

Papers for Schools Forum meeting 9 January 2024

Item 5

Surrey Schools Forum

9 January 2024

For discussion (part) and decision (part)

Lead officers: Julia Katherine/David Green/Sarah Bryan

Update on final Dedicated Schools Grant settlement for 2024/25 including high needs block update and CSSB funding

Summary

This paper summarises the changes in 2024/25 Dedicated Schools Grant allocations between the July provisional allocations, the October amendments and the December final allocations.

Background

The DfE announced the '3 I L Q D O ' ' H G L F D W H (DSG) settlement for 2024/25 on 19 December 2023. The table below summarises the final DSG allocations (before deductions for academy recoupment or direct funding of academy places) and compares them with those for 2023/24 and with the provisional 2024/25 allocations announced in July 2023 and the corrected allocations announced in October 2023.

Table: summary of DSG changes between 2023/24 and 2024/25

DSG block	2023/24 (latest) £m	2024/25 July 2023 £m	2024/25 Oct 2023 £m	2024/25 (Dec 2023) £m	2024/25 Change Oct to December £m
National funding formula (NFF) schools	792.9	844.0*	836.5*	836.7	0.2
Central schools	6.5	6.6	6.6	6.6	n/a
High needs	218.1	223.8	223.8	225.3	1.5

Note that the increase in schools block between 2023/24 and 2024/25, shown above as £43.8m, is V D F W X D O O \ ... P ³ Q H Z P R Q of the 2023/24 main stream O L H X

Approve the level of the growth fund budget (item 7)
Approve the use of the centrally managed schools budget (item 11)
Approve the use of centrally managed early years funding (item 9)
Be consulted on the proposed schools and early years funding formulae (final decision is for the local authority) (as above, and items 8 and 9)
Be consulted on the proposed use of the high needs block.

Recommendations

That the Forum notes the updated DSG allocations and the updated high needs block position.

precisely the sum allocated to them for growth, and they will continue to have the
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Schools extending age range (such as infant schools expanding to primary, or wholly
new schools) must be funded for 2024/25 R Q ³DYHUDJH SXSLG QXPEBVHUD.
October 2023 and estimated October 2024 pupil numbers. The difference between the
cost of average pupil numbers and the cost of using October 2023 pupil numbers alone
is a further cost to the growth fund, although schools receive this funding as part of their
main formula budget share, rather than separately.

For 2024/25 the DfE is making some changes to growth criteria which will necessitate
changes to those in Surrey. Specifically, ³ JURZWK IXQGLQJ HLWKHU WKU
fund, or by adjusting pupil numbers in WKH ³the annual school level budget return
from LA to the DfE), will need to be provided (at a minimum per pupil rate) regardless of
whether the additional class is within or outside of the 3\$1´ ZKHUH LW LV QHHGH
growth in demand in the area, although it also refers to maintained schools and
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Budget available	4,341	3,590	3,629	2,786
<u>The available budget is calculated as shown below</u>				
Estimated DFE growth and falling rolls allocation	4,891	5,895	5,934	4,611

Use of average pupil numbers for schools extending age range

Where a school is extending its age range (eg infant converting to primary, or wholly new school opening one year group at a time), the additional pupils in the new year groups must be funded by using average pupil numbers (i.e. $5/12 \times \text{Oct 2023 actual}$ plus $7/12 \times \text{Oct 2024 estimate for 2024/25}$) rather than via growing schools funding. Such schools will still receive growing schools funding for resources, missing year groups etc.

Where a school is extending its age range and the PAN of such a school is not changing, we propose that average pupil numbers should be used only for the expanding phase (infant, junior or secondary) rather than for the whole school. Thus, for an infant school expanding to a primary school, actual Oct 2023 pupil numbers would be used for all infant year groups, and average numbers for all junior year groups. For a secondary school in this position, average pupil numbers would be used for all secondary year groups.

Where a school is extending age range, and its PAN is changing, we propose that average numbers are used in the new phase, and also for those year groups in the old key stage which are affected by the change in PAN only. The logic is that a school on average pupil numbers should not gain or lose funding in year for a change which could have happened, and which would not have affected funding, in any other school.

Annex B shows the schools where estimated average pupil numbers are expected to be used in 2024/25.

