



Schools Forum

Date: Monday, 16 January 2023
Time: 4.00 pm
Venue: To be held virtually over Zoom.

Everyone is welcome to attend this committee meeting.

Membership of the Schools Forum

Secondary Sector Headteachers: Lee Ormsby

Primary Sector Headteachers: Mike Cooke, Hatim Kapacee, Saeeda Ishaq, Gavin Shortall

Primary Sector Governors: Tony Daly, Philip Geldard, Lolita Hall, Vacancy

Special School Headteachers: Alan Braven

Special School Governor: Walid Omara

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

Pupil Referral Unit Representative: Andrew Burton

Nursery School Representative: Amy Davenport

Non-School Members:, Councillor Reid, Cath Baggaley, John Morgan, Isabelle Qamar, Vacancy, Antonio de Paola

Agenda

- 1. Urgent Business**
To consider any items which the Chair has agreed to have submitted as urgent
- 2. 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
- 3. Minutes** 5 - 8
To approve as a correct record the minutes of the last meeting held on 14 November 2022.
- 4. Consultation outcome - Updates to Scheme for Financing Schools (Excessive balance mechanism)** 9 - 14
The report of the Directorate Finance Lead – Education and Schools is enclosed.
- 5. Dedicated Schools Grant 2023/24** 15 - 38
The report of the Head of Finance – Children's and Schools is enclosed.

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 Committee Officer:

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This agenda was issued on **Thursday, 12 January 2023** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 2, Town Hall Extension (Library Walk), Manchester M60 2LA

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Manchester Schools Forum

Minutes of the meeting held on 14 November 2022

Present: Andy Park, Lee Ormsby, Anne Summerfield, Andrea Daubney, Cathryn Baggaley, Hatim Kapacee, Cllr Reid, Paul Greenwood, Saeeda Ishaq, Tony Daly, Vandhna Kohli, Antonio de Paola, Alan Braven, Mike Cooke, Edward Vitalis, Matthew Hoeksma, John Morgan

Also present: Christopher Watkins (Energy Management Unit) and John Burke (Energy Management Unit)

Apologies: Gavin Shortall, Helen Childs and Amanda Corcoran

SF/22/24 Minutes

The minutes of the meeting held on 26 September 2022 were submitted for consideration as a correct record.

Decision

To agree the minutes of the meeting held on 26 September 2022 as a correct record.

SF/22/23 De-delegated Budgets 2023/24

The Forum considered a report of the Directorate Finance Lead – Education and Schools which sought permission from maintained school Forum representatives on the 2023/24 de-delegation, for the deduction of the education services grant duties and trade union facilities. It noted that the Local Authority had managed the loss of the School Improvement and Brokering Grant and is not looking to increase de-delegation in 2023/24 to cover the loss of this grant.

Maintained school representatives were asked to approve de-delegation for the following:

- Trade Union Duties: £196k which at current pupil levels equates to £5.37 per school aged pupil (section 2 of the report).
- Education Services Grant General Duties: £0.5m which at current pupil levels equates to £13.70 per school aged pupil (section 3 of the report).

The Chair invited question or comment from Forum members on the proposals. None were forthcoming.

The Chair proceeded to the vote of maintained school representatives on the proposals. 6 representatives were present and all 6 agreed to the proposals.

Decision

To approve de-delegation for the following:

- Trade Union Duties: £196k which at current pupil levels equates to £5.37 per school aged pupil (section 2 of the report).

- Education Services Grant General Duties: £0.5m which at current pupil levels equates to £13.70 per school aged pupil (section 3 of the report).

SF/22/23 Review of Excess Schools Balance Clawback

The Forum considered a report of the Directorate Lead – Education and Schools Finance which detailed the method of controlling and clawing back, where appropriate, schools' excessive surplus balances. It noted an agreement, made at Forum in July 2022, for the 100% clawback for the ten schools subject to the clawback mechanism in 2022/23. The clawback totalled £193,000 from the ten schools and its intended use is to go towards the DSG deficit, subject to approval. The clawback mechanism can be used when a school has held an excessive surplus balance above the allowable threshold for five years, with a right to appeal. An excessive surplus is defined as 5% for Secondary Schools and 8% for Primary and Special Schools.

All School Forum members were asked to note and comment on reducing the length of time a school can hold an excessive balance before being subject to clawback. Maintained Schools Forum members had been asked to vote on the number of years that maintained schools can retain an excessive balance before becoming subject to a clawback:

- Option 1: Remain at five years (no change)
- Option 2: Reduce from five years to four years
- Option 3: Reduce from five years to three years
- Option 4: Reduce from five years to two years

The Chair invited questions or comment from Forum members on the report. A local ward Councillor raised concerns about schools having excessive balances as it appears that schools in Manchester do not need extra funding, which they felt was not the case. They also questioned if there was any similar mechanism in place for Academies.

The Chair responded, stating that in 2021, the Department for Education had surveyed Academy trusts, asking them to detail their reserves for each school and their intentions for those reserves. The Chair noted there was no formal mechanism in place but believe that one could be in the future.

An Academy representative addressed the Forum, noting concerns about the current financial uncertainty. They were concerned that if the clawback was to be reduced, there was a possibility that schools could be pushed into a deficit position and sought assurances this was not the case.

The Directorate Finance Lead – Education and Schools stated that individual analysis had not been performed on any schools' situation. However, they stated that there was an appeals process in place to allow for a school to appeal against the clawback of their excess school balance.

The Chair questioned if it was Local Authority policy that a school's annual budget

should be set as a surplus without using carry forwards to balance the budget.

The Directorate Finance Lead – Education and Schools stated it would be financially prudent that a school's income covers their in-year costs. The allowable balance, before a surplus is subject to clawback, is there to provide schools with flexibility to cover additional costs. If a school is not operating a balanced budget, this flags an issue that needs to be addressed.

The Chair sought clarity that if schools needed to save money for certain things, a mechanism is still there to allow for them to plan appropriately. This was confirmed to be correct.

It was questioned if there was any mechanism in place to assist schools who have the recurring issue of excess surpluses. There was nothing in place, but it was noted that this is something that could be reviewed.

The Chair proceeded to the vote of maintained school representatives on the proposals. 6 representatives were present and 5 agreed to Option 4, and 1 agreed to Option 3.

Decision

All School Forum membered noted the possibility of reducing the length of time schools excessive balance can be retained before becoming subject to a clawback.

Maintained Schools Forum members agreed to reduce from five years to two years the number of years that maintained schools can retain an excessive balance before becoming subject to a clawback.

