



Schools Forum

Date: Monday, 21 March 2022

Time: 4.00 pm

Venue: To be held virtually over Zoom

Everyone is welcome to attend this committee meeting. Members of the Forum will be provided with a virtual invite to this meeting. For more information, please contact the Committee Officer overleaf.

Membership of the Schools Forum

Secondary Sector Headteachers (1) Gillian Houghton

Primary Sector Headteachers (4) Mike Cooke, Hatim Kapacee, Saeeda Ishaq, Gavin Shortall

Primary Sector Governors (4) Tony Daly, Philip Geldard, Lolita Hall, vacancy

Special School Headteachers (1) Alan Braven

Special School Governor (1) Walid Omara

Academy Representative (7) Joseph Brownridge, Helen Child, Andy Park, Emma Merva, Joshua Rowe, Michael Carson, Edward Vitalis

Pupil Referral Unit Representative (1) Andrew Burton

Nursery School Representative (1) Joanne Fenton

Non-School Members (6) Councillor Reid, Cath Baggaley, John Morgan, Jenny Smillie, Jimmy Buckley, Antonio de Paola

Agenda

1. **Appointment of Chair and Vice Chair**
2. **Urgent Business**
To consider any items which the Chair has agreed to have submitted as urgent
3. **Appeals**
To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda
4. **Minutes** 5 - 8
To agree as a correct record the minutes of the meeting held on 17 January 2022.
5. **Supplementary Grant - High Needs 2022/23** 9 - 16
The report of the Directorate Finance Lead – Children and Schools is attached.
6. **Free School Meals - Transitional Protection** 17 - 22
The report of the Directorate Finance Lead – Children and Schools is attached.
7. **Oral Update: Local Authority Gas and Electricity Contracts**

Information about the Forum

Schools are represented on the Forum by headteachers and school governors, elected to reflect all categories of school. In Manchester; there are non-school representatives from the teacher associations; additional non-voting places are reserved for invited elected members and representatives of other interested bodies.

The Forum members work together to provide a clear consensus of professional advice to education decision-makers, to achieve a transparent deployment of available resources. The Forum provides a formal channel of communication between the Council and schools for consultation concerning the funding of schools, and aims to agree recommendations which present the best possible compromise between competing claims on limited resources; has strategic oversight of ALL funding decisions affecting schools, and is involved in annual consultation in respect of the Council's functions relating to the schools budget in connection with the following:

- pupils with SEN (Special Educational Needs)
- early years
- revisions to the Council's scheme for the financing of schools
- administration of central government grants to schools including Standards Funds
- arrangements for free school meals

The Forum must be consulted on any proposed changes to the Council's school funding formula, and the financial effects of any proposed changes.

Smoking is not allowed in Council buildings.

Joanne Roney OBE
Chief Executive
Level 3, Town Hall Extension,
Albert Square,
Manchester, M60 2LA

Further Information

For help, advice and information about this meeting please contact the Forum's Lead Officer:

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This agenda was issued on **Friday, 11 March 2022** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 2, Town Hall Extension (Library Walk Elevation), Manchester M60 2LA

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Manchester Schools Forum

Minutes of the meeting held on 17 January 2022

Present: Alan Braven, Andy Park, Helen Child, Hatim Kapacee, Joseph Brownridge, Michael Carson Tony Daly, Gavin Shortall, Mike Cooke, Andrew Burton, Jimmy Buckley, John Morgan, Councillor Reid, Cath Baggaley and Lee Ormsby

Also present: Councillor Bridges (Portfolio holder), Amanda Corcoran

Apologies: Gillian Houghton, Lolita Hall, Edward Vitalis and Phillip Geldard

SF/22/01 Minutes

The minutes of the meeting held on 23 November 2021 were submitted for consideration as a correct record.

The Directorate Finance Lead – Children and Schools advised that the discussion at the last meeting on the potential request for de-delegation in respect of the School Improvement Monitoring & Brokering Grant (SIMBG) had been deferred and would be submitted for consideration at a future meeting of the Forum

Amanda Corcoran asked that her apologies for that meeting be recorded. Antonio De Paola and Cath Baggaley indicated that their presence at the last meeting had not been recorded. Additionally, Andrew Burton's name had also been spelt incorrectly in those minutes.