Where a school has been funded in part on estimated pupil numbers, and actual pupil numbers are used from 2024/25, we propose that the difference between estimated and actual pupil numbers should be used to adjust funding from estimated to actual pupil numbers, but this adjustment must be made in the following year. Such adjustments have been made in Surrey since 2016/17 and we propose to make them again in respect of 2024/25 estimates. In some cases, this may require a change in vacancy funding, where the number of pupils in the oldest year group (which attracts vacancy funding in expanding primary schools) differs from the estimated number. Adjustments would be made only in respect of year groups for which estimated pupil numbers were used initially.

which will be available to meet pre-opening costs. These costs are met from the growth fund and therefore the basis of funding requires the approval of Schools Forum.

In December 2018, the Forum agreed that a lump sum of £100,000 could be made available to proprietors of wholly new primary mainstream free schools, established in response to a competition run by the LA, to meet revenue pre-opening costs. This would cover, or contribute to, costs of early appointment of staff and non capital resources costs, including resources for non classroom accommodation. It is not currently anticipated that any such costs will be incurred in 2024/25 and therefore no budget has been provided.

For the avoidance of doubt, this pre opening funding would not apply to free schools

2023/24 growth fund issues: secondary schools with recent PAN reductions being asked to exceed the reduced PAN

In December 2022 the Forum considered the application of growth funding to various secondary schools where PANs had either been held below previous figures, or had been reduced recently, and were now being increased. The Forum is now asked to approve growth fund allocations to three such schools.

*four year R pupils (difference between Oct 2022 and Oct 2023 year R)

* 64 year 1-6 pupils (net fall in numbers between Oct 2022 and Oct 2023. In all year groups except year 6 the number of pupils identified as moving to nearby schools exceeded the net losses).

This school was seen as an exceptional case for falling rolls funding, due to the particular circumstances, ie relocation initiated by the LA.

The estimated cost for September 2024-March 2025 (part year) is around £140,000 (subject to final agreement on 2024/25 units of resource).

Use of falling rolls funding in this way is subject to DfE clarifying some technical issues over the criteria.

Recommendations

That the Forum:

- * notes current estimates for growing schools funding for 2023/24;
- * agrees the proposed criteria for growing schools funding for 2024/25 (summarised above and described in Annex A, note in particular proposed changes affecting growth within PAN and conditional proposal for part 2 of annex A;
- *

Annex A: Details of proposed growing schools criteria for 2024/25: existing mainstream schools

1 Additional classes opening in September 2024 (both primary and secondary)

Where the LA has requested a school to open an additional class above its PAN or exceed PAN by ten or more (or an increase in PAN of ten or more is supported by the LA), actual pupils admitted above the highest of

The new PANw

Eg infant school increased PAN from 30 to 60 in Sept 2020 but admitted only 25 pupils in September 2021 (below 30). If 60 pupils were admitted in Sept 2024 (replacing the leaving group of 25) 30 would be funded as growth, and thus the school would be funded for growth for three years (the same as the number of year groups) in total

school has recently reduced PAN, with the support/agreement of the LA and is now exceeding the new PAN

We would treat as growth provided that the reduced PAN had operated for three years or more, and that there were not places available in other schools within the local area. The intention of the three year restriction is to avoid schools seeking routinely to gain growth funding by means of frequent changes in PAN which are not expected to be sustained

school has not changed PAN, but requires an additional class to accommodate growth in demand in the local area (ie there are insufficient spaces in suitable alternative schools)

We are currently seeking clarification as to whether this third scenario falls within the revised DfE criteria and propose to fund only if DfE confirms that it does. Subject to DfE confirmation, where there is an increase in numbers between leaving and entering group such that an additional class is required if the school is not to adopt vertical grouping

Where a school is expanded permanently, the resources allocation given will be based on the number of additional classes created, excluding any bulge classes which have already received resources allocations.

Resources allocations are provided whether the additional classes are funded through growing schools fund or through use of average pupil numbers.

Where a school expands by half a class a year (eg PAN 45 to PAN 60, or infant school expanding to PAN 15 primary school), resources funding will be allocated in alternate years only.

4 Funding for protected vacancies in bulge classes or following permanent expansion (primary sector only)

Where a primary school is asked to increase PAN, or exceed PAN temporarily, in any year group by ten or more, vacancies in the relevant year group may attract funding. Where due, vacancy funding will be calculated up to the next multiple of 30 for each year group (except where old or new PAN implies vertical grouping). For schools with PAN=15, vacancies will be calculated against year groups of 15.

