Schools Supplementary Grant now forms part of the school formula shares
2. Early Years Indicative budget based on January 2022. In year grant of £129k relating to 2021-22 excluded from DSG base comparison
3. Ongoing central block historic elements funding reduction of 20%
4. Increases to recoupment in year due to new academisations and inflation increases to the schools block 2023-24

## 6. Early Years Funding

6.1 The Department of Education announced on the 16th December 2022 the 2023-24 funding for Early Years. This included additional £20m national funding on top of the additional £180m for 2023-24 already announced at the Spending Review. Taken together, this is expected to support providers at a national level with the additional National Living Wage costs associated with delivering the free childcare entitlements in 2023/24.

### **Local Authority Funding Rates**

6.2 The hourly funding rates for the two, three and four year old early years entitlements for 2023-24 have been published. The step-by-step tables setting out each authorities' rates can be found at [here](#). These tables also include the new hourly rates for Maintained Nursery Schools and the Early Years Pupil Premium, and the yearly funding rate for the Disability Access Fund in 2023-24.

6.3 Nationally, Local authorities will receive average funding increases of 3.4% for the 3 and 4 year-old free childcare entitlements and 4% for the 2 year-old entitlement, compared to their 2022-23 rates. In line with the protections policy set out in the Government response document, all local authorities will benefit from at least a 1% increase in their funding rates in 2023-24, with increases for some up to 4.9% for 3 and 4 year-olds, and up to 10% for 2 year-olds.

### **Maintained Nursery Schools Supplementary Funding**

6.4 The ESFA are introducing a minimum and maximum hourly rate that a local authority can receive for their MNSs to create a fairer distribution of funding. The minimum rate will be set at £3.80 in 2023-24, and the cap on the hourly rate will be set at £10 in 2023-24, with transitional arrangements for the most affected LA. The DfE intend to maintain the cap at that level in 2024-25.

6.5 The RBWM MNSs block funding unit rate for 2023-24 has increased from £1.48 to £3.80 an hour. For 2023-24 onwards the MNSs to maintained nursery schools is to be allocated to schools on an hourly rate basis. Updated in year to reflect actual hours of attendance.

6.6 The table below summarises the Indicative Early Years block funding notification:

**Table 4: Early Years Block Funding 2023-24**

Indicative Early Years Grant Funding 2023-24	PTE	Hourly Rate £	£
Two year old funding	163.07	6.87	638,566
3 and 4 year old funding			
Universal	2,341	5.61	7,486,807
Working Parents	768	5.6	2,456,474
Maintained Nursery Supplementary	255	3.8	553,197
Early Years Pupil Premium			41,182
Disability Access Fund			33,948
Early Years Indicative Block Funding			11,210,174

**Technical note and Guidance**

6.7A technical note has been published alongside the tables, explaining how the funding rates for 2023-24 rates have been derived. This, along with an updated version of the Operational Guide can be accessed at here. This Guide has been revised to reflect the latest rates as well as changes resulting from amendments to the DfE formulae.

**Table 5: RBWM Early years funding**

Block funding Hourly rates	2022-23 TPPG		2023-24 including TPPG & inflation	Increase In full	Increase Excluding TPPG	Increase in full
	£	£				
2 year old	6.25		6.87	0.62	%	9.92
3 & 4 year old	5.31	0.04	5.61	0.30	4.9	5.65
MNS Supplementary	1.48	1.95	3.80	2.32	25	156.8

6.8The table above details the hourly rate increases from 2022-23 to 2023-24 as per the early years block grant notification.

6.9Consultation will be sent out to all early years providers. This will include proposed changes to the RBWM Early years provider funding hourly rates for 2023-24, to reflect inflationary increases and the inclusion of the Teachers Pay & Pension Grant (TPPG). The TPPG is currently allocated in year to maintained Nursery schools and Primary schools with nursery classes.



6.10 The table below reflect the proposed allocation of the Inflation uplift and TPPG elements.

**Table 6: Proposed hourly rates for RBWM providers 2023-24**

Provider hourly rates	Current 2022-23	TPPG	Inflation/ uplift	Proposed rate 2023-24	Increase per hour	% Increase
	£	£	£	£	£	%
<b>2 year olds</b>	6.06	0	0.600	6.66	0.60	9.90
<b>3 &amp; 4 year olds:</b>						
Base rate	4.6	0	0.22	4.82	0.22	4.9
Supplements per hour:			-			
Quality - High	0.270	0.04	0.02	0.328	0.06	21.3
Quality - Medium	0.180	0	0.01	0.190	0.01	5.65
Quality - Low	0.090	0	0.01	0.10	0.01	5.65
Deprivation - High	0.319	0	0.02	0.334	0.02	4.9
Deprivation - medium	0.212	0	0.01	0.223	0.01	4.9
Deprivation- Low	0.106	0	0.01	0.11	0.01	4.9
<b>MNS Supplementary</b>	1.480	1.95	0.37	3.80	2.32	156.8

6.11 The Teachers Pay and Pension grant elements have been targeted at the “high” Quality supplements where settings have over 75% of their staff with a qualification of level 3 or above, as determined in the Early Years Qualification document here. The majority of maintained settings and a number of Private, Voluntary and Independent settings are eligible for the Supplement ‘ Quality – High’. All maintained nursery schools will receive MNSs at the higher rate. Further details on the banding for the supplements and eligibility can be found in the schools budget guide.