Decision

To agree the minutes of the meeting held on 23 November 2021 as a correct record, subject to the amendments above.

SF/22/02 De-delegated Budgets 2022/23

In follow up to the previous meeting, the Forum considered a report of the Directorate Finance Lead – Children and Schools which sought permissions from maintained School Forum representatives on the deduction of Trade Union, Education Services Grant duties, and on-line Free School Meals software costs, with per-pupil amounts amended to reflect October 2021 census data. The Forum had noted from the previous item of business (SF/21/02) that the proposal for the de-delegation of the School Improvement Monitoring & Brokering Grant (SIMBG) would be deferred to a future meeting.

In accordance with Schools Forum powers, maintained schools' representatives were asked to approve de-delegation, outlined as follows:

- Trade Union Duties: £200k which at current pupil levels equates to £5.45 per school aged pupil
- Education Services Grant General Duties: £500k which at current pupil levels equates to £13.56 per school aged pupil

- On-line free school meal (FSM) checking software: £55.3k which at current pupil levels equates to £1.45 per school aged pupil

Maintained schools' representatives of the Forum voted unanimously in favour and approved the de-delegation as stated.

Decision

To approve the de-delegation of the following:

- Trade Union Duties: £200k which at current pupil levels equates to £5.45 per school aged pupil
- Education Services Grant General Duties: £500k which at current pupil levels equates to £13.56 per school aged pupil
- On-line free school meal (FSM) checking software: £55.3k which at current pupil levels equates to £1.45 per school aged pupil

SF/22/03 Dedicated Schools Grant 2022/23

The Forum considered a report of the Directorate Finance Lead – Children Services and Education which discussed the Dedicated Schools Grant (DSG) allocation as announced by the Department for Education (DfE) on 16 December 2021. The report outlined the allocation of the Grant across individual school budgets (ISB) and the local authority (LA) retained schools budget (RSB). The report also discussed the confirmation of new supplementary grant funding, with further detail about its allocation being determined at a later date.

The report's key messages were as follows:

- All Manchester primary and secondary schools should receive a per pupil increase between 2% minimum and up to 3.2% on pupil-led funding.
- Central services school block funding has reduced on a per pupil basis by 2.5% despite there being no reduction in functions councils are required to provide.
- The high needs block has increased by £9.441m in 2022/23, this should enable the Council to manage existing and anticipated pressures next year, in addition to being able to cover most of the previous year shortfall. Although the planned recovery was not achieved last financial year the Council is confident at this stage that most of deficit can be recovered 2022/23 and the residual recovered by year three, 2023/24 as planned.
- Early year rates have increased by 21p and 17p per hour in the two-year-old and three and four-year old offer respectively. Final notifications of the adjustment to funding of the two-year old and the three and four-year-old offer will be received in July 2022 and July 2023.

The Forum was invited to note and comment on the report.

There was a discussion about falling numbers on roll in nursery settings and its impact on funding. The Principal Finance Lead – Children and Schools Finance

explained that during the pandemic figures had been calculated on a termly census return basis, however for 2022/23, funding would realign with January census data as this was felt by the DfE to reflect the highest take up.

In a discussion about how the Schools Black element of the grant would be allocated to the city's schools, a member asked whether the 2 - 3.2% per pupil increase had been modelled on school budgets. The Directorate Finance Lead – Children Services and Education confirmed that those calculations were based on October census data, as provided by the DfE and the additional deprivation factor of free school eligibility. Confirmation for schools at individual level would follow in late February 2022.

There was a discussion about the increased funding for children and young people with special educational needs and disability (SEND). A member welcomed the increases but commented that the adjustment to the banding system appeared to be weighted towards pupils with the lowest needs. The Directorate Finance Lead – Children Services and Education acknowledged the pressures special schools faced and confirmed that the High Needs Block continued to represent a significant pressure for the city. She gave emphasis to the 2% increases to the per pupil amount and place funding in addition to further allocations arising from supplementary grant funding for high needs (£4m) to deliver the most fair and equitable means of allocating additional monies. The Director of Education added that the current challenge was centred on secondary school place provision and that as such the Authority was exploring options to deliver an additional specialist secondary school in the city to reduce those pressures on specialist provision. With regard to greater detail on how supplementary grant funding for high needs would be allocated, the Directorate Finance Lead – Children Services and Education explained that this was likely to be in March 2022. In addition, a further report on proposals to address ongoing High Needs block pressures would be submitted to the Forum in due course.