SF/22/24 Any Other Business

- 1) School Milk Update – There was a consultation sent to all schools regarding the supply of School Milk. Only Manchester and Rochdale in the North West still provide milk through the Local Authority. School's who had move to an alternative provider had given positive feedback regarding the change. Moving to an alternative provider was suggested to assist in carbon neutral aims. A ward Councillor questioned how the change would have an impact on carbon footprint and what would happen to those officers employed to administer the School Milk scheme. It was noted that a preferred provider was a non-profit organisation, who can provide a fridge free of charge to store the milk. They do not supply milk in individual cartons and their packaging is recyclable. As the milk is not in individual cartons, it is not delivered every day. It was noted there would be no impact on employment of officers. The current provider administered by the Local Authority is out of contract. The team that administers this would have a role working on other items.
- 2) Cost of Living – Some information was shared regarding assistance with the cost of living. This related to cheaper broadband and mobile phone contracts for struggling families.
- 3) Energy Management Update – A verbal update was provided regarding Energy Management in Schools. The volatility of gas and electricity prices

over recent months was noted. An update was provided on the current contract situation for those who provide energy to schools. Schools will receive a communications update by the end of November with full information regarding the Energy Management update. Tips were provided on how Schools can reduce their bills going forward, such as reducing the overall set-point by at least one degree Celsius. A school circular had been sent out, that will be reissued, regarding tips to reduce their bills.

Manchester City Council Report for Resolution

Report to: Schools Forum

Subject: Consultation outcome - Updates to Scheme for Financing Schools (Excessive balance mechanism)

Report of: Directorate Finance Lead – Education and Schools

Summary

The Scheme for Financing Schools sets out the financial relationship between the Council and the schools it maintains. Any changes to the Scheme need to be agreed by members of the schools Forum representing maintained schools.

The Scheme sets out the principles underlying the funding of schools, and the basis for the financial relationship between maintained schools in Manchester and the Council. The proposed two revisions are local changes to ensure the Scheme for Financing Schools reflects current practices and ways of working. The changes include an update to the excessive balance control mechanism (following the review reported to School Forum 14th November 2022) and the provision of quarterly financial information.

Schools' consultation opened 5 December 2022, with the deadline for responses 16th December 2022, this report summarises the responses received by the Council.

Schools Forum (maintained school members only) have the power to approve the local changes to the Scheme for Financing Schools

Recommendations

Maintained School Forum members are asked to comment and decide if they approve the revisions to the scheme, namely:

- Q1. School's quarterly budget monitoring reports to include the updated three-year budget forecast with underlying assumptions on which financial plans are based on (**Scheme Ref: 2.1.1**).
 - Q2. The Council to clawback balances above the allowable threshold that have been held for more than 2 years. Subject to appeals process. (**Scheme Ref: 4.2**). Proposed that this change applies to balances as of the 31 March 2024.
-

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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.

Previous Reports:

14 November 2022	Agenda Item 5 – Review of Excessive School Balances Clawback
18 July 2022	Agenda Item 4 – Analysis of Excessive School Balances 2021/22 & Clawback

1. Introduction

- 1.1 December 2022 a consultation with maintained schools was launched for two proposed changes to the Scheme for Financing Schools:
- Update on school's quarterly monitoring reports, which is in line with current practice. (Scheme Ref: 2.1.1)
 - Reducing the length of time schools excessive balance can be retained before becoming subject to a clawback (as per November 2022 Schools Forum) from five years to two years. (Scheme Ref: 4.2)
- 1.2 The Scheme for Financing schools (section 2) does not currently specify that schools quarterly budget monitoring reports must include the updated three-year budget forecast with underlying assumptions. A vast majority of schools already submit this information with their budget monitoring returns. The update to the Scheme is to reflect current practice.
- 1.3 Section 4 of the Scheme for Financing schools includes a balance control mechanism, where schools who have held an excessive surplus balance above the allowable threshold for five years will be subject to a clawback, with a right to appeal. Following a request from School Forum to review this, a report was presented November 2022. Maintained school representatives voted in favour of reducing the number of years a school can retain an excessive balance, before becoming subject to a clawback, from five years to two years.
- 1.4 The consultation concluded on 16th December 2022; the results have been collated in this report for consideration by Schools Forum.

2. Consultation Responses

- 2.1 Twenty-one (19%) maintained schools formally responded to the consultation. Below outlines the two consultation questions and the answers provided.

Q1. Schools quarterly budget monitoring reports to include the updated three-year budget forecast with underlying assumptions on which financial plans are based. (Scheme Ref: 2.1.1)

Responses: 21
 In favour: 20 (95%)
 Opposed: 1 (5%)

From the schools in favour, they understood the need for this information, and it was aligned with current practices, including reporting to school governors. Schools also commented, that given the current climate it is pertinent to ensure that assumptions are updated, reflected on budgets and reported on. One of the responses, included a comment that the budget assumption form could be made more user friendly. The Council will review the budget assumption form going forward.

The one school in opposition, expressed concerns that it takes up valuable time

with no real tangible outcome. The school believed, nothing is gained from making budget assumptions for three years in the future, as currently is difficult to make assumptions about three months in the future with any accuracy.

- Q2. The Council to clawback balances above the allowable threshold that have been held for more than 2 years. Subject to appeals process. (Scheme Ref.4.2)**
Proposed that the change will apply to balances as of the 31 March 2024. Clawback will continue to be at the percentage rate agreed by Schools Forum.

Responses: 21

In favour: 15 (71%)

Opposed: 6 (29%)

From the schools in favour of the change, comments included:

- Understand the argument around funding, that it is detrimental to school funding by schools holding high balances (especially for schools which are not holding high balances) as it supports Government's view there is sufficient funding in schools.
- Appreciate that this is not being imposed on schools from March 2023. 3 yr budgets have been proposed using assumptions and school development plan from this year.
- The appeals process should take into consideration: large unconfirmed sums of money that come in close to the end of the financial year and any recent changes in strategic leadership where they intend to resolve the historical issues of excessive balances.
- Believe that the funding for our SEND children would not come through quick enough and school is reliant on the reserve to educated and support SEND pupils.

The six schools opposing the reduction, from five years to two years for schools to retained excessive balances before clawback, cited the following reasons:

- It often takes lengthy periods of time to put analysis of reserves plans in motion, either due to availability of procurement advice from MCC or other advisory boards or due to Governor meetings being too few and far between or discussions not proving fruitful. SBM role is fast paced and pressured, limiting the time in which excess balances can be spent will lead to rushed decision making.
- Five years provides schools with flexibility and gives time to make solid strategic plans instead of rushed financial decisions. Two years is not enough time to forward plan.
- Two years is too short a period to allow for adequate planning for identified key learning stages. Due to the current acknowledged high level of need, schools need to plan for staffing and other eventualities.
- Three years would feel more appropriate than two.
- This should be a gradual process with four years reduced to three in March 2024 and then further reduced to two years in 2025. This will allow three-year budgets plans to be realised before changes are implemented. The percentage rate should be set/agreed as standard and not variable

dependent on school forum

- In these uncertain times fuel and cost of living increases it seems harsh to clawback balances above 8% over 2 years rather than 5

Following up on the comments above, five out of the six opposing schools was sent information detailing the Council's process on holding maintained school funds in a ring-fenced reserve for capital projects. This information will be shared via school circular.