6.12 Based on the proposed provider rate in table 6 the estimated cost of implementation is detailed below in table 7.

**Table 7: Draft Budget 2023-24**

Draft Early Years Budget for 2023-24	PTEs	Hours	Proposed hourly rate	Budget Estimate	Note	
			£	£'000		
Two year olds.	163	92,950	6.66	619	1	
3 & 4 year old funding:						
Universal 15 hrs	2,341	1,334,547	4.82	6,437	1	
Working parents 15hrs	768	437,874	4.82	2,112	1	
<b>Supplements:</b>	<b>% of PTEs</b>					
Quality - High	0.48	1,493	850,762	0.328	279	2
Quality - Medium	0.43	1,340	763,736	0.19	145	
Quality - Low	0.09	277	157,923	0.10	16	
Deprivation - High	0.40	1,247	710,563	0.33	237	2
Deprivation - Medium	0.38	1,171	667,494	0.22	149	
Deprivation - Low	0.16	502	286,069	0.11	32	
Deprivation - N/A	0.06	190	108,295	0.00		
				9,407		
<b>Maintained Nursery Schools Supplementary.</b>	255.4	145,578	3.8	553		
<b>Budgets allocations to settings in year:</b>						
EY SEN Inclusion				190		
EY Pupil Premium				41	3	
Disability Access Fund				34	3	
Contingency for settings - Balance	0.64 %			71	4	
<b>Service and Central budget.</b>				295	5	
<b>Total Budget Estimate</b>				11,210		

Note

1. Part time equivalents (PTEs) as per ESFA DSG grant notification. PTE's based on January 2022 Census.
2. PTE's split based on S251 % of PTEs per supplement level
3. Budgets as per early years government grant notification
4. Contingency is for providers in year EYNFF allocations and emergency payments only.
5. Central budget estimate for 2023-24 below 3% of EYNFF. Maximum allowable is 5%. Includes S2S delivery+ early years advisor, early years team, software and overheads.

6.13 Proposed questions for consultation:

- Do you agree that the 9.9% inflation increase of £0.60 be allocated in full to the 2 year old base rate?
- Do you agree that the 4.86% inflation increase of £0.22 be allocated to the 3 & 4 year old base rate?
- Do you agree that the TPPG of £0.04 previously allocated by the ESFA to nursery classes and nursery school's teachers be allocated in full to the "high" quality supplementary banding?
- Do you agree that the full inflation uplift of 5.65% be applied to all Quality supplements?
- Do you agree that the 4.86% inflation uplift be applied to all the deprivation supplements?
- Do you agree that the inflationary increase of £0.37 and TPPG of £1.95 be allocated in full to the maintained nursery schools supplement
- Do you have any comments on the proposed distribution of the early years funding for 2023-24?

## **7. SCHOOL FUNDING**

### **RBWM School Funding overview**

7.1 In 2023 to 2024, as in previous years, each local authority is to continue to set a local schools funding formula, in consultation with local schools.

7.2 The level of funding in the Schools Block for the local authority is not yet calculated using the NFF. Until primary legislation is amended via Parliament the calculation of the Schools Block remains based upon a per pupil funding rate.

7.3 Whilst the 2023/24 school formula allocations will be updated for the 2022 October census pupil characteristics such as free school meal eligibility the DSG allocation for the local authority will not. As a result, and in line with previous years, the DSG allocation will not be sufficient to meet the costs of delivering the National Funding Formula. Individual school allocations will continue to be funded by a local formula, with changes to the proposed 2023-24 unit funding rates to ensure actual formula funding is within the final schools block allocation to the Local Authority.