For extra infant classes resulting from expansions starting before September 2019, the protected vacancy funding would be at the basic entitlement rate less de-delegation and central services levy. For academies it is the basic entitlement rate less £15.93 per pupil. For expansions starting after September 2019, vacancy funding would be at 90% of basic entitlement less the same deductions.

For extra junior classes resulting from expansions starting before September 2019, the rate would be 95% of the basic entitlement rate less deductions as above. For extra junior classes resulting from expansions starting after September 2019, the rate would be 90% of basic entitlement rate less deductions as above. Vacancies would only be funded at key stage 2 where an additional class was necessary to avoid class sizes exceeding 34. Protected funding would normally last for three years for a year R bulge class and four years for a bulge class/permanent expansion first admitted at year 3. It would not automatically follow through from key stage 1 into key stage 2, although Schools Forum has previously approved an exception for schools within the 20% most deprived by FSM and which have ten or more vacancies in key stage 2 bulge classes.

Annex B Growing schools requiring funding on estimated pupil numbers in 2024/25

School	New year New year	Places	Est cost of group group if full (7 month)£
Hatchlands Primary School	6	60	159,000
Westvale Park Primary Academy	4	60	153,000
Meadowcroft Community Infant School	3	30	80,000
St Peter and St Paul CE Primary School	5	30	73,000
Heathside Walton	9	180	638,000

Item 8
Surrey Schools Forum

9 January 2024

For support

Lead officer: David Green

**Final proposals for Surrey mainstream schools funding formula for 2024/25,
including disapplication requests and post 16 mainstream SEND place funding**

Summary

As usual, the

Changes in the level of additional need

The table below shows that measured incidence of low prior attainment in the primary sector, and of EAL in both sectors, has increased between 2023/24 and 2024/25. This means that the level of additional need Surrey pays for is greater than the level which is funded by DfE, and accordingly Surrey needs to set funding rates and/or ceiling levels lower than estimated in the September consultation as amended in October. (This has always been a risk, but until 2023/24 was not generally an issue in practice).

Summary of changes in additional need 2022/23-

would preserve the lump sum above NFF, as supported in the consultation (with correspondingly lower basic entitlement rates). Both options assume use of £0.4m surplus growth fund (see item 7 above).

The table below shows the impact of the two options described above and the number of schools on MFG and ceiling under each. For comparison, the impact of not using a ceiling is also shown (but not recommended).

	98.5% NFF and ceiling (base case)	Lower funding rates and higher ceiling	No ceiling
Formula factors % of NFF (apart from lump sum change)	98.5%	98.40%	98.30%
Minimum funding guarantee	0.50%	0.50%	

Annex A to item 8: Further data on the impact of a ceiling, particularly on small primary schools

The table below compares the number of small primary schools subject to a ceiling deduction under each of the options considered above.

	98.5% NFF and ceiling	Reduced NFF, higher ceiling	% (98.5% NFF)	% (reduced NFF)
Number of primary schools < 100 pupils on ceiling	14	9	45.16%	29.03%

NB Analysis has concentrated on primary schools, as few secondary schools are subject to ceiling deductions, reflecting their larger size which means overall year on year variation in data is often smaller. By contrast, turnover of one year group in a small primary school can have a major impact on the mix of pupil characteristics within the school, and thus on funding levels.

Item 9

It should be noted that while Surrey will be expected to fund providers on a termly count basis for all entitlements, for at least 2024/25 w

cost increase within the maintained nursery schools supplementary funding rate, rather than the basic hourly LA funding rate

Divide the remainder equally between the four maintained nursery schools.

Teachers pay and pension supplement (3-4 year olds only)

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academy providers employing teachers in the teacher pension scheme. This was in lieu of the former teacher pay and pension grants which were assimilated into DSG in 2023/24

For 2024/25 DfE has included a 5p increase in the hourly rate paid to LAs, to cover the former teacher pay additional grant introduced in Sept 2023 plus the additional cost of the 5% increase in employer contributions to the teacher pension scheme from April 2024. Once again the LA proposes to recognise the purpose of the additional funding, by distributing it to maintained and academy schools which employ nursery teachers who are in the teacher pension scheme and for whom the cost increases are unavoidable. This is estimated to support a 27p increase in the teacher pay and pension supplement for these providers (subject to reviewing the proportion of hours taken up in state provision). Separate arrangements apply to maintained nursery schools (see above).