3. **Conclusion and Recommendations**

3.1 Maintained School Forum members are asked to comment and decide if they approve the revisions to the scheme, namely:

Q1. School's quarterly budget monitoring reports to include the updated three-year budget forecast with underlying assumptions on which financial plans are based on (**Scheme Ref: 2.1.1**).

Q2. The Council to clawback balances above the allowable threshold that have been held for more than 2 years. Subject to appeals process. (**Scheme Ref: 4.2**). Proposed that this change applies to balances as of the 31 March 2024.

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Manchester City Council Report for Resolution

Report to: Schools Forum

Subject: Dedicated Schools Grant 2023/24

Report of: Head of Finance – Children’s and Schools

Summary

This report covers the dedicated school grant (DSG) 2023/24 settlement outlining the allocation across individual school budgets (ISB) and the Council’s retained schools budget (RSB). Key points to note are:

- DSG has increased by £38m
- Additional schools funding £22m: Mainstream Schools £17m High Needs Block (HNB) £5m
- The Council is not seeking to request 0.5% transfer from school’s block to high needs block (HNB) in 2023/24

Recommendations and Conclusions

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

All Manchester primary and secondary schools should receive a per pupil increase between 0.5% minimum and up to 3.2% on pupil-led funding.

Manchester does not intend to propose a 0.5% transfer from the school block to high needs 2023/24.

Special schools banded funding to increase by 6.5%, to incorporate Teachers’ Pay Grant (TPG) and Teachers’ Pension Employer Contribution Grant (TPEGC)

Early year rates two-year-old base rate increase by 6p. Three and four-year old 22p increase, to be passed onto providers by increase base rate by 5p per hour and adding a new quality supplement (17p per hour) to reflect the rolling in TPG and TPEGC into the funding formula.

Central services school block (CSSB) funding has reduced on a per pupil basis by 2.5% despite there being additional burden due to the new admission code, with no reduction in other functions councils are required to provide.

Additional Schools Funding 2023/24 will be allocated as a separate grant for mainstream schools. Special schools will receive a 3.4% funding increase on top of the average place and top-up rates, following DfE formula.

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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.

Supporting Reports:

Date	Meeting / Agenda Item
19 September 2022	Schools Forum Agenda Item 4: High Needs Block (HNB) Recovery
18 July 2022	Schools Forum Agenda Item 5: National Funding Formula (NFF) Consultation
20 June 2022	Schools Forum Agenda Item 7: Outcome of the National Funding Formula Consultation (part1)

1. Introduction

- 1.1 Dedicated Schools Grant (DSG) is a ring-fenced grant. Information on other school grants is also included in the report, additional funding grant and pupil premium. DSG is made up of four blocks: schools (SB), central school services (CSS), early years (EYB), and high needs (HNB). Table one sets out the number pupils and of school/providers DSG supports.

Table One: Schools/Provider supported by DSG

Dedicated School Grant (DSG)	Schools/Providers	Pupil Numbers
Nursery Schools	2	88
Private, Voluntary and Independent Sector	460	15,013
Primary Schools & Academies	135	53,877
Secondary Schools & Academies	31	35,293
Special School Schools & Academies	17	2,618
Mainstream Education, Health and Care Plans	165	2,605
Post 16 EHCP	36	602
Out of City Places	54	643
	Full Time Equivalents	
Council Staff	126.5	

- 1.2 This report which for ease of reference is structured as follows:
 Section 1 Introduction
 Section 2 Outline of the 2023/24 DSG allocation at Council level
 Section 3 Distribution across educational establishments and the Council
 Section 4 Additional Schools Grant 2023/24
 Section 5 Pupil Premium 2023/24
 Section 6 Recommendations and Conclusion

2. Dedicated Schools Grant (DSG) 2023/24 Allocation at Council Level

- 2.1 The 2023/24 DSG notification was received 16th December 2022 and totals **£671.364m**. Table two provides a breakdown of the grant across the DSG blocks and sets out why the grant changed between 2022/23 and 2023/24. The overall increase in DSG since last year is £37.930m, table two also sets the movement since last year.

Table two: DSG settlement 2023/24 compared to 2022/23

	Schools £m	Central Services School £m	High Needs £m	Early Years £m	£m
2023/24	503.271	3.753	122.847	41.494	671.364
2022/23	475.054	3.868	114.540	39.972	633.434
Difference	28.217	-0.115	8.306	1.521	37.930
The difference is a result of the change in £m:					
Formula	21.344	-0.160	7.338	1.521	30.044
Pupil Numbers	7.398	0.044	0.968	0.000	8.411
Growth Fund	-0.525				-0.525
Difference	28.217	-0.115	8.306	1.521	37.930

- Above excludes the additional funding of £22.250m detailed in section 4: Mainstream schools (£17.241m) and High Needs Block (£5.009m),

Schools Block

- 2.3 The Schools Block allocation of £503.271m has been calculated bottom up on the basis as if the national funding formula (NFF) was applied at school level, Appendix one sets out the NFF rates. On average the DfE has increased the pupil led elements of the formula by 3.5%.
- 2.4 Table three below shows the breakdown of the allocation across 82,492 pupils aged 5-16 years. Primary pupil numbers have marginally increased in 2023/24 (+46 pupils), while secondary numbers continue to grow (+1,006 pupils).

Table three: Schools Block 2023/24 compared to 2022/23

	2023/24	2022/23
Primary Guarantee Unit of Funding	£5,269.45	£5,046.82
Secondary Guaranteed Unit of Funding	£7,112.32	£6,792.57
Primary numbers on roll	49,559	49,513
Secondary numbers on roll	32,934	31,928
Pupil led Schools Block	£495,383,185	£466,752,977
Growth Funding	£3,355,675	£3,880,548
Premises	£4,532,111	£4,420,018
Total	£503,270,971	£475,053,544

Central School Services Block (CSSB)

- 2.5 The CSSB allocation is £3.753m and supports the Council's role in education. It comprises two elements:
- 'On-going Responsibilities' - funding for this is determined by number of pupils and deprivation. Funds: Admissions, copyright licenses, servicing of Schools Forum and duties local authorities have for both maintained schools and academies
 - 'Historic Commitments' (previously known as Combined Services) - funding for this is based on past actual costs.
- 2.6 The per pupil amount for 'On-going Responsibilities' has reduced by 2.5% which equates to per pupil reduction of £1.08 to £42.02 per pupil. The impact of the reduction in the rate per pupil has been partly mitigated by an increase in Manchester's pupil numbers, resulting in an overall net reduction of £44k, this on-going reduction will need to be managed going forward.