7.4 The latest Education Skill Funding Agency (ESFA) Schools operational guide for 2023/24 can be found here detailing the main changes to the schools funding from 2022-23 to 2023-24. The November report to schools forum lists all the key changes which can be found here. Below are the restrictions all local authorities are to abide by when completing the final schools formula allocations 2023-24:

- transition requirements to bring local formulae closer to the NFF:
  - local authorities will only be allowed to use NFF factors in their local formulae. This means that the looked after children (LAC) factor will no longer be an allowable factor and will be removed
  - local authorities must use all NFF factors – except for the locally determined premises factors which remain optional, and the fringe factor which is compulsory for the 5 local authorities on the fringe

Therefore, all local authorities will have to use all 3 deprivation factors (FSM, FSM6 and IDACI), as well as LPA, EAL, mobility, sparsity and the lump sum

- local authorities must move their local formula factor values at least 10% closer to the NFF, except where local formulae are already mirroring the NFF. These criteria do not apply to locally determined factors – notably the premises factors
- Local authorities must use the NFF definition for the English Additional Language factor, although flexibility over the sparsity factor methodology will remain in 2023 to 2024
- Local authorities have the freedom to set the MFG in their local formulae between +0.0% and +0.5% per pupil

### **Schools formula Allocation 2023-24 and pupil led data changes.**

7.5 The level of funding in the Schools Block for the local authority is not yet calculated using the NFF. Until primary legislation is amended via Parliament the calculation of the Schools Block remains based upon a per pupil funding rate. Table 8 demonstrates the funding rate per pupil, per sector based on the October 2021 pupil led characteristics. Data changes for October 2022 pupils have not been reflected in the final rate per pupil. Table 9 summarizes the changes in the pupil led characteristics.

7.6 Changes to pupil led data, increases in NNDR and the requirement to fund all factors within the schools formula settlement have resulted in revised unit rates for RBWM local formula factors for 2023-24. Two options are currently being considered, with the final decision to be made by the Director and the Lead member before the Schools formula submission date on the 20th January 2023. Appendix A details the proposed rate changes and the minimum funding levels as set by the ESFA.

7.7 The proposed changes to the local formula will ensure that all schools will continue to receive funding guarantees for the minimum funding guarantee (MFG) and the minimum per pupil level funding (MPPL). Further details of the funding guarantees are shown in section 5 of this report.

7.8 RBWM consulted with local schools on a number of questions based on the original proposals in Autumn 2022. The feedback has been taken into consideration in the new proposals listed in Appendix A.

7.9 In both options under consideration, minimum funding guarantee is to continue to be set at 0.5% rather than the lower rate of 0% for the final formula. The Sparsity factor has been introduced as a new RBWM local factor at the minimum level of 10%, as per the majority of school responses to the funding consultation.

7.10 In option 2 all deprivation factors have been set at the 2023-24 NFF plus area cost adjustment. These include FSM, FSM ever 6 and all IDACI bands, reflecting consultation responses from schools. The consultation responses indicated strong agreement for the IDACI & FSM factors to move closer to NFF and for these factors to receive some protection. AWPU is set above the minimum, and just below NFF +ACA. This option ensures that schools with high levels of deprivation received the full NFF unit rate for 2023-24.

7.11 Option 1 sets all pupil led factors (excluding AWPU) at the minimum level for 2023-24. The responses from the consultation were mixed regarding the allocation of negative headroom. This option therefore targets the negative headroom equally across all factors. AWPU is set above the minimum, and just below NFF +ACA. Both options allocate the full schools block formula allocation, including funding for school business rates, often referred to in ESFA documents as NNDR (national non domestic rates).

7.12 Appendix A lists the formula unit rates for the current year, the new NNF including ACA for 2023-24, the minimum amount allowable per factor in 2023-24 and the RBWM options 1 and 2.

**Table 8: Funding rate per pupil**

<b>School Block funding Rate per Pupil.</b>	Pupil NOR	Rate per Pupil	2023-24
	Census	£	£
<b><u>Provisional Funding</u></b>	Oct-21		
Primary	11,059.0	4,737	52,385,592
Secondary	8,693.5	6,207	53,963,384
	<u>19,752.5</u>		
Premises costs - NNDR			1,024,862
Indicative Allocation 2023-24 - August 2022			<u>107,373,839</u>
<b><u>Schools Block Settlement</u></b>	Oct-22		
Primary	10,995.5	4,737	52,084,798
Secondary	8,967.5	6,207	55,664,192
	<u>19,963.0</u>		
Premises costs - NNDR			1,024,862
Final settlement 2023-24 - December 2022			<u>108,773,851</u>
Net Increase in overall funding	210.5	-	1,400,013

**Table 9: Pupil Led data**

Pupil led data per Sector	Oct-21		Oct-22		Movement		Prim %	Sec %
	Prim	Sec	Prim	Sec	Prim	Sec		
<b>AWPU/ Basic Entitlement NOR:</b>								
Primary (Years R-6)	11,060		10,998		(62)	0	(0.6%)	
Key Stage 3 (Years 7-9)		5,358		5,435	0	77		1.4%
Key Stage 4 (Years 10-11)		3,338		3,536	0	198		5.9%
<b><u>Pupil Led data:</u></b>								
FSM	1,305	1,054	1,462	1,235	157	181	12.0%	17.2%
FSM ever6	1,412	1,291	1,551	1,410	139	119	9.8%	9.2%
IDACI Band F	681	566	691	621	10	55	1.5%	9.8%
IDACI Band E	37	45	47	46	10	1	27.0%	2.2%
IDACI Band D	19	45	20	44	1	(1)	5.3%	(2.1%)
IDACI Band C	3	1	1	1	(2)	0	(67%)	0.2%
IDACI Band B		1		- 1	0	0	0.0%	0.0%
IDACI Band A		-		-	0	0	0.0%	0.0%
EAL	960	180	1,130	251	170	71	17.7%	39.5%
Mobility	39	4	45	29	7	24	16.9%	561.4%
Low prior attainment	2,683	1,941	2,821	2,011	138	70	5.1%	3.6%

