



## Schools Forum

Date: Monday, 18 September 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

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**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, Angela Stansfield, Iram Cheema

**Special School Headteachers:** Alan Braven

**Special School Governor:** Walid Omara

**Academy Representative:**, Joseph Brownridge, Helen Child, Andy Park, Joshua Rowe, Edward Vitalis, Karl Harrison, Jill Usher

**Pupil Referral Unit Representative:** Colin Harvey-Rigby

**Nursery School Representative:** Amy Davenport

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

## Agenda

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- 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 17 July 2023.
- 4. Funding Updates Summer 2023** 9 - 18  
The report of the Directorate Finance Lead – Children’s and Schools is enclosed.

## Information about the Forum

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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

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For help, advice and information about this meeting please contact the Committee Officer:

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This agenda was issued on **Friday, 8 September 2023** 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 July 2023

**Forum Members Present:** Andy Park, Gavin Shortall, Mike Cooke, Cllr Reid, Edward Vitalis, Angela Stansfield, Colin Harvey-Ribgy, Alan Braven, Amy Davenport, Antonio de Paola, Iram Cheema, Isabelle Qamar

**Also Present:** Anne Summerfield, Amanda Corcoran, Cathryn Baggaley, Helen Child, Paul Greenwood, Matthew Hoeksma, Vandhna Kohli, Ann Salata

**Apologies:** Hatim Kapacee Lee Ormsby, Saeede Ishaq, Tony Daly, Karl Harrison and Helen Child

#### **SF/23/09      Minutes**

The minutes of the meeting held on 12 June 2023 were submitted for consideration as a correct record.

#### **Decision**

To agree the minutes of the meeting held on 12 June 2023 as a correct record.

#### **SF/23/10      Analysis of Excessive School Balances 2022/23 & Clawback**

The Forum considered a report of the Directorate Finance Lead – Education and Schools which provided an analysis of excessive balances across the Local Authority Maintained School sector for the 2022/23 schools finance period. In view of the Authority's established clawback mechanism for surplus balances, the report invited all Maintained Schools Forum representatives to vote on the percentage of the eligible surplus balance to be recouped (with options of either 50% or 100%), noting that recouped funding would be used to address the ongoing High Needs Block (HNB) deficit in the Dedicated School Grant (DSG). All School Forum members were however given the opportunity to comment on the proposals.

The Forum noted the relative decrease in surplus balances in comparison with the previous financial year, with the number of schools with excess balances reportedly reducing by 45%. The Forum also took into consideration the commitments provided by school in terms of the surplus balances and the mitigations applied by the Local Authority in respect of associated grant funding. It was confirmed that the opportunity still exists for schools to collaborate with the Local Authority where the intention was for significant funds to be retained for large scale capital projects, and that an appeals process for proposed recoupments remained in place. Noting that the outcome would leave schools with an allowable budget surplus of either 5% or 8% dependent on sector, the Forum proceeded to vote.

In view of the recognised pressures on the HNB, Maintained School representatives voted unanimously in favour of the rate of recoupment to be at 100% of eligible surpluses to address the ongoing deficit.

The Directorate Finance Lead – Education and Schools also agreed to undertake a post-recoupment evaluation of balances with the identified cohort. This information would be reported back to the Forum at a date yet to be agreed.

### **Decision**

1. To note the analysis of eligible surplus balances across Local Authority Maintained school sector for the 2022/23 financial period.
2. To agree that the rate of recoupment be set at 100% of eligible surpluses to address ongoing High Needs Block pressures in the Dedicated Schools Grant
3. To agree that recouped funds shall be used to alleviate the city's ongoing pressures in the High Needs Block.
4. To note that the Directorate Finance Lead – Education and Schools will undertake an evaluation of post-recoupment balances as requested by the Forum.

### **SF/23/11 High Needs Block (HNB) Recovery Plan Update and SEND Improvement Measures**

The Forum considered a report of the Directorate Finance Lead – Children and Schools which discussed the work of the Dedicated Schools Grant Recovery Plan Working Group, and an update of work to maximise value for money through an outcome-based approach.

The report provided information about:

- Recovery plan findings for 2022/23 and the overall Dedicated Schools Grant financial position.
- An evaluation of the potential funding gap for 2023/24 and 2024/25.
- Recovery proposals and the commitment to continued improvement in identified Special Educational Needs and Disability outcomes.

The Forum was asked to note:

- The current projected 2023/24 High Needs Block (HNB) deficit position £5.417m (prior to mitigation).
- that a further update would be provided on 2024/25 position, following confirmation of particular aspects of grant funding to be advised by DfE.
- the Draft recovery plans and actions to try to mitigate the HNB funding gap.