Centrally Retained Funds

In 2023/2024 Centrally Retained Funds for 3 and 4 year olds wBT/F1 W* nBT/F1 entrallyeacher pF

new posts and projects has been carried out through the Early Years Implementation Board with partnership engagement from the maintained and Private and Voluntary sectors as well as our professional internal and external partners. The new team structures and the recruitment to the new posts are subject to cabinet approval in February 2024.

It should be noted that DfE have indicated that once the new entitlements have been embedded they are proposing to cap centrally retained funds at 3%. For this reason we have limited our permanent commitment to 3% of current budgets, with a 10% contingency, to be reviewed as budget grows.

Remaining Centrally Retained Funds will be used for implementation of the new provision with a focus on:

- ‡ Sufficiency grants including both revenue and capital packages for schools and settings to develop additional places.
- ‡ Workforce development and training
- ‡ Safeguarding and quality development of provision for 2s and under
- ‡ Language and communication development
- ‡ Transitions

DfE Implementation grant funding

	2023/24	2024/25	2025/26
EY Revenue Funding	£205,115	£-	£-
Wraparound Revenue	£22,013	£1,520,072	£705,933
Capital Funding for both EY and Wraparound		£1,755,053	

Recommendations

That the Forum approves the proposed central expenditure for all early years age groups

That the Forum supports the proposals for early years formula funding rates (including supplements and maintained nursery schools supplementary grant) and for early intervention fund

Annex 1 to item 9 Summary of consultation questions, responses and main comments

1.Do you support the central retention of 5% of Early Years DSG?

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3. Do you support the proposed levels of funding in relation to deprivation?

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No	9%
No views	69%

Comments

A portion of this should be based on numbers of children per school before splitting 4 ways.

Why should nurseries get a higher rate than childminders when we are all governed by OFSTED and implement the EYFS?

Item 10

Surrey Schools Forum

9 January 2024

For discussion and support

Lead officer: Julia Katherine

Three proposals to support Early Intervention and Inc

be proportionate to the length of the delays and we intend to make payments in this financial year 2024 as the delays to EHC Needs Assessments are predicted to be managed down by May 2024.

Decisions will be informed by the following factors.

- Proportionality of EHCNAs which are delayed to the size of the school and the percentage of pupils already at SEND Support
- Length of delay
- Whether the school is currently carrying over significant levels of financial reserves

We are identifying which schools are likely to be in scope for this funding and will communicate directly with them in due course.

Proposal 3: Additional funding to maintain the current additional input from the STIP service.

The STIP service is currently providing additional support to schools where EHCNAs are delayed and ensuring that all children and young people with additional needs continue to be well supported while their assessment is underway. So far in the autumn term 2023, they have spent 83 hours discussing pupils who have waited more than 20 weeks for an Education, Health and Care Needs Assessment, and 106 meetings with SENCOs have taken place. This input has been valued by schools and has enabled consistent monitoring of changing or escalating needs including, where appropriate updating SEND Support Arrangements. This offer is being made without charge to school currently but is not sustainable without additional finances to increase the workforce on an interim basis. If we are unable to increase capacity to maintain

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Item 11 (a)
Surrey Schools Forum
9 January 2024
For decision
Lead officer: David Green

Proposed Central Schools Services Block budgets 2024/25

Background

The Central Schools Services Block (CSSB) funds a range of services within the former Schools Block, including those funded prior to April 2017 by the former Retained Education Services Grant (ESG), but not including funding de-delegated or levied sums from individual schools budgets. These services are statutory responsibilities of the LA both for maintained schools and academies, and there is no expectation that this funding is delegated to schools. The Forum has the right of approval of expenditure from the central schools services block (except payments to the DfE for licences and subscriptions). The LA has the right of appeal to the Secretary of State if the Forum refuses.

The value of Surrey's central schools services block funding allocation (excluding historic commitments) has increased by £0.200m in 2024/25. The CSSB also includes a

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Phase council supply cover	30	30
Total former retained ESG services	2,469	2,456
7 H D F K H U and P S D on funding for centrally employed teachers (assimilated former grant)	557	557
Historic commitments funding delegated to schools (net)*	125	
Independent chair for Surrey Education Partnership	5.32	

general fund since DFE deleted the former schools improvement monitoring and brokering grant

Funding for additional (ie non statutory) school improvement support for maintained primary schools, which was included in 2023/24 at £8.75/pupil, has already been approved for 2024/25 under de-delegation, at the same rate per pupil as in 2023/24.