Decisions

To note the report.

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**Manchester City Council
Report for Resolution**

Report to: Schools Forum

Subject: Supplementary Grant - High Needs 2022/23

Report of: Directorate Finance Lead – Schools and Education

Summary

The Supplementary grant was announced by the government following the autumn 2021 spending review, the additional funds are intended to reflect the additional cost of the Health and Social Care Levy and other cost increases that local authorities and schools will face 2022/23. Manchester has been allocated £18m from the Government's £1.6bn supplementary funding, which is in addition to 2022/23 DSG settlement. The Supplementary funding is made up of £14m for mainstream schools, early years and post-16 provision, and £4m allocated to the high needs block, special schools and alternative provisions. This report provides explanation of the Council's methodology in allocating a share of the £4m to special schools, as noted in January 2022 Schools Forum.

Recommendations

- Schools Forum Members are asked to provide a view and comment on:
- The allocation and methodology of the high needs supplementary grant to increase special schools' element three top-up funding by 3%.
 - A review in 2023/24 on the future sustainability of the 3% supplementary increase
-

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

17 January 2022	Schools Forum – Dedicated school Grant 2022/23
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1. INTRODUCTION

- 1.1 Manchester has been allocated £18m from the Government's £1.6bn supplementary funding, on-top of the 2022/23 DSG. The supplementary funding recognises additional costs that local authorities and schools will face in the coming year, including providing support for the cost of Health and Social Care Levy, applied initially through employers' national insurance contributions, and wider costs pressures. For 2022/23 this is in the form of a separate grant, where possible the Department of Education (DfE) intends to incorporate this funding into core budget allocations for 2023/24.
- 1.2 The £18m Supplementary grant allocation to Manchester is made up of:
- £14m for schools, early years and post-16 provision in schools The DfE have published a SSG indicative allocations calculator for mainstream schools. Early years and post-16 elements of the school's supplementary grant will be allocated on a simple per-pupil basis.
 - £4m additional high needs funding includes special schools and alternative provisions providers as part of the element three top-up funding, but also takes into account that colleges and other providers offering extra hours of study to students with high needs may require additional funding to support those students. The DfE does not offer any methodology of distributing the funding.

2. Special School funding

- 2.1 Special schools funding formula is made up of three factors; place funding (elements 1 and 2); top up funding (element 3); and commissioned services. This formula is described as a 'place plus' approach to funding, with elements one and two falling into the place category, which DfE standardised at £10k per place and element three being the plus, normally described as the top up funding. When benchmarked with other NW local authorities Manchester's top-up funding rates are at the midpoint range.
- 2.2 DfE guidance states that element three top up funding should follow the pupil in real time. In Manchester this is implemented through termly top up funding adjustments based on actual pupil numbers in attendance during the term and banded categories of need to reflect the differing levels of need.
- 2.3 There is an expectation that where authorities agree to allocate additional supplementary funding to special schools it will form part of the element three top-up funding.

3. Special School Supplementary allocation

- 3.1 Mainstream schools supplementary funding is formula driven; the calculation shows 3% increase on the basic per pupil amount against the National Funding Formula (NFF) values. Based on this the Council is proposing to increase the special school element 3 top-up value 2022/23 by a further 3% funded by the

supplementary grant. The 3% Supplementary allocation equates to c.£0.7m for 2,421 planned special school places across 17 special schools.

- 3.2 As reported to School Forum 2022, special schools have seen an inflationary uplift on the top-up element from within the base HNB allocation of £110.024m. Each top-up band S1 to S5, appendix one details the description of each band, was increase by 2% plus £200 (the £200 representing 2% uplift against the £10k place funding set by the DfE). The effect of applying the 3% supplementary funding would mean all top-up bands will now be increased by 5% plus £200. This is an overall increase of £1.63m to special school's top-up funding based on planned places at 2021/22 rates against 2022/23 rates.
- 3.3 The impact of the increase on the top up rates are illustrated on the table one below: column C shows the final 2022/23 top-up rates, against 2021/22 top up rates column A, and the inflationary uplifted rates column B, as reported to School Forum January 2022.