There was a discussion about the Local Authority becoming a regional expert partner with the DfE. The Director of Education described this an opportunity to influence and inform national policy in particular around the approach taken in respect of funding bands. The Directorate Finance Lead – Children and Schools made reference to recent announcements being made with regard to DfE. Further information on those would be circulated to the Forum in due course.

### **Decision**

To note:

- The current projected 2023/24 High Needs Block (HNB) deficit position £5.417m (prior to mitigation).
- that a further update would be provided on 2024/25 position, following confirmation of certain aspects of grant funding to be advised by DfE.
- the Draft recovery plans and actions to try to mitigate the HNB funding gap.

### **SF/23/12 Next Meeting**

The Chair highlighted that this was the last meeting of the current school year with the next scheduled meeting set for 18 September 2023. He confirmed that the plan was for these meetings to continue remotely, adding that this would be reviewed at the next meeting.

### **Decision**

To note that the next meeting of the Forum will take place on 18 September at which point the proposal to continue to meet remotely will be discussed.

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## Manchester City Council Report for Resolution

**Report to:** Schools Forum

**Subject:** Funding Updates – Summer 2023 Announcements

**Report of:** Directorate Finance Lead – Children’s and Schools

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### Summary

This report provides a summary and impact of the various Department of Education (DfE) funding announcements made prior to the summer break. Areas subject to the announcements and included in this report are:

#### Early Years:

- Additional early years funding from September 2023.
- Expansion of early years offer from April 2024
- Early years funding consultation

#### National Funding Formula (NFF) 2024/25 updates:

- Uplift on NFF rates
- Split sites funding
- Growth fund

Teachers Pay Additional Grant, additional funding for schools from September 2023.

### Recommendations

**All** School Forum members are asked to note and comment on:

- Early Years Supplementary Grant (EYSG) allocation from September 2023.
  - Expansion of early years offer for working parents from April 2024 and the DfE consultation on funding allocation for the extended offer.
  - National Funding Formula (NFF) 2024/25 updates, and the potential impact.
  - Teacher Pay Additional Grant (TPAG) from September 2023.
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### Contact Officers:

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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:**

18 <sup>th</sup> July 2022	School Forum Agenda Item 5: National Funding Formula (NFF) Consultation: Implementing the Direct NFF
12 <sup>th</sup> June 2023	School Forum Agenda Item 6: Outcome of the National Funding Formula (NFF) Consultation: Implementing the Direct NFF

## 1. Introduction

- 1.1 The purpose of this report is to provide details on the government's announcements over the summer, regarding school's funding. The changes relate to financial years 2023/24 and 2024/25, impacting on individual settings and local authority funding for early years and schools.
- 1.2 Additional early years funding, the Early Years Supplement grant (EYSG) will be allocated from September 2023. April 2024 will be the first stage in the expansion of new entitlement for working parents. When this is fully implemented, September 2025 working parents in England will be able to access 30 hours of free childcare per week, for 38 weeks of the year from the term after their child turns 9 months old. Given the expanded free childcare offer, the Department of Education (DfE) launched a consultation July 2023 (closed 8<sup>th</sup> September 2023) on how funding for new childcare support entitlements in 2024/25 will be distributed to local authorities.
- 1.3 In July 2023 the DfE confirmed the provisional NFF funding allocations 2024/25, which included formula changes from 2023/24 relating to; split sites, growth and falling rolls funds. The changes are following the outcome of the consultation [Implementing the Direct NFF](#) reported to School Forum June 2023.
- 1.4 This report which for ease of reference is structured as follows:  
 Section 1 Introduction  
 Section 2 Early Years funding and expansion of offer.  
 Section 3 National Funding Formula (NFF) 2024/25 updates  
 Section 4 Teachers Pay Additional grant (TPAG) 2023/24

## 2. Early Years Funding and Expansion of Offer

### 2.1 Early Years Supplementary Grant (EYSG) 2023/24

- 2.1.1 At Spring Budget, the Chancellor announced an investment of additional funding for the existing early years entitlements worth £204m in 2023/24 (from September 2023) and a further £288m in 2024/25.
- 2.1.2 On Friday 7 July DfE announced a mid-year increase for 2023/24, the additional £204m will be distributed to local authorities through a new standalone top-up grant [Early Years Supplementary Grant \(EYSG\) 2023/24](#). Going forward, from 2024/25 this funding will be rolled into the early years core funding.
- 2.1.3 EYSG funding, 100% will be passported to providers, it covers the period from September 2023 to March 2024, for all existing early years funding streams:
  - 2-year-old entitlement offer
  - 3-and 4-year-old entitlement offer
  - Maintained nursery school (MNS) supplement
  - Early Years Pupil Premium (EYPP)
  - Disability Access Fund (DAF)
- 2.1.4 The Early Years entitlement increases from September 2023 (compared to their current 2023/24 rates), as illustrated in table one below. Manchester's 3and 4yearold increase of 3.3%, is lower than national increase 6.3%, due to Manchester's current

funding, prior to the EYSG, including 3% funding protection. Appendix one shows the impact of the funding increase to providers.

