

School Forum

11 October 2022

6.00 pm at the

Cheam High School, Chatsworth Rd, Cheam, Sutton SM3 8PW



Member	Role
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Academy Representation (A)	
Bec Allott	Academy Secondary Headteacher
Jamie Bean	Academy Secondary School
Richard Booth	Academy Secondary Headteacher
Nathan Cole	Academy Secondary Headteacher
Peter Naudi	Academy Secondary Headteacher
Phillip Hedger	Academy Primary Headteacher
Sharon Roberts	Academy Primary Headteacher
James Kearns	Academy Special School Headteacher
Vacancy	Academy Primary Governor
Emma Bradshaw	Academy Pupil Referral Unit (shared)

Maintained School Representation (B)	
Dr Mary Howard	Maintained Secondary School Governor
Jenny Sims	Chair; Maintained Primary School Governor
Havard Spring	Maintained Primary School Headteacher
Emma Walford	Maintained Nursery School Headteacher
Bev Williamson	Sutton Tuition and Reintegration Service (shared)

*Enquiries to: London Governance Limited londongovernanceltd@gmail.com
Copies of reports are available in large print on request*

Other Representation (C)	
Vicki Bell	Early Years Provider
Jason Pemberton-Billing	14-19 Provider
Sue Smith	Sutton Teachers Committee
Andrew Theobald	Vice Chair; Archdiocese of Southwark

Observers (D)	
Councillor Rob Beck	Vice Chair of the People Committee
Councillor Jane Pascoe	Opposition Spokesperson for the People Committee

Matthew Stickley
Clerk
5 October 2022

A G E N D A

- 1 Welcome and Introductions**
- 2 Apologies for Absence and Declarations of Interest**

Quorum: two fifths of total membership.
- 3 Minutes of the Previous Meeting** 1 - 2
- 4 Urgent Business and Other Matters**

The Chair will advise of any item to be considered urgently. The forum may also raise matters not covered elsewhere on the agenda.
- 5 Revenue Report** 3 - 8
- 6 Discretionary Schools Grant Statutory Override** 9 - 12
- 7 Early Years National Funding Formulae Consultation** 13 - 20
- 8 School Improvement and Monitoring Grant and Core Statutory Duties** 21 - 28
- 9 Exclusion Funding** 29 - 34
- 10 Capital Report** 35 - 38
- 11 Confidential Session**

The forum may resolve to consider an item in confidential session.

1: Welcome and Introductions

The Chair, Jenny Sims, welcomed those present and watching the live stream.

2: Apologies for Absence

Apologies for absence were received from Emma Bradshaw.

3: Declarations of Interest**3: Minutes of the previous meeting**

RESOLVED: That the minutes of the previous meeting held on 22 February 2022 be agreed as an accurate record.

4: Any Urgent Business

There was no urgent business.

5: Revenue Report and 2021/22 Outturn

The Strategic Finance Business Partner introduced the report.

RESOLVED:

1. To note the outturn position on the DSG for 2021/22.
2. To note the surplus balance of £1.368m to be carried forward to 2022/23.
3. To note and approve the latest budget for 2022/23.
4. To note the latest outturn position for 2022/23, as at month 2 (May 2022).
5. To note the S251 Budget Statement - DSG for 2022/23.

6: Central Services Block - Admissions

The Head of Pupil Based Commissioning introduced the report.

RESOLVED:

1. To increase the school admissions budget from £346k to £376k to be funded from the Central Services Block.

7: Homes for Ukraine funding

The Schools Commissioning and Capital Lead introduced the report.

RESOLVED:

1. To note that officers will be planning on the basis of this proposal until the conditions of grant are made available from the DfE.

8: Capital Report

The Schools Commissioning and Capital Lead introduced the report.

RESOLVED:

1. To note the summary of developments against the primary, secondary and special expansion programmes.

9: School Improvement and Monitoring Grant

The Head of Pupil Based Commissioning introduced the report.

The recommendation of the report only applied to maintained schools and so it was only maintained school representatives who were eligible to vote.

RESOLVED:

1. To review the proposal from the Local Authority and to consider whether there are any alternative options which they would like the LA to consider prior to a final decision being made at the October Schools Forum.

10: Growth Funding Policy

The Schools Commissioning and Capital Lead introduced the report.

RESOLVED:

1. To note the summary of developments against the primary, secondary and special expansion programmes.
2. To approve the draft Capital Maintenance programme for 2022/23.