Table four: Central Services School Block

	2022/23	2023/24	Difference
Historic Commitments <u>£m</u>	£0.358	£0.286	-£0.072
On-going responsibilities:			
Unit of funding	£43.10	£42.02	-£1.08
October census number on roll	81,441	82,493	1,052
Total On-going responsibilities <u>£m</u>	£3.510	£3.466	-£0.044
CSSB Total <u>£m</u>	£3.868	£3.753	-£0.115

High Needs Block (HNB)

- 2.7 The HNB allocation is **£122.847m** and provides increased funding for children and young people with special educational needs and disability from early years to age 25 years. The DfE has allocated an additional £0.97bn to the HNB nationally. Manchester's additional HNB grant is **£8.306m** (excluding the HNB additional schools funding grant of £5.009m for 2023/24), an increase of 7.25% compared to 2022/23.
- 2.8 The HNB funding formula considers several weighted factors that combine to create the block allocation, the breakdown is provided in Appendix two. The HNB will be finalised in the new calendar year once confirmation of the adjustment for the 'import and export' is taken account off.

Early Years

- 2.9 The early years funding £41.494m and is provisional, this reflects the 2023/24 early years national funding formula (EYNFF) rates for all councils published in December 2022. Funding will be finalised at later date. A summary of the initial block allocation is provided in table five below.
- Two-year-old rate is increasing by **6p** (1.06%).
 - Three and four-year-old rate is increasing by **22p**, this includes the rolling in of the teachers' pay and pension grant (TPG) and teachers' pension employer contribution grant (TPEGC) into the EYNFF. Excluding this, the rate increase equates to 0.93%.

Table five: Early Years Block

	Guaranteed Unit of Funding	Estimate on Roll	Total 2023/24 £m
Three and Four-year-old: Initial 15 hrs 38 wks	£5.40	8,508	£26.188
Three and Four-year-old: Working parents offer 15 hours for 38 wks	£5.40	2,132	£6.652
Two-Year-Old Offer: 15 hrs for 38 wks	£5.73	2,228	£7.274
Early Years Pupil Premium			£0.856
Disability Assess Fund			£0.270
Maintained nursery school supplementary			£0.348
Total			£41.494

3. **Dedicated Schools Grant (DSG) Allocation Across Schools, Providers and Centrally Retained**

Schools Block

- 3.1 The schools block funds individual mainstream schools' budgets. Funding is currently based on a local funding formula (LFF). This formula applies to all primary and secondary schools. It applies to schools regardless of whether they remain with the Council or convert to an academy during the year. When calculating the school funding formula, local authorities are required to comply with strict national guidelines within the current year's Operational Guidance for Pre-16 Schools Funding on GOV.UK.
- 3.2 From 2023/24, the operational guidance states that local authorities must move the LFF factor values at least 10% closer to the NFF values, except where local formulae is already mirroring the NFF. Manchester is already compliant with this requirement and

started to move to the NFF in 2022/23. Manchester's proposed budget model for 2023/24 is outlined below in Table six and seven.

Table six: 2023/24 DSG Schools Model

Model – 10% transition to NFF	
Lump sum	£152,649
MFG	0.50%
Capping	3.20%

- 3.3 **Local Funding Formula (LFF)** – This has led to most of the local factors increasing from 2022/23, due to the increases applied to the NFF factors and the rolling in of the supplementary grant into the NFF. Appendix one provides the NFF rates and the proposed 2023/24 LFF rates.
- 3.4 **Minimum Funding Guarantee (MFG)**: The DfE have outlined that the allowable per pupil protection compared to the 2022/23 budgets must range between **+0.0% to +0.5% per pupil**. The local model for 2023/24 seeks to set the **MFG protection** at the highest allowable level of +0.5% per pupil.
- 3.5 More Manchester schools (over 50%) are now on the funding formula without the need for MFG protection in 2023/24, see table eight below. This is beneficial as it reduces the number of schools relying on MFG and gives stability via formula. Last financial year there was 72 schools requiring MFG protection, compared with 54 schools 2023/24.
- 3.6 **Gains Cap**: The cap has been maintained at 3.2%, schools can gain from between +0.5% and +3.2% per pupil before adjusting for pupil numbers and premises related factors. Fewer schools are capped, demonstrating that more funding is being allocated via the formula. Tables seven illustrates MFG and capping.

Table seven: Number of schools under LFF, MFG and Capping

	Schools Under MFG & Capping		MFG & Capping Funding (£m)	
	2022/23	2023/24	2022/23	2023/24
LFF (No MFG or cap)	33	86	£467.290	£498.585
MFG	72	54	£5.292	£4.119
Gains cap	61	27	-£2.850	-£1.178
Total	166	167	£469.73	£501.526

- 3.7 **Growth Fund** – The growth fund has been created by the Council to support schools which are required to provide extra places to meet basic need, including pre-opening and reorganisation costs. The Council intends to budget for **530 places in new and growing schools** through the schools funding formula, and a further sum of money is retained centrally to fund explicit growth for in-year expansions. This is expected to fund at least **60 primary and 80 secondary places**, as well as other growth payments.
- 3.8 **Reception uplift** - The proposed LFF for 2023/24 continues to include funding for 131 pupils (across 59 schools) picked up under the reception uplift mechanism. To ensure that no school loses out, in respect of deferred entry to reception arising from the use of the October census count. The Council has chosen to apply an uplift. The NFF does not provide funding to the uplift and therefore the Council additionally fund this for schools.

High Needs Block

- 3.9 The £8.306m increase in High Needs Block (HNB) plus the £5.009m additional funding (outlined in section 4 below), total increase £13.315m. The HNB funding is yet to be finalised by the DfE.

Special schools & Resource Units: £5.090m

- 3.10 Special schools are funded on place plus top-up based on a banded formula. In 2022/23 special school's top-up banded funding increased by 5% plus a further £200 added to the top-up rates, which was to be reviewed 2023/24. This increase in funding can be maintained this year.
- 3.11 Last financial year TPG and TPECG was rolled into HNB. From 2023/24, it is proposed this funding of £1.636m, in line with mainstream schools and DfE allocation is subsumed into the existing banded top-up. This results in the top-up bands increasing by 6.5%, to incorporate this element into the existing funding model, this is shown in appendix three.
- 3.12 Manchester's school population continues to grow. This has led to an increased demand for school places across Manchester, including places offering specialist provision. Continued expansion of provision planned for 2023/24 presently stands at a further **106** new special school places across Manchester which are constantly under review. Planning has been undertaken to increase special school capacity via the DfE new free school application process.
- 3.13 Resource Provisions are specialist facilities within mainstream schools that cater for pupils with an EHCP that require a specialist environment to support with access to their curriculum and other school activities. Growth in resource provision has increased, two further provisions Gorton Primary and The Barlow RC High school (Secondary), which are fully operational. Further expansion of resource provision places is expected, increasing by 30 places, totalling 228 by the end 2023/24. Appendix four shows a breakdown of resource provision places.