Table One: 2, 3and4year-old rates increase (September 2023)

Increase in funding compared to current rates				
Entitlement	National Ave. Incr.		Manchester Incr.	
	%	£	%	£
2year-old (per hour)	32.0	1.95	30.2	1.73
3 and 4year-old (per hour)	6.3	0.33	3.3	0.18

2.1.5 Maintained nursey schools (MNS) supplementary funding (which has been in place since April 2017, to protect MNS universal 15 hours funding at their 2016/17 level), will increase by 6% (£0.29 per hour) from September 2023; from £5.04 per hour to £5.33 per hour.

2.1.6 Both the Early Years Pupil Premium (EYPP) and Disability Access Funding (DAF) will increase by 6% from September 2023. Table two below illustrates the increase in funding compared to current rates.

Entitlement	2023/24	2023/24 Sept-March 2024	2023/24 Rate from Sept 2023
EYPP	£0.62 per hour (max. £353 per yr.)	£0.66 per hour (max. £376 per yr.)	£0.04 per hour (max. +£23 per yr.)
DAF	£828 per year	£881 per year	£30.92 (£53 annual incr. x 7/12th Sept-March)

## 2.2 Expansion of Early Years Offer (from April 2024)

2.2.1 New entitlements were announced in the Spring Budget, which when fully implemented will mean working parents in England will be able to access 30 hours free childcare per week, for 38 weeks of the year, from the term after their child turns 9 months old to when they start school.

2.2.2 The expansion of the early years offer is to be rolled out over three stages:

- From April 2024, all working parents of 2-year-olds can access 15 hours per week.
- From Sept 2024, all working parents of children aged 9 months up to 3-year-olds can access 15 hours per week.
- From Sept 2025, all working parents of children aged 9 months up to 3 years old can access 30 hours free childcare per week.

## 2.3 Early Years Consultation

2.3.1 Following the expansion of early years free childcare offer from April 2024, DfE

launched a consultation July 2023 (closed 8<sup>th</sup> September 2023) on how funding for new childcare support entitlements in 2024/25 will be distributed to local authorities. The consultation proposes changes to the funding formula for 2-year-olds and under from 2024/25, covering the new entitlements for a new cohort of families.

### 2.3.2 The consultation covers:

- New approach to funding local authorities for 2-year-olds and under from 2024/25. Proposing to introduce a new funding formula to distribute entitlements funding to 2-year-olds and under from April 2024. The new formula is on a similar basis as how 3-4-year-olds funding is currently allocated, which considers deprivation based on free school meals (FSM). Manchester is likely to benefit from the new formula, due to high level of deprivation across the city (FSM at 42%).
- New local funding rules. Due to the expansion of the entitlements, the proposal is to extend all current rules to the existing offer for disadvantaged 2-year-olds and to the new offers for working parents of children aged 2-years-old and under.
- Other funding streams, proposing to extend eligibility for EYPP and DAF to all eligible children accessing the entitlements from April 2024.

## 3. National Funding Formula (NFF) 2024/25 updates

### 3.1 Schools Block

- 3.1.1 Schools block funds individual mainstream schools' budgets, this applies to all primary and secondary schools, regardless of whether they remain with the Council or convert to an academy during the year. The component parts of the NFF funding formula for schools will be uplifted by 2.4%, after the inclusion of the 2023/24 Mainstream Schools' Additional grant (MSAG). Appendix two provides more details on the amounts. On top of this funding floor will be set at 3%, which means at LA level there will be an increase of at least 3% per head increase in grant, potential impact is c.£15m.
- 3.1.2 Certain components of the formula will change from 2024/25, this was following the outcome of the consultation [Implementing the Direct NFF](#) reported to School Forum June 2023. The formula changes relate to split sites, growth and falling rolls funds,
- 3.1.3 **Split site** - funding provides additional funding to schools where they are split over more than one site. This funding will be based a national formula approach replacing the locally determined formula from 2024/25. Manchester has four split site schools that qualify for this funding, these schools will benefit from the national formula, the increase ranging from £9k to £36k.
- 3.1.4 **Growth Fund** - A minimum funding criterion for growing schools will be introduced 2024/25, rather than moving straight to a fully determined national standard rate. This applies where a school has agreed with the local authority (LA) to host an additional class to meet basic need. The NFF minimum funding level has been set at £1,550 per pupils (x ACA).
- 3.1.5 Implications for Manchester - that it would have to implement an increase to the growth funding paid to schools to comply with the minimum level, demonstrate on table three below. If this was introduced this financial year the impact would be

additional c.£193k funds being allocated to schools/academies.