Key:

NOR – Number on roll  
 AWPU – Age Weighted Pupil Unit  
 FSM – Free School Meals  
 Ever6 – over 6 year period  
 IDACI – Income Deprivation Affecting Children Index  
 EAL – English as an additional language  
 Prim – Primary  
 Sec – Secondary

Further information on the NFF Schools Block can be found [here](#)

## School Funding Guarantees

7.13 In addition to the main factors listed in the formula for schools funding there are two school funding guarantees. All local authorities apply these guarantees unless a decision is made by the authority to consider and request disapplication from the DfE.

7.14 The Minimum Funding Guarantee (MFG) is a per pupil protection to ensure funding between years does not decrease below a certain percentage. A range of 0.0% to 0.5% per pupil is set by the ESFA. NFF for 2023-24 is to be set at +0.5%, following the recent consultation with schools, RBWM's local formula is set at +0.5% MFG for 2023-24.

7.15 The Minimum per pupil level funding (MPPL) is a guarantee that for every pupil on roll the school receives a minimum amount via the pupil led factors within the formula. Table 5 sets out 2023/24 rates per sector. The minimum funding per pupil for primary and secondary is a compulsory factor.

**Table 10: DSG Minimum Per Pupil Funding Levels**

Year Groups	Minimum Per Pupil Funding Levels £
Primary	4,405
KS3	5,503
KS4	6,033

**Mainstream School Additional Grant (MSAG) 2023-24**

7.16 As part of the Autumn statement the DfE announced that schools will be allocated £2 billion additional funding as part of their pledge to ensure the schools funding level is brought in line with the funding levels in 2010. This funding will be in addition to schools block funding and will be provided to schools through the new Mainstream Schools Additional Grant (MSAG).

7.17 The new MSA Grant will be allocated to schools in year. This grant is in addition to the schools Formula funding and will not impact on the minimum funding guarantees. Full details of the grant can be found here

7.18 The eligibility for the grant is as follows:

The MSAG will fund the following providers, for the 5 to 16-year-old age range:

- primary and secondary maintained schools
- primary and secondary academies and free schools
- all-through maintained schools
- all-through academies
- city technology colleges

7.19 Local authorities and Academy schools will receive the grants in 2 tranches in 2023-24. The DfE has not yet confirmed the school level allocations.

7.20 The funding rates will include the following 3 elements:

- a basic per-pupil rate (with different rates for primary, key stage 3 and key stage 4)
- a lump sum paid to all schools, regardless of pupil numbers
- a per-pupil rate for pupils who are recorded as having been eligible for free school meals at any point in the last six years (FSM6), with different rates for primary and secondary pupils

7.21 The base funding rates will be:

- a basic per-pupil rate of £119 for primary pupils, including pupils in reception
- a basic per-pupil rate of £168 for key stage 3 pupils
- a basic per-pupil rate of £190 for key stage 4 pupils
- a lump sum of £4,510
- an FSM6 per-pupil rate of £104 per eligible primary pupil
- an FSM6 per-pupil rate of £152 per eligible secondary pupil

7.22 Area cost adjustment (ACA) will be added to the base funding rates for the MSAG. RBWM schools funding ACA for 2023-24 is 1.05790.

## 8. High Needs Funding

### Special Schools Minimum Funding Guaranteed (MFG)

8.1 In the 2023-24 Operational guide for 2023-24 it stipulates maintained and Academy special schools are to receive a minimum funding guarantee of 3%. The MFG is calculated using the 2021-22 funding as baseline. The calculating uplifts both the place and top up elements. The MFG calculation and resulting uplift that vary from school to school.

8.2 The guidance states that:

*'In 2023 to 2024, the MFG must be calculated based on a comparison of the combined place and top-up funding per pupil in the 2021 to 2022 and 2023 to 2024 financial years. The top-up funding must be set at a rate to ensure a school's total budget is 3% higher per pupil than in 2021 to 2022.'*

*High needs funding that the school receives in place of the TPG, the TPECG, and the pensions supplementary fund, should be excluded from the MFG calculation.*

*There may be reasons why a local authority is not planning on passing an increase up to, or beyond the level of the MFG on to its special schools in 2023 to 2024. For example, a local authority may have increased its top-up funding rates by a significant percentage in 2021 to 2022 and considers that is sufficient to make cost increases over the current 2-year period manageable for the schools, given the level of reserves they have accumulated'*

8.3 RBWM has completed a draft baseline estimate for the maintained special school, Manor Green. The MFG calculation on the 2021-22 baseline estimate is a minimum top up increase of 4.4%.