Mainstream EHCP (Educational Health Care Plans) including Post-16: £3.764m

- 3.14 Manchester now manages a total of **6,380** EHCP's (as at October 2022) across the casework services, in 2022 this was a total of 5,658 EHCP's, an increase of 13%.
- 3.15 Manchester mainstream primary schools currently support 1,673 pupils with an EHCP. The cost of these plans will move into 2023/24 at an overall cost of £10.201m against the HNB. Using the average trend data seen over 2022/23, it is forecast that a total of £13.872m is needed primary EHCP plans.
- 3.16 Manchester mainstream secondary schools currently support 932 pupils with an EHCP, compared to 708 at this point last year, an increase of 32%. These plans will move into 2023/24 at an overall cost of £5.45m. Based on current data it is calculated there will be 589 new EHCP (including transfers across from Primary) during 2023/24, giving an overall expected total cost of £6.222m.
- 3.17 In 2022/23 (year to date) Manchester's post-16 learners total **602**, it is expected that there will be **138** additional post-16 learners with high needs in 2023/24 at an average cost of £13,829 per pupil. Appendix four details post-16 providers.

Out of City Placements & Other Local Recoupment: £1.838m increase

- 3.18 The average cost of an Out of City placement is £37,836pa. Growth in out of city and independent placements has stabilised through continued close partnership working with schools in Manchester, where an increased number of places have been made available as an alternative to independent setting. It is forecast out of city and independent school placement costs will increase significantly from April 2023, a minimum increase of 7.3% is anticipated because of inflationary pressures including wage demands.
- 3.19 There are 363 pupils currently placed in other local authorities. It is anticipated that this will remain at similar levels to 2023/24, given a forecast increase of 111 additional pupils 2023/24 and a reduction of 103 existing pupils, reaching school leaving age in 2024.

Recovery Plan and In-Year Growth: £2.623m

- 3.20 The Council has developed a High Needs block recovery plan, (reported at September 2022 School Forum), overview of the recovery is shown in table thirteen below. A steering group has been established to have oversight of the delivery of this plan and associated risks. The group comprise officers from education, finance, commissioning, and Schools Forum representatives.
- 3.21 If the plan does not address the deficit the gap in the HNB increases year on year over the next three years, and give the significant risk if demand is not managed the deficit could be £32.908m by 2024/25, as reported to School Forum September 2022.

Table thirteen: HNB Recovery Plan activities linked to 6 outcomes

Outcome 1: Reduce spend on Post 16 commissioning of places
Outcome 2: Prevent further increase of EHCP by developing stronger and more consistent SEN support across schools and settings
Outcome 3: Reduce spend on EHCP
Outcome 4: Reduce spend on Out of City Placements
Outcome 5: Reduce spend on PRUs / AP and Hospital School
Outcome 6: Reduce other spend on HN Block

- 3.22 Included in the recovery plan as part of outcome 6 is the option to request a 0.5% transfer from school block, this would contribute c.£2.4m to the HNB recovery position. HNB recovery activity has started to reduce the deficit, this is mainly due to outcome 6 reducing spend. **Given this, at this stage Manchester does not intend to propose a 0.5% transfer from the school block in 2023/24.**
- 3.23 Forum is asked to note and comment on the work required to secure a balanced budget and particularly to reduce the sharp increase in EHCP, this increase continues to grow. The work to strengthen SEN support and prevention of needs escalating will need time to develop and embed before the desired impact on EHCP requests is felt. It would also seem counter intuitive to take funding out of school budgets at a time when this funding is required to support these developments. As the future impact of these strategies on EHCP demand is uncertain, the transfer from school block to HNB will remain under review within the recovery plan as an option for 2024/25 onwards.

Table eight: High Needs Block growth 2023/24

	2023/24 £m	Additional Places
Special Schools, Resource Units	£5.090	136
Mainstream EHCP including Post 16	£3.764	996
Out of City Places	£1.838	83
In-Year Expansions and recovery	£2.623	
Additional HNB Allocation	£13.315	

Early Years

- 3.24 £41.494m of the early years block is allocated to early years providers for the two and three- & four-year olds entitlements, early years pupil premium, disability access fund and maintained nursery school supplementary fund. £0.984m is retained by the Council for the teams that support and administer the early years offers.
- 3.25 Two-year-old offer funding rate is increasing by 6p per hour, which will be passed on in full to providers. Three and four-year old funding rate is increasing by 22p per hour, the proposal is to passport the full 22p to providers by increasing the basic hourly rate by 5p, proposing a new quality supplement of 17p to account for the rolling in of TPG and TPECG. The deprivation supplement is to remain the same. Consultation with providers is planned for the spring term. Details on rates see appendix five.

4 Additional Schools Funding 2023/24

- 4.1 Manchester has been allocated £22.250m from the Government's £2bn additional schools funding, on-top of the 2023/24 DSG. This additional funding provides support for schools (reception to year 11) for pay and inflation increases. The funding does not include any allocation for early years or post-16. For 2023/24 this is in the form of a separate grant, the DfE intend to incorporate this funding into core budget allocations for 2024/25, so for schools 5 to 16 years, this will mean the funding being rolled into the schools national funding formula (NFF) from 2024/25.
- 4.2 The £22.250m allocation to Manchester is made up of:
- **£17.241m** for mainstream schools. This funding, Mainstream Schools Additional Grant (MSAG) is formula based and consist of three elements, within the NFF. Appendix six gives further details on the formula. For illustration see table below. Maintained schools and academies will receive this funding from April 2023. For primary and secondary provision, the DfE will publish school-level allocations spring 2023.

Table Nine: MSAG Illustration

Primary Sector - illustration	Secondary Sector- illustration
One Form entry with 40% FSM = c.£38k	
Two Form entry with 40% FSM = c.£70k	Three form entry with 40% FSM = c.£110k
Three form entry with 40% FSM = c.£105k	Four form entry with 40% FSM = c.£140k

- **£5.009m** for special schools and alternative provisions, will be added to the HNB. Councils are required to pass on a 3.4% funding increase on top of the average place and top-up rates, following DfE formula. This additional funding is excluded from special school's minimum funding guarantee (MFG) calculation.

5 2023/24 Pupil Premium

- 5.1 Pupil Premium grant funding will continue in 2023/24, based on the October 2022 census. The DfE have also confirmed increased funding rates, on average by 5%, from April 2023, illustrated in Appendix seven.
- 5.2 Early Year Pupil Premium (EYPP), is funding for early years pre-school settings to improve the education for disadvantaged 3 and 4-year-old has increased by 2p.