Table Three: Growth funding per pupil increase 2024/25

	Maintained			Academy		
	MCC	NFF (min.)	Increase	MCC	NFF (min.)	Increase
Primary	£1,004	£1,550	£546	£1,721	£2,657	£936
Secondary	£1,311	£1,550	£239	£2,247	£2,657	£410

- 3.1.6 **Falling rolls funding** - is targeted only at schools where places will be needed in future, the restriction that it can only be provided to schools judged “Good” or “Outstanding” by Ofsted has been removed from 2024/25. Falling rolls funding can only be provided to schools where data shows that school places will be required in the subsequent 3 to 5 years.
- 3.1.7 Due to the significant levels of growth throughout the city, there has not been a need for this type of fund. Consideration now needs to be given to whether this is needed in the primary sector.
- 3.2 **High Needs Block (HNB)**
- 3.2.1 The HNB funds specialist education provision for children and young people up to 25 years old with Special Education Needs and Disabilities (SEND). Nationally there is an increase of 4.3% (£440m) across the HNB allocation, from 2023/24 to 2024/25.
- 3.2.2 Manchester’s provisional figure shows a gain of 3.6% per head increase over 2023/24 allocation, extra funding **c.£4.1m**. For comparison, the increase 2023/24 was £8.3m, (excluding the HNB additional schools funding grant of £5.0m), an increase of 7.25%. The final 2024/25 allocation will be confirmed in December 2023.
- 3.3 **Central Schools Services Block (CSSB)**
- 3.3.1 CSSB support education role in education, DfE has increased the CSSB funding nationally by £5.5m recognising the increase in copyright licences LA faced 2023/24.
- 3.3.2 2024/25 Manchester’s per pupil reduction is expected to fall by -1.53% (£0.64 per pupil), c.£53k, and will not qualify for protection. The impact of this means that Manchester’s funding level per pupil will remain the same despite additional responsibilities and increase cost for copyright licenses.
4. **Teachers Pay Additional grant (TPAG) 2023/24**
- 4.1.1 Teachers and leaders will receive a pay award from September 2023, of at least 6.5%. Schools will have to meet 3.5% of the cost of the pay award from existing budgets and the remaining 3% intended to be covered from additional grant, TPAG.
- 4.1.2 Mainstream schools TPAG is calculated by DfE, schools can look up their [indicative TPAG allocations](#). For special and AP schools, funding will flow through the LA, as DfE does not have the data to direct it sufficiently accurately; all the funding provided will go to special and AP schools, schools will be consulted before deciding on methodology for allocating TPAG funding.

#### 4. Conclusion and Recommendations

- 4.1 **All** School Forum members are asked to note and comment on:
- Early Years Supplementary Grant (EYSG) allocation from September 2023.
  - Expansion of early years offer for working parents from April 2024 and the DfE consultation on funding allocation for the extended offer.
  - National Funding Formula (NFF) 2024/25 updates, and the potential impact.
  - Teacher Pay Additional Grant (TPAG) from September 2023.

## Appendix One: EYSG Increase in rates from September 2023.

	2023/24 Hourly rate April -August £	2023/24 Hourly rate Sept -March £	2023/24 EYSG Hourly rate Incr. £
<b>2-Year-olds Base Rate</b>			
LA Funding	5.73	7.46	1.73
To Providers	5.62	7.35	1.73
Retained by LA	0.11	0.11	0
<b>3-to-4-Year-olds Offer</b>			
LA Funding	5.4	5.58	0.18
To Providers:			
Base rate (all providers)	4.7	4.88	0.18
Deprivation supplement (all providers)	0.00 - 0.45	No change	
Quality supplement (eligible providers)	0.17	No change	



## Appendix Two: School Block – NFF Uplift 2024/25

- Mainstream schools additional grant (**MSAG**) **2023/24 will be rolled into the 2024/25** NFF funding rates. MSAG rates 2023/24: -
  - Basic per-pupil rate primary: £119
  - Basic per-pupil rate key stage 3: £168
  - Basic per-pupil rate key stage 4: £191
  - FSM6 per-pupil rate of £104 per eligible primary pupil
  - FSM6 per-pupil rate of £152 per eligible secondary pupil
  - Lump sum of £4,510
  
- **Increase in NFF factor values** (on top of MSAG added), **plus 2.4%** to: -
  - Basic entitlement
  - Low prior attainment
  - FSM6
  - IDACI
  - EAL
  - Mobility
  - Sparsity
  - Lump sum
  - MPPL – Mini. Per pupil levels  
  - FSM factor +1.6% with the gross domestic product deflator forecast for 2024/25 ( [gdp-deflators-at-market-prices-and-money-gdp-march-2023](#) )

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