Table One: Top-Up Rates 2022/23

		Column A 2021/22 Banding Rates	Column B 2022/23 Inflation Uplift: (Sch. Forum Jan22) +2% plus £200	Column C 2022/23 Inflation uplift & Supplementary: +5% plus £200
Place funding (Elements 1 and 2)	Pre and post 16	£10,000	£10,000	£10,000
Top up Banding (Element 3) (using Matching Provision to Need Tool Descriptions)	S1	£7,300	£7,646	£7,865
	S2	£8,200	£8,564	£8,810
	S3	£9,300	£9,686	£9,965
	S4	£11,000	£11,420	£11,750
	S5	£15,000	£15,500	£15,950

- 3.3 The HNB has seen year-on-year increases of higher scale than normal, It is anticipated that the 2022/23 13% increase will help to shift the current deficit into a more sustainable position at a national level. The DfE have indicated that HNB funding although will increase in the subsequent two years it will be on a smaller scale. DfE have suggested to LA that a forecasting assumption of a 5% increase in 2023 to 2024, and 3% beyond that.
- 3.4 The Council needs to ensure financial sustainability going forward, in order to ensure this the additional 3% Supplementary grant increase in the top-up funding is affordable 2023/24 onwards a further review will be made against the final 2023/24 settlement.
- 3.5 The Supplementary funding is to reflect the cost of the Health and Social Care Levy and other cost increases that were not anticipated when the DfE

announced the NFF settlement allocations. There are impacts within the HNB outside of special schools that will need to be met, some of which the financial impact is unknown currently, and the Council need to ensure that this does not have a detrimental impact on the HNB recovery.

4. **RECOMMENDATIONS**

Schools Forum Members are asked to provide a view and comment on:

- The allocation and methodology of the high needs supplementary grant to increase special schools' element three top-up funding by 3%.
- A review in 2023/24 on the future sustainability of the 3% supplementary increase

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Appendix one: Description of Element 3 Top-up Bandings

Category	Need	Details
Element 3: Top-up Bandings (using Matching Provision to Need Tool Descriptions)	S1	An independent learner within a specialist setting.
	S2	A structured learner within a specialist setting.
	S3	A supported learner within a specialist setting.
	S4	Highly severe, complex or exceptional needs. Approach to meeting individual needs is required. Consideration may be given to accessing partnership funding.
	S5	Pupils with the most complex/exceptional needs and previously moderated accessing Partnership funding.

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Manchester City Council Report for Resolution

Report to: Schools Forum

Subject: Free School Meals Transitional Protection

Report of: Directorate Finance Lead – Education and Schools

Summary

Schools receive additional funding for eligible free school meals (FSM) pupils, such as pupil premium and deprivation funding within the funding formula. Pupils are entitled to free school meals based on low earning threshold of their parent/carer, that is where the annual net earned income does not exceed £7,400 or £616.67 per month. Since the start of the rollout of universal credit in April 2018, the Government have put in place transitional protection whereby a child's FSM eligibility is protected, despite any change in circumstances. This protection is in place until the full rollout of universal credit, which is expected to be March 2023.

This report considers the possible future impact on Manchester schools funding following a cessation of the transitional protection March 2023.

Recommendations

Schools Forum Members are asked to provide a view and comment on:

- The future potential impact on Manchester's schools funding as a result of the free school meals (FSM) transitional protection ending March 2023
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Background documents (available for public inspection):

The documents overleaf disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Supporting Reports:

14 May 2018	Schools Forum - Free School Meals
17 June 2019	Schools Forum - Free School Meals Eligibility

1. INTRODUCTION

- 1.1 The Government recognises the benefits of providing a healthy school meal to the most disadvantaged pupils. The Education Act 1996 requires maintained schools and academies (including free schools) to provide free school meals to disadvantaged pupils who are aged between 5 and 16 years old.
- 1.2 The costs of free school meals take-up is borne by schools from within their delegated budgets. In 2022/23, Manchester's local funding formula allocates:
- £529.09 and £537.52 for every primary and secondary pupil respectively eligible for FSM in the last six years (FSM6).
 - £470 per primary and secondary pupil based on FSM eligibility as at October preceding the funding period.