8.4 Mainstream Primary and Secondary schools and maintained special schools are all funded from the same published top up bandings as listed below:



**Table 11: RBWM High Needs Top Up banding**

<b>Pupils placed at all RBWM settings - current rates</b>			
<b>Band</b>	<b>Total Annual Top-up</b>	<b>Top-up - paid to Settings (Less £6,000)</b>	<b>Settings</b>
1	£ 8,000	£2,000	Mainstream/Resource Unit
2	£ 10,000	£4,000	
3	£ 12,000	£6,000	
4	£ 14,000	£8,000	
5	£ 15,000	£9,000	
6	£ 16,000	£10,000	Mainstream/Resource Unit/Special
6A	£ 18,500	£12,500	
7	£ 21,000	£15,000	
8	£ 26,000	£20,000	Special
9	£ 31,000	£25,000	
10	£ 36,000	£30,000	
11+	£ 41,000	Max £35,000	

8.5A decision has been made to uplift all RBWM top up rates for RBWM pupils mainstream primary and secondary schools, maintained special schools and resource units by 4.5% from April 2023.

**Table 12: Revised bandings**

<b>Top up banding - April 2023 onwards</b>			
<b>Band</b>	<b>Total Annual Top-up</b>	<b>Top-up - paid to Settings (Less £6,000)</b>	<b>Settings</b>
1	£ 8,090	2,090	Mainstream/Resource Unit
2	£ 10,180	4,180	
3	£ 12,270	6,270	
4	£ 14,360	8,360	
5	£ 15,405	9,405	
6	£ 16,450	10,450	Mainstream/Resource Unit/Special
6A	£ 19,065	13,065	
7	£ 21,675	15,675	
8	£ 26,900	20,900	Special
9	£ 32,125	26,125	
10	£ 37,350	31,350	
11+	£ 42,575	Max £36,575	

8.6 Forest Bridge top up rates will be uplifted based on a separate baseline exercise for the Free school. The school has its own set of top up bandings and has received inflationary uplifts since 2021-22.

8.7 In addition to the uplift in top rates Special schools and AP pupil referral units will receive in year additional funding as part of the DSG conditions of grant. Here is a link to the guidance. An extract from the 2023-24 High Needs Operational guidance (Annex 2) is shown below:

*Maintained special schools and special academies and free schools*  
*'Local authorities must allocate 3.4% per place, based on the place funding of £10,000 per place plus the average top-up funding they pay for a pupil placement in financial year 2022 to 2023, using the total number of places being funded in academic year 2022 to 2023. If a revised number of places has been agreed with the school for the academic year 2023 to 2024, through the place change process where applicable, the local authority may use that number to calculate seven twelfths of the allocation (for the period September 2023 to March 2024).'*

8.8 Allocation of the high needs additional funding will be made in year to all eligible settings.

**9. LEGAL IMPLICATIONS**

9.1 This report complies with the DfE conditions of grant and the latest School and Early Years Finance (England) Regulations.

**10. RISK MANAGEMENT**

10.1 The risks and their control are set out in table 8.

**Table 13: Impact of risk and mitigation**

<b>Risk</b>	<b>Level of uncontrolled risk</b>	<b>Controls</b>	<b>Level of controlled risk</b>
Poor financial management resulting in lack of accuracy and reliance upon the budget formula allocation	Low	Robust financial management including adherence to legislation and guidance	Low

**11. POTENTIAL IMPACTS**

11.1 Equalities. Equality Impact Assessments are published on the council's website. It has been assessed that there are no Equality Impact risks arising from this report.

11.2 Climate change/sustainability. There are no climate change/ sustainability risks arising from this report.

11.3 Data Protection/GDPR. There are no data protection/ GDPR risks arising from this report.

## **12. CONSULTATION**

12.1 Financial reporting including the Dedicated Schools Grant is regularly provided to RBWM Commissioners and the Achieving for Children Board.