Recommendation

That representatives of maintained primary, secondary and special schools and PRUs approve a levv.f50.000008871 0 595.32 841.92 reW* nBT/F1 12 Tf1 0 0 1 395.11 721 G[s]10(u FM

Annex A to item 11b LA Responsibilities for Maintained Schools within the scope of the central services levy (except school improvement)

Annex B to item 11b Proposed statutory school improvement duties for which central services levy deductions are proposed

Statutory school improvement work

Risk assess all maintained schools through scrutiny of information, a school Key

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Support and challenge schools causing concern and at risk ±currently SAfE supports 40 S&C schools

Broker support from good and outstanding schools to those at risk

Proactively support schools due to be inspected ±currently SAfE has a programme of support for infant, junior and primary schools due to be inspected

Support schools through inspections

Support maintained schools with recruitment of headteachers

Provide advice and guidance to all schools

Provide support to schools on improving outcomes for the most vulnerable pupils including disadvantaged pupils

Ensure a rich and relevant programme of support for schools is in place (though the programme is not funded through the grant)

Annex C to item 11b Table of Budgets for statutory LA services to be funded from the central services levy

	2023/24 Levy reported to Schools Forum 8 Dec 2022 (£000s)	2024/25 Estimated levy (£000s)
Statutory/regulatory duties		
Finance	251	257
Governance	60	60
HR	215	161
Monitoring national curriculum assessment	94	94
ICT (mainly data collection)		
Teachers pensions admin	229	229
Facilities management (incl trees)	87	47
Schools risk management (part -not all DSG funded)	203	203

Item 12

Surrey Schools Forum

9 January 2024

For information

Lead officers: Julia Katherine – Director, Education & Lifelong Learning

Jim Nunns – Assistant Director, Inclusion and Additional Needs (NW)

For discussion and support

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Proposal 1 - Primary Locality Nurture Hubs

Each Primary Locality Nurture Hub will be a suitable space integrated within a mainstream Primary school which provides a small, secure and reliable environment for up to 8 children who have social and emotional barriers to learning which are impacting on their progress and would benefit from the opportunity to re-experience pre-school nurture from caring adults. Placement in a Hub will entail an extensive, holistic, triaged access process, with children able to attend for around 2.5/3 hours per day and remain for up to 4 terms, before return to their class with a supported gradual transition back.

Locality Nurture Hub host schools will provide a flexible model that acknowledges whilst it is preferable for children to remain included within their own school, there may be circumstances where it is in the best interest of a child from a local school to attend the group.

12 Primary Locality Nurture Hubs will provide a network of expertise and support, to promote and develop our nurturing approaches across the county. To address the current inequality of provision at least one hub will be located in each borough. Locality Nurture Hubs will also be utilised to support groups for parents around nurture approaches as part of the Service Level Agreement (SLA). The SLA is being coproduced with stakeholders including User Voice, Family Voice, School Leaders and STIPS to ensure the service model provides high level provision that meets stakeholder needs as well as commissioning intentions.

Impact and outcomes:

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reduce demand for EHCNAs in KS1 and into KS2

support delivery of strategic priorities within Early Intervention and Inclusion, EHCP Recovery, IAN Strategy and Inclusion Strategy

meet our performance criteria related to the Safety valve Agreement 3.1 Develop and embed local initiatives that provide information, advice, and support early help and appropriately, promoting inclusion, improving outcomes, and avoiding the escalation of needs.

Reduce suspension and Permanent exclusion.

Reduce number of pupils subject to Emotionally Based School Non-attendance.

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model will be coproduced with partners with Emotionally Based School Non-attendance (EBSNA) in scope as well as developing nurturing approaches across the county.

As with primary phase provision, the 12 secondary Locality Nurture Hubs will provide a network of expertise and support, to promote and develop our nurturing approaches across the county. To address the current inequality of provision at least one Hub will be located in each borough. Secondary Locality Nurture Hubs will also be utilised to provide support groups for parents around nurture approaches as part of the SLA.

Impact and **outcomes:**

Item 13
Surrey Schools Forum
9 January 2024
For information
Lead officer: David Green

Arrangements for payment of government grants to schools for 2024/25

The LA is expected to consult the Schools Forum annually on the administrative arrangements for central government grants. However, most central government grants allocated to schools (other than Dedicated Schools Grant) are allocated on the basis that the