The entitlement to free school meals also has a direct impact on the allocation of the Pupil Premium Grant, at the per pupil rate of £1,385 for primary and £985 for secondary pupils.

- 1.3 Manchester changed the process of capturing FSM eligibility in order to minimise under reporting of need and in turn maximising funding provided to Manchester. In the past few year's schools have used an on-line FSM checker.
- 1.4 In Manchester, 39.7% of pupils are currently eligible for free school meals, as recorded on the October 2021 school census, against the national average of 20.8%.
- 1.5 The Government introduced FSM transitional protection arrangements to ensure families are not disadvantaged during the rollout of universal credit. The FSM transitional protection is expected to end March 2023, following the completion of the universal credit rollout. Once the protection ends there is a risk that schools may notice reducing number of FSM pupils in future years.

2. FREE SCHOOL MEALS (FSM) TRENDS

- 2.1 FSM eligibility in Manchester has risen steadily from October 2018 (the first year of the on-line FSM checker) and has continued to rise, which will include the impact of the FSM transitional protection, that is pupils have remained eligible despite change in circumstances. The most recent October 2021 schools census shows a total increase of 13% since October 2018, as detailed in table one below.

Table one: FSM eligibility in Manchester from October 2018 to October 2021

	Oct-18		Oct-19		Oct-20		Oct-21	
Manchester	Total	% Eligible	Total	% Eligible	Total	% Eligible	Total	% Eligible
Nursery	183	18.0%	142	20.4%	112	21.4%	96	38.5%
Primary	54,219	26.1%	54,849	29.4%	53,845	35.5%	53,695	39.2%
Secondary	26,898	26.7%	28,265	30.6%	29,454	35.8%	30,848	40.1%

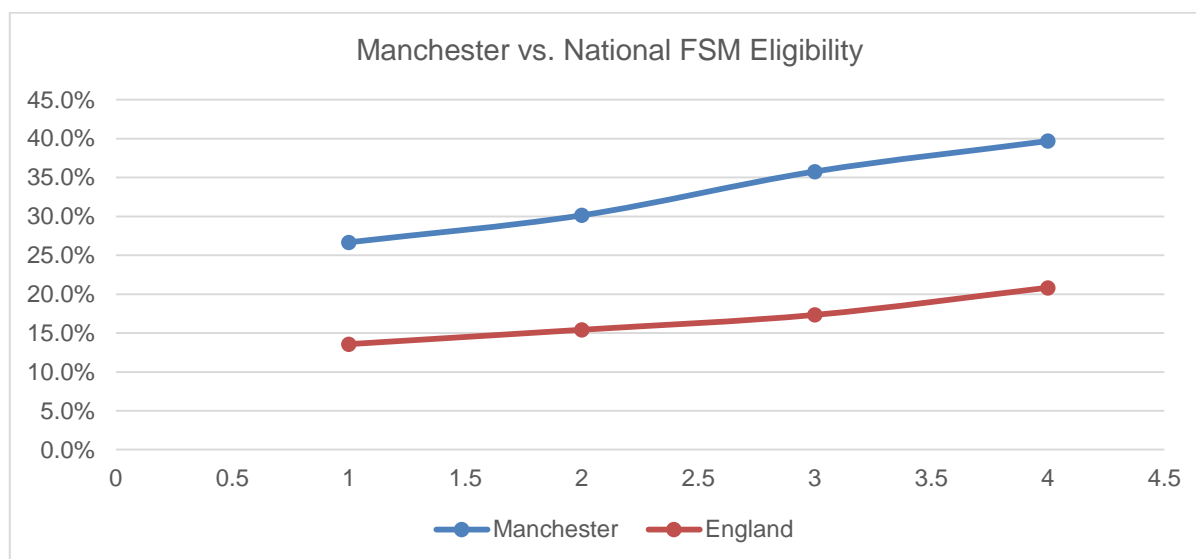
	Oct-18		Oct-19		Oct-20		Oct-21	
All Through	3,217	21.7%	3,289	25.6%	3,343	29.2%	3,421	32.7%
Special	1,528	51.0%	1,684	54.9%	1,827	56.8%	1,962	56.2%
PRU	288	74.0%	222	74.8%	197	77.7%	184	84.8%
Sixth Form					540	20.6%	499	30.1%
Total	86,741	26.7%	88,902	30.1%	89,318	35.8%	90,705	39.7%