Prior to closing the meeting the Chair thanked Fiona Phelps, Sutton Council's outgoing Assistant Director of Education and SEND, for her service to the Forum and borough, and also reflected on the contribution of Nick Ireland, Sutton Council's recently departed Strategic Director of People Services, to the borough's schools and young people. Members of the Forum joined the Chair in conveying their appreciation and best wishes.

Report Title	Revenue Report
Meeting	Schools Forum
Date	11 October 2022
Chair	Jenny Sims
Report Author(s)	Carol Worne, Strategic Finance Business Partner, Sutton Council
Open/Exempt	Open

1. Summary

- 1.1. This report provides an update on the Dedicated Schools Grant (DSG) since the last meeting of the Forum.

2. Recommendation(s)

- 2.1. To note the latest position on the DSG for 2022/23, as at August (month 5).
- 2.2. To agree the Minimum Funding Guarantee level for 2023/24.

3. Background

- 3.1. Spending decisions on the DSG were agreed by the Schools Forum in February 2022 for the financial year 2022/23. This report refers to issues that have arisen since the last meeting on 28 June 2022 and provides details of the latest DSG budget for 2022/23.

4. DSG Budget 2022/23

- 4.1. The latest DSG allocation for 2022/23 is £112.547m after recoupment for academies and high needs place funding provision of £133.324m and £7.668m respectively.
- 4.2. The Early Years estimated clawback for 2021/22 of £219k is still to be confirmed by the ESFA. The notification is due in November 2022.
- 4.3. Please find attached, at Appendix A, a breakdown of the DSG budget for 2022/23 and the variance as at August 2022 (month 5). The highlighted areas in the high needs block indicate the SEN budget.
- 4.4. The DSG is currently forecasting an overspend of £0.225m, as of month 5, which is in the High Needs Block. The projection includes an allowance for future placements based on current placement costs projected to March 2023, with a net increase of 17 EHCP learners per month, at an average annual cost of £15k per learner.

- 4.5. The current in-year forecast overspend will be offset by the cumulative surplus balance in the DSG reserve which at 1/4/22 was £1.368m; this was made up of £1.321m carried forward from 2020/21, plus £0.047m added at year end 2021/22. The reserve balance includes an earmarked unspent fund of £0.390m, relating to SENCo Clusters, and statutory clawback funds due to exclusions of £0.107m, which have been drawn back into the 2022/23 budget. This leaves a remaining reserve of £0.871m, which represents a 34% reduction of the 2021/22 reserve.
- 4.6. Local Authorities are expected to actively manage deficits in the DSG and to ensure that funding is used appropriately and efficiently. The Council's 'Ambitious for SEND' programme has identified a number of key strategic work streams that are underway and are focussed on ensuring that the funding available is targeted to need as closely as possible.

5. DSG Budget 2023/24

- 5.1. In July 2022 the Department for Education (DfE) announced provisional funding allocations for 2023/24 for the School, High Needs and Central Schools Services blocks, excluding growth funding and based on 2022-23 pupil numbers.
- 5.2. The main changes are:
- Across England, the provisional National Funding Formula (NFF) allocation for schools, high needs and central services block will increase by £1.36bn (2.7%)
 - Across London Councils, this equates to an increase of £208m (2.4%) and for Sutton £7m (2.9%)
 - This is a summary of increases and percentage increases across England, London and Sutton:

Increase	England		London		Sutton	
Block	2022/23 £m	2023/24 £m	2022/23 £m	2023/24 £m	2022/23 £m	2023/24 £m
All Blocks	50,815.3	52,173.0	8,821.7	9,029.6	244.0	251.0
Schools Block	41,486.5	42,291.8	7,005.2	7,114.2	189.6	194.1
High Needs	8,929.6	9,498.3	1,745.5	1,847.4	52.5	55.1
CSSB	399.3	382.8	71.1	68.0	1.9	1.8

% Increase	England		London		Sutton	
Block	Increase £m	%	Increase £m	%	Increase £m	%
All Blocks	1,357.0	2.7	207.9	2.4	7.0	2.9
Schools Block	805.3	1.9	109.0	1.6	4.5	2.4
High Needs	568.7	6.4	101.9	5.8	2.6	4.9
CSSB	(16.5)	(-4.1)	(3.1)	(-4.4)	(0.1)	(-1.2)

- The historic commitments element of CSSB funding will decrease by 20% in line with the process the DfE introduced, to withdraw funding over time. However, it has been confirmed that we can make a disapplication request to have this added back if our forecast costs exceed the reduced funding.
- The supplementary funding, paid to mainstream schools as a separate grant in 2022/23, will be included in the baseline funding from 2023/24 (this has been taken into account in the above calculations)