6. Conclusion and Recommendations

- 6.1 DSG arrangements for 2023/24 are the same as the current year with the grant continuing to be allocated in four blocks based on national formulae.
- 6.2 Table thirteen below sets out the grant breakdown of DSG blocks. The table provides a summary of the split between individual school budgets and those budgets retained centrally by the authority across each of the blocks in 2023/24 and 2022/23

Table ten: DSG individual school budgets and retained school budgets

	Schools	Central	High Needs	Early Years
	£m	£m	£m	£m
Retained School Budgets	1.745	3.753	39.878	0.983
Individual School Budgets	501.526	0	82.969	40.511
DSG 2023/24	503.271	3.753	122.847	41.494
Retained School Budgets	1.861	3.868	36.310	0.940
Individual School Budgets	473.193	0	78.230	39.032
DSG 2022/23	475.054	3.868	114.54	39.972

- 6.3 Schools Forum Members are asked to provide a view and comment on:
- All Manchester primary and secondary schools should receive a per pupil increase between 0.5% minimum and up to 3.2% on pupil-led funding.
 - Manchester does not intend to propose a 0.5% transfer from the school block to high needs 2023/24.
 - Special schools banded funding to increase by 6.5%, to incorporate Teachers' Pay Grant (TPG) and Teachers' Pension Employer Contribution Grant (TPEGC)
 - Early year rates two-year-old base rate increase by 6p. Three and four-year old 22p increase, to be passed onto providers by increase base rate by 5p per hour and adding a new quality supplement (17p per hour) to reflect the rolling in TPG and TPEGC funding into the funding formula.
 - Central services school block (CSSB) funding has reduced on a per pupil basis by 2.5% despite there being additional burden due to the new admission code, with no reduction in other functions councils are required to provide.
 - Additional Schools Funding 2023/24 will be allocated as a separate grant for mainstream schools. Special schools will receive a 3.4% funding increase on top of the average place and top-up rates, following DfE formula.

Appendix one: Local Formula Factor Values

2023/24		Manchester's Local Funding Formula	National Funding Formula	Manchester's Local Funding Formula	LFF Change
		2022/23	2023/24	2023/24	22/23 to 23/24
Per Pupil Factors		£	£	£	£
Basic Entitlement	Primary	3,459	3,394	3,541	2.33%
	KS3	4,630	4,785	4,772	2.97%
	KS4	5,274	5,393	5,428	2.85%
FSM	Primary	470	480	480	2.08%
	Secondary	470	480	480	2.08%
FSM Ever 6	Primary	529	705	651	18.76%
	Secondary	538	1,030	737	26.97%
IDACI Primary	Band A	608	670	641	5.19%
	Band B	514	510	514	0.03%
	Band C	461	480	471	2.03%
	Band D	407	440	429	5.09%
	Band E	364	280	355	-2.42%
	Band F	304	230	297	-2.38%
IDACI Secondary	Band A	565	930	638	11.45%
	Band B	489	730	540	9.49%
	Band C	423	680	476	11.10%
	Band D	284	620	340	16.52%
	Band E	232	445	272	14.67%
	Band F	167	335	198	15.62%
EAL	Primary	419	580	449	6.65%
	Secondary	2,121	1,565	2,066	-2.65%
Mobility	Primary	592	945	646	8.29%
	Secondary	1,556	1,360	1,537	-1.22%
Prior Attainment	Primary	737	1,155	802	8.07%
	Secondary	2,842	1,750	2,734	-3.97%
Minimum Funding Level	Primary		4,405		
	Secondary		5,715		
School-led factors		£		£	£
Lump Sum	Pri & Sec	151,630	128,000	152,649	0.67%
Funding Floor (per pupil)	Pri & Sec		0.50%		

Appendix two: High Needs Block Council Allocation

High Needs Block	Based on	2022/23 £m	2023/24 £m
Basic entitlement	£4,700.08 per sp. school pupil	9.625	10.594
Formulaic elements	Population, FSM, IDACI, Bad Health, Prior Attainment, Hospital Education, Historic	105.140	112.038
Import/Export Adj.	Movement of pupils in/out the authority	-0.477	-0.477
Add. Special Free School		0.253	0.692
Total		114.540	122.847

Note: 2022/23 and 2023/24 figures both include the HNB supplementary grant.

Appendix three: Special School Place and Top up Values

Category	Need	Details	2022/23 £	2023/24 Including TPG/TPECG £
Elements 1 and 2 place funding	Pre & post 16	Funding for all commissioned places	10,000	10,000
Element 3 top up	S1	An independent learner	7,865	8,375
	S2	A structured learner	8,810	9,385
	S3	A supported learner	9,965	10,610
	S4	Highly severe, complex or exceptional needs. Approach to meeting individual needs is required. Consideration may be given to accessing partnership funding.	11,750	12,515
	S5	Complex/exceptional needs and previously moderated accessing Partnership funding.	15,950	16,985

Appendix four: HNB Places

Schools	Category	Places	Expansion in Yr	TOTAL
Ashgate	Maintained Special	144	-	141
Bridgelea PRU	Pupil Referral Unit	94	2	96
Camberwell Park	Maintained Special	188	-	188
Grange School	Maintained Special	248	3	251
Lancasterian School	Maintained Special	181	-	181
Manchester Hospital School	Maintained Special	57	-	57
Manchester KS3/4 PRU	Pupil Referral Unit	310	-	310
Endeavour Federation	Maintained Special	306	-	306
Melland High	Academy – Special	188	60	248
North Ridge High	Maintained Special	200	-	200
Piper Hill High	Academy – Special	257	-	257
Pioneer House	Academy – Special	129	21	150
Prospect House	Academy – Special	80	20	100
Rodney House	Maintained Special	72	-	72
The Birches	Maintained Special	166	-	166
TOTAL Special Schools		2618	106	2724
Alma Park	Maintained	12	-	12
Barlow Hall Primary	Academy	7	-	7
Abraham Moss	Maintained	16	-	16
Bowker Vale Primary	Maintained	9	-	9
Broad Oak Primary	Maintained	7	-	7
Gorton Primary	Academy	18	-	18
Manchester Academy	Academy	17	-	17
Newall Green Primary School	Academy	6	-	6
Pike Fold Primary School	Maintained	7	-	7
Rack House Primary School	Maintained	7	-	7
St James' CofE Primary School	Academy	7	-	7
St Pauls RC High	Academy	12	-	12
St Peter's RC High	Maintained	12	-	12
St Willibrord's RC Primary	Maintained	7	-	7
The Barlow RC High School	Academy	12	4	16
Webster Primary School	Academy	8	-	8
William Hulme Grammar	Academy	12	18	30
Ashbury Meadow Primary	Maintained	22	8	30
TOTAL Resource Provision		198	30	228

Post 16 Providers	Category	16-18yrs Places	+19yrs Places	Sept 23 Increases	Total Places
Loreto College	Further Education	40	20	-	60
The Manchester College	Further Education	225	95	35	355
Xaverian College	Further Education	13	-	2	15
Manchester Adult Education Services	Further Education	8	39	-	47
Pinc College	Special Post-16	70	-	-	70
The Digital Workhub	Special Post-16	10	-	-	10
The Growth Company	Special Post-16	10	-	40	50
Thompsons Academy	Special Post-16	-	-	30	30
TOTAL POST-16 PROVIDERS		376	154	107	637

Note: Agreed commissioned places, based on place change notification submitted for AY 23-24.