2.2 National averages for FSM eligibility have been consistently and significantly lower, almost half when compared to Manchester. Table two below compares Manchester to national statistics trend of FSM eligibility from October 2018 to 2021, also illustrated on graph one below.

Table two: Manchester compared with National % Eligible for FSM

	Oct-18 % Eligible	Oct-19 % Eligible	Oct-20 % Eligible	Oct-21 % Eligible
Manchester	26.7%	30.1%	35.8%	39.7%
England	13.6%	15.4%	17.3%	20.8%

Graph one: Manchester and National trend - % FSM Eligibility



3. FSM TRANSITIONAL PROTECTION

3.1 The Government introduced FSM transitional protection arrangements to ensure families are not disadvantaged during the rollout of universal credit. These came into effect on 1st April 2018 and meant that:

- Any child eligible for free school meals on 31 March 2018 will retain their eligibility until the end of the rollout, March 2023, regardless of whether their circumstances change.
- Any child who becomes eligible during the rollout of universal credit (from 1 April 2018 to March 2023) will retain their eligibility until the

end of the rollout, March 2023, regardless of whether their circumstances change.

- Once the rollout of universal credit is complete, no child will lose their entitlement and will continue to be transitionally protected until the end of their current phase of education.
- Transitional protection applies to all children whether eligible through legacy benefits or universal credit.

- 3.2 The transitional protection was aimed at ensuring that all existing free school meals claimants continue to receive free school meals whilst universal credit is rolled out. This applies even if their circumstances change, and their earnings rise above the threshold (annual net earned income does not exceed £7,400 or £616.67 per month) during the rollout period.
- 3.3 Transitional protection is on an **individual child basis**, not on a family basis. This means that the protection applies to the pupil and not the parent/carer, so it is possible that one child may be eligible for FSM due to being protected but their sibling does not. Children must meet the eligibility criteria at the time the application for FSM is made in order to be entitled.
- 3.5 This transitional protection was initially scheduled to end in March 2022 but has been extended a further year to March 2023.

4. IMPACT OF CESSATION OF FSM TRANSITIONAL PROTECTION

- 4.1 When the FSM transitional protection ends March 2023, the immediate impact will be on pupils moving to the next school phase in September 2023. High schools may start to see a drop in the number of FSM pupils in year 7, from September 2023.
- 4.2 Examples below, where pupils have been identified as eligible for FSM before March 2023.

Example One: Year 5 primary pupil this year will be protected and remain eligible for FSM until they leave primary school July 2023, the transitional protection will not continue to year 7 high school place.

Example Two: Year 7 high school pupil this year will be protected and remain eligible for FSM until they leave July 2025.

Example Three: Year 1 primary pupil this year will be protected and remain eligible for FSM until they leave primary July 2027.

Primary school pupils in reception, year 1 and 2 all qualify for FSM under the Universal infant free school meals (UIFSM). It is important to identify those pupils eligible for FSM in these year groups before March 2023, as under the present guidance those pupils would be protected until they leave year 6, see example three above.

- 4.3 Over time as pupils move to a different school phase there could be a steady decline in FSM pupils, although the general financial claimant will also impact on the numbers. If FSM pupils' numbers decline so will the related funding linked to those pupils, such as pupil premium, and the allocation for deprivation when measured by free school meal eligibility within the funding formula.
- 4.4 Schools need to ensure they identify the pupils eligible for FSM before March 2023 for the protection to apply until the end of that school phase, which will also support funding levels related to FSM pupils.
- 4.5 The Council does not hold information on the levels of protection applied this information is held at individual school level.

5. CONCLUSION AND RECOMMENDATIONS

Schools Forum Members are asked to provide a view and comment on:

- The future potential impact on Manchester's schools funding as a result of the FSM transitional protection ending March 2023.