## **13. APPENDICES**

13.1 This report is supported by the following appendix:

- Appendix A National Fair Funding 2022-23 to 2023-24
- Appendix B RBWM Local formula Factor unit rates and NFF including Area Cost Adjustment (ACA)
- Appendix C Financial Model unit rates
- Appendix D Individual school budget shares for 2022-23 and per financial model for 2023-24
- Appendix E Notional Special Educational Needs (SEN)

## **14. BACKGROUND DOCUMENTS**

14.1.1 The DSG must be deployed in accordance with the conditions of grant and the latest School and Early Years Finance (England) Regulations. The latest Operational guidance can be found at the following link:

[www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2023-to-2024/schools-operational-guide-2023-to-2024](https://www.gov.uk/government/publications/pre-16-schools-funding-local-authority-guidance-for-2023-to-2024/schools-operational-guide-2023-to-2024)

## 15. CONSULTATION

Name of consultee	Post held	Date sent	Date returned
<i>Mandatory: Statutory Officers (or deputies)</i>			
Adele Taylor	Executive Director of Resources/S151 Officer	13-01-23	
Emma Duncan	Director of Law, Strategy & Public Health/ Monitoring Officer	13-01-23	
<i>Deputies:</i>			
Andrew Vallance	Head of Finance (Deputy S151 Officer)	13-01-23	
Elaine Browne	Head of Law (Deputy Monitoring Officer)	13-01-23	
Karen Shepherd	Head of Governance (Deputy Monitoring Officer)	13-01-23	
<i>Mandatory: Procurement Manager (or deputy) - if report requests approval to go to tender or award a contract</i>			
Lyn Hitchinson	Procurement Manager	13-01-23	
<i>Mandatory: Data Protection Officer (or deputy) - if decision will result in processing of personal data; to advise on DPIA</i>			
Emma Young	Data Protection Officer	13-01-23	
<i>Mandatory: Equalities Officer – to advise on EQiA, or agree an EQiA is not required</i>			
Ellen McManus	Equalities & Engagement Officer	13-01-23	
<i>Other consultees:</i>			
<i>Directors (where relevant)</i>			
Tony Reeves	Interim Chief Executive	13-01-23	
Andrew Durrant	Executive Director of Place	13-01-23	
Kevin McDaniel	Executive Director of People Services	13-01-23	

Confirmation relevant Cabinet Member(s) consulted	Cabinet Member for Children's Services, Education, Health, Mental Health, & Transformation	Yes
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## REPORT HISTORY

Decision type:	Urgency item?	To follow item?
Schools Forum decision	No	No

Report Author: James Norris, Head of Finance AFC (RBWM), 07824478100



## APPENDIX A - EQUALITY IMPACT ASSESSMENT

### Essential information

Items to be assessed: (please mark 'x')

Strategy		Policy		Plan		Project		Service/Procedure	x
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Responsible officer	James Norris	Service area	Finance	Directorate	Children's (Achieving for Children)
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<b>Stage 1: EqIA Screening (mandatory)</b>	Date created: 13-01-23	<b>Stage 2 : Full assessment (if applicable)</b>	N/A
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**Approved by Head of Service / Overseeing group/body / Project Sponsor:**

*"I am satisfied that an equality impact has been undertaken adequately."*

**Signed by (print):** Kevin McDaniel

**Dated:** 13-01-23

## Guidance notes

### What is an EqIA and why do we need to do it?

The Equality Act 2010 places a 'General Duty' on all public bodies to have 'due regard' to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act.
- Advancing equality of opportunity between those with 'protected characteristics' and those without them.
- Fostering good relations between those with 'protected characteristics' and those without them.

EqIAs are a systematic way of taking equal opportunities into consideration when making a decision, and should be conducted when there is a new or reviewed strategy, policy, plan, project, service or procedure in order to determine whether there will likely be a detrimental and/or disproportionate impact on particular groups, including those within the workforce and customer/public groups. All completed EqIA Screenings are required to be publicly available on the council's website once they have been signed off by the relevant Head of Service or Strategic/Policy/Operational Group or Project Sponsor.

### What are the "protected characteristics" under the law?

The following are protected characteristics under the Equality Act 2010: age; disability (including physical, learning and mental health conditions); gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

### What's the process for conducting an EqIA?

The process for conducting an EqIA is set out at the end of this document. In brief, a Screening Assessment should be conducted for every new or reviewed strategy, policy, plan, project, service or procedure and the outcome of the Screening Assessment will indicate whether a Full Assessment should be undertaken.

### Openness and transparency

RBWM has a 'Specific Duty' to publish information about people affected by our policies and practices. Your completed assessment should be sent to the Strategy & Performance Team for publication to the RBWM website once it has been signed off by the relevant manager, and/or Strategic, Policy, or Operational Group. If your proposals are being made to Cabinet or any other Committee, please append a copy of your completed Screening or Full Assessment to your report.

### Enforcement

Judicial review of an authority can be taken by any person, including the Equality and Human Rights Commission (EHRC) or a group of people, with an interest, in respect of alleged failure to comply with the general equality duty. Only the EHRC can enforce the specific duties. A failure to comply with the specific duties may however be used as evidence of a failure to comply with the general duty.

## Stage 1: Screening (Mandatory)

### 1.1 What is the overall aim of your proposed strategy/policy/project etc and what are its key objectives?

The overall aim of the report is to provide the Schools Forum with the settlement for the Dedicated Schools Grant (DSG) 2023/24 across the four elements of the Schools Block, Central School Services Block, High Needs Block and Early Years Block. To discuss with the Schools Forum the RBWM proposals for the 2023/24 Early years Formula consultation and to discuss the school High needs top up bandings.