Appendix five: Early Years**2-Year-olds**

Current Formula	Applies to	2022/23 (Hourly rate) £	2023/24 (Hourly rate) £
Base Rate	All providers	5.56	5.62

3- and 4-Year-olds

Current Formula	Applies to	2022/23 (Hourly rate) £	2023/24 (Hourly rate) £
Base Rate	All providers	4.65	4.70
Deprivation supplement*	All providers	0.00 - 0.45	0.00 - 0.45
Quality supplement **	Eligible providers	0	0.17

Deprivation Supplement	
Post code of Child	Hourly Rate (£)
Top 6% most deprived	0.45
7% - 15% most deprived	0.31
16% - 30% most deprived	0.21
31% - 50% most deprived	0.11
51% and above	0

*Average Deprivation supplement of £0.27p per hour, no change from 2022/23.

** Quality supplement proposed, new 2023/24 (following TPG & TPECG mainstreamed into early years funding) consultation with providers spring 2023.

Appendix six: Mainstream School Additional Funding (MSAG)

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

When confirming the school-level allocations DfE will apply an area cost adjustment (ACA) to the funding rates below, taking account of geographical variation in labour costs.

The base funding rates:

- Basic per-pupil rate primary: £119
- Basic per-pupil rate key stage 3: £168
- Basic per-pupil rate key stage 4: £190
- Lump sum of £4,510
- FSM6 per-pupil rate of £104 per eligible primary pupil
- FSM6 per-pupil rate of £152 per eligible secondary pupil

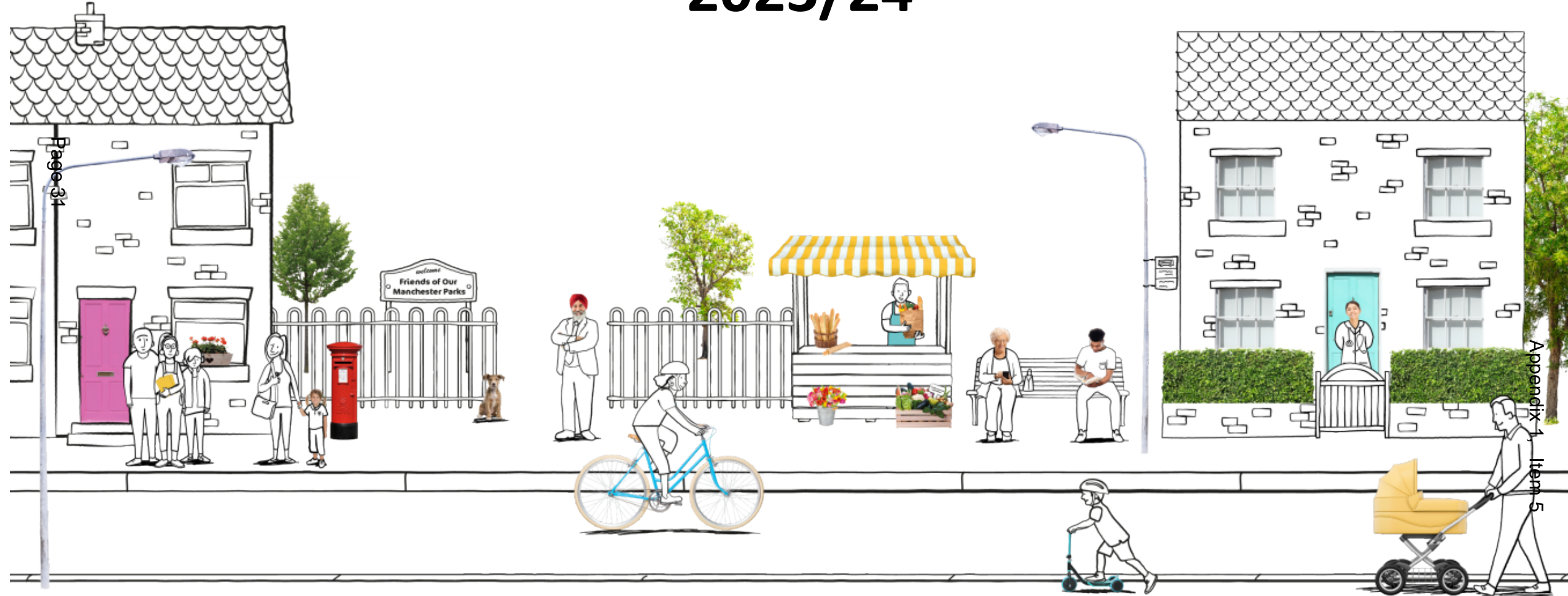
Appendix seven: Pupil Premium

Pupil Premium rates per eligible pupil 2023/24		
	Primary £	Secondary £
Free School Meals - FSM6	£1,455	£1,035
Looked-after children	£2,530	£2,530
Children who have ceased to be looked-after	£2,530	£2,530
Service children	£335	£335

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School Forum: 16 January 2023

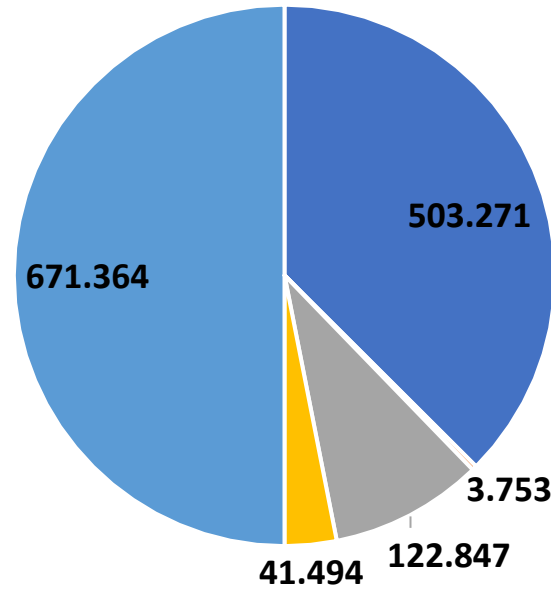
Agenda Item 5: Dedicated School Grant 2023/24



Dedicated School Grant (DSG) 2023/24

£671.364m

Dedicated School Grant (DSG)	Schools/ Providers	Pupil Numbers
Nursery Schools	2	88
Private, Voluntary and Independent Sector	460	15,013
Primary Schools & Academies	135	53,877
Secondary Schools & Academies (incl. All- through school)	31	35,293
Special School Schools & Academies	17	2,618
Education, Health and Care Plans (mainstream school)	165	2,605
Post 16 EHCP	36	602
Out of City Places	54	643
	Full Time Equivalents	
Council Staff	126.5	



- Schools £m
- High Needs £m
- Total £m
- Central School Services £m
- Early Years £m

DSG 2023/24 compared to 2022/23

DSG increase by £37.930m since last year

	SB £m	CSSB £m	HNB £m	EYB £m	Total £m
2023/24	503.271	3.753	122.847	41.494	671.364
2022/23	475.054	3.868	114.540	39.972	633.434
Difference	28.217	-0.115	8.306	1.521	37.930
The difference is a result of the change in £m:					
Formula	21.344	-0.160	7.338	1.521	30.044
Pupil Numbers	7.398	0.044	0.968	0.000	8.411
Growth Fund	-0.525				-0.525
Difference	28.217	-0.115	8.306	1.521	37.930

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Schools Block (SB) increase £28.217m

- £21.344 formula change - includes £14.024m supplementary grant, +3.25% average uplift pupil led.
- £7.398m increase in pupil numbers (+46 Primary, +1,006 Secondary)
- -£0.525m reduction in growth fund

Central Services Schools Block (CSSB) -£115k

- -£160k formula change (2.5% reduction per pupil)
- £44k increase in pupil numbers

High Needs Block (HNB) £8.306m

- £7.338 formula change.
- £0.968m change in places

Early Years Block (EYB) £1.521m

- £1.521 formula change
- Two-year-old rate is increasing by **6p** (1.06%).
- Three and four-year-old rate is increasing by **22p**, rolling in of the teachers' pay & pension grant. Excluding this, the rate increase equates 0.93%.