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1.2 What evidence is available to suggest that your proposal could have an impact on people (including staff and customers) with protected characteristics? Consider each of the protected characteristics in turn and identify whether your proposal is Relevant or Not Relevant to that characteristic. If Relevant, please assess the level of impact as either High / Medium / Low and whether the impact is Positive (i.e. contributes to promoting equality or improving relations within an equality group) or Negative (i.e. could disadvantage them). Please document your evidence for each assessment you make, including a justification of why you may have identified the proposal as “Not Relevant”.



<b>Protected characteristics</b>	<b>Relevance</b>	<b>Level</b>	<b>Positive/negative</b>	<b>Evidence</b>
<b>Age</b>	Yes	Low	Positive	There is nothing in the report which is considered to materially impact on this protected characteristic.
<b>Disability</b>	Yes	Low	Positive	There is nothing in the report which is considered to materially impact on this protected characteristic.
<b>Gender re-assignment</b>	No	N/A	N/A	There is nothing in the report which is considered to impact on this protected characteristic.
<b>Marriage/civil partnership</b>	No	N/A	N/A	There is nothing in the report which is considered to impact on this protected characteristic.
<b>Pregnancy and maternity</b>	No	N/A	N/A	There is nothing in the report which is considered to impact on this protected characteristic.
<b>Race</b>	No	N/A	N/A	There is nothing in the report which is considered to impact on this protected characteristic.
<b>Religion and belief</b>	No	N/A	N/A	There is nothing in the report which is considered to impact on this protected characteristic.
<b>Sex</b>	No	N/A	N/A	There is nothing in the report which is considered to impact on this protected characteristic.
<b>Sexual orientation</b>	No	N/A	N/A	There is nothing in the report which is considered to impact on this protected characteristic.

**Outcome, action and public reporting**

<b>Screening Assessment Outcome</b>	<b>Yes / No / Not at this stage</b>	<b>Further Action Required / Action to be taken</b>	<b>Responsible Officer and / or Lead Strategic Group</b>	<b>Timescale for Resolution of negative impact / Delivery of positive impact</b>
<b>Was a significant level of negative impact identified?</b>	No	None		
<b>Does the strategy, policy, plan etc require amendment to have a positive impact?</b>	No	None		

If you answered **yes** to either / both of the questions above a Full Assessment is advisable and so please proceed to Stage 2. If you answered “No” or “Not at this Stage” to either / both of the questions above please consider any next steps that may be taken (e.g. monitor future impacts as part of implementation, re-screen the project at its next delivery milestone etc).

**Stage 2 : Full assessment**

2.1 : Scope and define

**2.1.1 Who are the main beneficiaries of the proposed strategy / policy / plan / project / service / procedure? List the groups who the work is targeting/aimed at.**

[Empty response area for 2.1.1]

**2.1.2 Who has been involved in the creation of the proposed strategy / policy / plan / project / service / procedure? List those groups who the work is targeting/aimed at.**

[Empty response area for 2.1.2]

**2.2 : Information gathering/evidence**

**2.2.1 What secondary data have you used in this assessment?** *Common sources of secondary data include: censuses, organisational records.*

**2.2.2 What primary data have you used to inform this assessment?** *Common sources of primary data include: consultation through interviews, focus groups, questionnaires.*

Eliminate discrimination, harassment, victimisation

<b>Protected Characteristic</b>	<b>Advancing the Equality Duty : Does the proposal advance the Equality Duty Statement in relation to the protected characteristic (Yes/No)</b>	<b>If yes, to what level? (High / Medium / Low)</b>	<b>Negative impact : Does the proposal disadvantage them (Yes / No)</b>	<b>If yes, to what level? (High / Medium / Low)</b>	<b>Please provide explanatory detail relating to your assessment and outline any key actions to (a) advance the Equality Duty and (b) reduce negative impact on each protected characteristic.</b>
Age					
Disability					
Gender reassignment					
Marriage and civil partnership					
Pregnancy and maternity					
Race					
Religion and belief					
Sex					
Sexual orientation					

Advance equality of opportunity

<b>Protected Characteristic</b>	<b>Advancing the Equality Duty : Does the proposal advance the Equality Duty Statement in relation to the protected characteristic (Yes/No)</b>	<b>If yes, to what level? (High / Medium / Low)</b>	<b>Negative impact : Does the proposal disadvantage them (Yes / No)</b>	<b>If yes, to what level? (High / Medium / Low)</b>	<b>Please provide explanatory detail relating to your assessment and outline any key actions to (a) advance the Equality Duty and (b) reduce negative impact on each protected characteristic.</b>
Age					
Disability					
Gender reassignment					
Marriage and civil partnership					
Pregnancy and maternity					
Race					
Religion and belief					
Sex					
Sexual orientation					