Schools Block 2023/24

- LFF factor values at least 10% closer to the NFF values
- All Manchester primary and secondary schools should receive a per pupil increase between: **+0.5% minimum and up to +3.2% on pupil-led funding.**
- No proposal for 0.5% transfer from the school block to high needs 2023/24.

Schools Under MFG & Capping		
	2022/23	2023/24
LFF (No MFG or cap)	33	86
MFG	72	54
Gains cap	61	27
Total	166	167

- Growth Fund - 530 places in new and growing schools and a further in year expansions at least 60 primary and 80 secondary places.
- Reception Uplift – Recognition of deferred entry to reception, 131 pupil across 59 schools. Not part of the NFF

High Needs Block 2023/24

Increase of £13.315m = £8.306m HNB + £5.009m additional funding

	2023/24 £m	Additional Places
Special Schools, Resource Units	£5.090	136
Mainstream EHCP including Post 16	£3.764	996
Out of City Places	£1.838	83
In-Year Expansions and recovery	£2.623	
Additional HNB Allocation	£13.315	

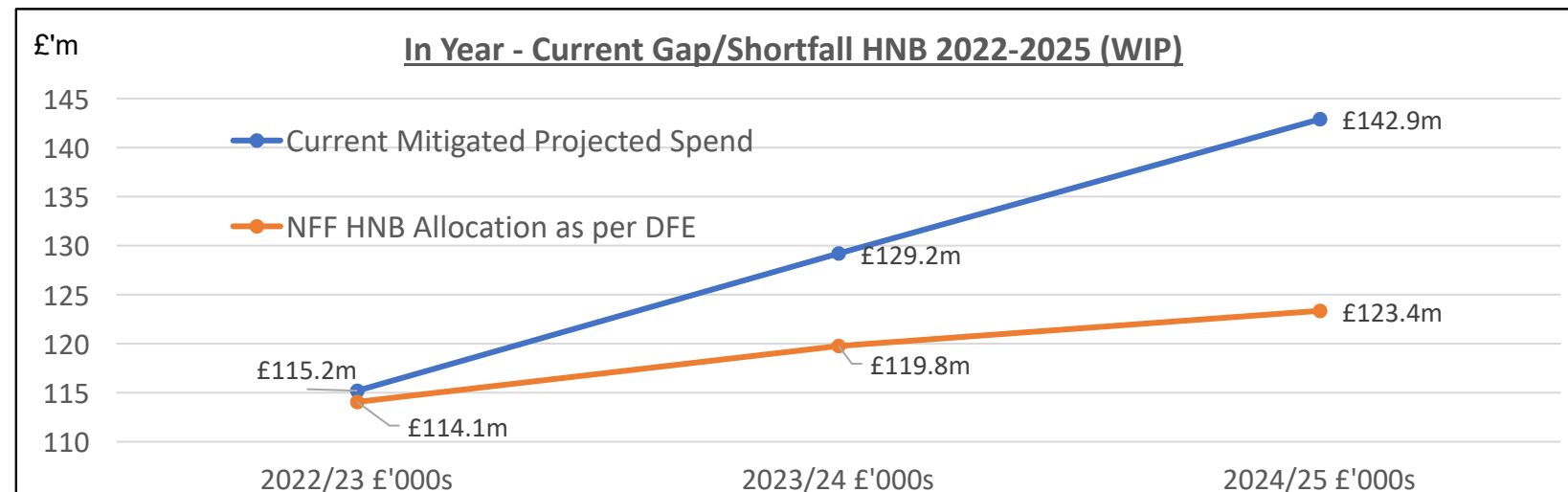
Special Schools

- Maintained the increase in top-up banded from 2022/23 (affordability reviewed)
- Top-up banding increasing 6.5%, by rolling in the teacher pay & pension grant
- 3.4% of the additional grant will be paid via separate funding stream

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Recovery

Risk: Outcome of recovery plan will determine future proposal (from 2024/25) for 0.5% transfer from schools block to high needs



Early Years Block 2023/24

- **Two-year-old offer**

Funding rate is increasing by **6p per hour**, which will be passed on in full to providers:
Base rate £5.62 per hour to providers.

- **Three and four-year old**

Funding rate is increasing by **22p per hour**, the proposal is to passport the full 22p to providers:

Base rate £4.70 per hour (+5p per hour)

Deprivation supplement: average deprivation supplement of £0.27 per hour

Quality supplement 17p per hour, new supplement proposed for 2023/24 to account for the rolling in of the teacher pay & pension grant.

Consultation with providers is planned for the spring term.

Mainstream School Additional Grant (MSAG) 2023/24

The base funding rates:

- Basic per-pupil rate primary: £119
- Basic per-pupil rate key stage 3: £168
- Basic per-pupil rate key stage 4: £190
- Lump sum of £4,510
- FSM6 per-pupil rate of £104 per eligible primary pupil
- FSM6 per-pupil rate of £152 per eligible secondary pupil

Primary Sector - illustration	Secondary Sector- illustration
One Form entry with 40% FSM = c.£38k	
Two Form entry with 40% FSM = c.£70k	Three form entry with 40% FSM = c.£110k
Three form entry with 40% FSM = c.£105k	Four form entry with 40% FSM = c.£140k

Recommendations

- All Manchester primary and secondary schools - receive a per pupil increase between 0.5% minimum and up to 3.2% on pupil-led funding.
- Manchester does not intend to propose a 0.5% transfer from the school block to high needs 2023/24.
- Special schools banded funding to increase by 6.5% to incorporate Teachers' Pay and pension Grant
- Early year rates two-year-old base rate increase by 6p. Three and four-year old 22p increase, to be passed onto providers by increase base rate by 5p per hour and adding a new quality supplement (17p per hour) to reflect the rolling in TPG and TPEGC into the funding formula.
- Central services school block (CSSB) funding has reduced on a per pupil basis by 2.5% despite there being additional burden due to the new admission code, with no reduction in other functions councils are required to provide.
- Additional Schools Funding 2023/24 will be allocated as a separate grant for mainstream schools. Special schools will receive a 3.4% funding increase on top of the average place and top-up rates, following DfE formula.