Foster good relations

<b>Protected Characteristic</b>	<b>Advancing the Equality Duty : Does the proposal advance the Equality Duty Statement in relation to the protected characteristic (Yes/No)</b>	<b>If yes, to what level? (High / Medium / Low)</b>	<b>Negative impact : Does the proposal disadvantage them (Yes / No)</b>	<b>If yes, to what level? (High / Medium / Low)</b>	<b>Please provide explanatory detail relating to your assessment and outline any key actions to (a) advance the Equality Duty and (b) reduce negative impact on each protected characteristic.</b>
Age					
Disability					
Gender reassignment					
Marriage and civil partnership					
Pregnancy and maternity					
Race					
Religion and belief					
Sex					
Sexual orientation					

**2.4 Has your delivery plan been updated to incorporate the activities identified in this assessment to mitigate any identified negative impacts? If so please summarise any updates.**

*These could be service, equality, project or other delivery plans. If you did not have sufficient data to complete a thorough impact assessment, then an action should be incorporated to collect this information in the future.*

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Formula Factor Unit Values

Appendix A

Formula Factors - Unit values	2022-23 Schools Funding APT	2023-24 NFF including ACA	ESFA : 2023-24 APT minimum	Draft - Option (1) Unit rates 2023-24	Draft - Option(2) Unit rates 2023-24	Movement between 2022-23 to 23-24 Proposal (A)	Movement between 2022-23 to 23-24 Proposal (B)	% Movement from 2022-23 (1)	% Movement from 2022-23 (2)
	£	£	£	£	£	£	£	%	%
Primary basic entitlement (AWPU)	3,402	3,591	3,501	3,588	3,583	185.99	181.09	5.47	5.32
KS3 basic entitlement (AWPU)	4,796	5,062	4,936	5,058	5,051	261.63	254.74	5.45	5.31
KS4 basic entitlement (AWPU)	5,405	5,705	5,563	5,701	5,693	295.26	287.49	5.46	5.32
Primary FSM	497	508	495	495	508	1.88	10.81	0.38	2.18
Secondary FSM	497	508	495	495	508	1.88	10.81	0.38	2.18
Primary FSM6	744	746	727	727	746	16.83	1.82	2.26	0.24
Secondary FSM6	908	1,090	1,062	1,062	1,090	154.40	181.64	17.00	20.00
Primary IDACI F	277	243	237	237	243	39.43	33.34	14.25	12.05
Primary IDACI E	346	296	289	289	296	57.12	49.72	16.51	14.37
Primary IDACI D	519	465	454	454	465	65.06	53.42	12.54	10.30
Primary IDACI C	540	508	495	495	508	44.40	31.71	8.23	5.88
Primary IDACI B	518	540	526	526	540	7.91	21.40	1.53	4.13
Primary IDACI A	677	709	691	691	709	14.33	32.06	2.12	4.74
Secondary IDACI F	362	354	346	346	354	16.75	7.89	4.62	2.18
Secondary IDACI E	480	471	459	459	471	20.90	9.13	4.36	1.90
Secondary IDACI D	672	656	640	640	656	32.30	15.90	4.81	2.37
Secondary IDACI C	703	719	701	701	719	1.30	16.68	0.19	2.37
Secondary IDACI B	740	772	753	753	772	12.78	32.09	1.73	4.34
Secondary IDACI A	941	984	959	959	984	18.16	42.76	1.93	4.54
Primary EAL3	597	614	598	598	598	0.81	0.81	0.14	0.14
Secondary EAL3	1,618	1,656	1,614	1,614	1,614	3.60	3.60	0.22	0.22
Primary LPA	1,195	1,222	1,191	1,191	1,191	3.53	3.53	0.30	0.30
Secondary LPA	1,808	1,851	1,805	1,805	1,805	3.11	3.11	0.17	0.17
Primary mobility	978	1,000	975	975	975	3.38	3.38	0.35	0.35
Secondary mobility	1,406	1,439	1,403	1,403	1,403	3.56	3.56	0.25	0.25
Primary lump sum	123,521	135,411	131,144	131,144	131,165	7,623.22	7,643.89	6.17	6.19
Secondary lump sum	123,521	135,411	131,144	131,144	131,165	7,623.22	7,643.89	6.17	6.19
Primary sparsity	0	59,560	7,218	7,218	7,218	7,218.47	7,218.47	100.00	100.00
Secondary sparsity	0	86,642	10,509	10,509	10,509	10,509.21	10,509.21	100.00	100.00
Middle-school sparsity	0	86,642	10,509	10,509	10,509	10,509.21	10,509.21	100.00	100.00
All-through sparsity	0	86,642	10,509	10,509	10,509	10,509.21	10,509.21	100.00	100.00

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