6. National Funding Formula 2023/24 Updates and Key Changes

- 6.1. Schools NFF funding is increasing by 1.9% per pupil compared to 2022/23 and 7.9% compared with 2021/22.
- 6.2. Individual NFF factor values have increased by:
 - FSM6 - 4.3%
 - Basic entitlement, LPA, FSM, EAL, mobility, sparsity factors and lump sum - 2.4%
 - 0.5% to the floor and the minimum per pupil levels (MPPLS)
- 6.3. In line with the commitment to move closer to the NFF, the following transitional changes will take effect for 2023/24; this is for information purposes only, as Sutton already uses the NFF factors and has done so for a number of years:
 - Local Authorities must use all NFF factors, except the locally determined premises factors.
 - Local Authorities can only use NFF factors in their local formulae
 - The local formula factor values should be moved at least 10% closer to the NFF, subject to a 2.5% mirroring threshold
- 6.4. From 2023/24, the school improvement monitoring and brokering grant will no longer be paid to local authorities. Local authorities are now able to deduct funding from maintained school budgets for this activity instead.

7. Minimum Funding Guarantee 2023/24 - Schools Block

- 7.1. LA's must set their Minimum Funding Guarantee between +0.0% and +0.5%. The funding floor protection for 2023/24 is 0.5%.
- 7.2. In 2022-23 this range was between +0.5% and 2.0%, which Sutton set at 2.0%, to mirror the funding floor protection.
- 7.3. The NFF's funding floor ensures all schools' NFF allocations see a minimum gain per pupil of x% above their prior year baseline pupil-led funding.

Financial Implications

- 7.4. This report highlights DSG issues that have arisen since the last meeting of the Forum.

8. Influence on the Council's Corporate Core Values and Objectives

- 8.1. One of the core values is partnership working. Setting the budget for the Dedicated Schools Grant, and considering related issues, is an important part of the budget process that fully involves schools as partners and particularly recognises the important role of the Schools' Forum.

9. Appendices

Appendix Letter	Appendix Title
A	DSG latest budget position 2022/23 – month 6

Description	Draft Budget	Latest Budget	Forecast	Variance	Commentary
	£	£	£	£	£
Schools Block					
Primary Maintained Funding	36,798,100	37,281,000	37,281,000	0	Core funding for maintained primary schools (NFF)
Primary Growth	40,900	108,400	108,400	0	Growth funding relating to primary schools
Secondary Maintained Funding	12,752,400	12,847,800	12,847,800	0	Core funding for maintained secondary schools (NFF)
Secondary Growth	280,400	280,400	280,400	0	Growth funding relating to secondary schools
Growth balance	120,700	154,900	154,900	0	Growth fund balance for FAP and additional EAL payments
Total - Schools Block	49,992,500	50,672,500	50,672,500	0	
Central School Services Block					
Historic Commitments					
Contribution to combined budgets	15,000	15,000	15,000	0	Funding to social care - LSCB
Early Retirement Costs (pensions)	480,000	480,200	480,200	0	Costs of school staff that retired early (historical)
Depreciation of non current assets	218,200	218,200	218,200	0	Borrowing re: Opportunity Bases in 2012
Ongoing Functions				0	
Admissions Services	345,700	345,700	345,700	0	Costs of the schools admission service (Cognus)
Schools Forum Costs	16,000	16,000	16,000	0	Costs of Schools Forum including meetings, staffing support etc...
Independent School Fees (non SEN)	150,000	150,000	150,000	0	Contributions to fees for LAC pupils attending independent schools
Copyright Licenses	184,400	184,400	184,400	0	Fees set by Copyright Licensing Authority for all schools (paid centrally)
DSG Contribution to LBS Central Provision	614,900	614,900	614,900	0	Contribution from the DSG to support central provision in the LA
Total - CSSB	2,024,200	2,024,400	2,024,400	0	
High Needs					
Early Years Place Funding (Dragonflies)	110,800	110,800	110,800	0	Lump sum paid to Thomas Wall for Dragonflies base
EY top up funding (mainstream settings)	70,000	70,000	70,000	0	Top up for individual pupils in mainstream EY settings
Portage Service	229,200	249,200	249,200	0	Playwise Service (a CIC) who provide portage (home-visiting educational services) for pre-school children with SEND and their families.
Primary mainstream	2,358,100	2,315,100	2,315,100	0	Top up for individual pupils (legacy) and additional support contracts
Primary base maintained - place funding	578,000	572,000	572,000	0	Place funding for maintained opportunity bases
Primary base - all schools	2,658,200	2,658,700	2,658,700	0	Additional Place and top up funding for maintained and academy opportunity bases
Primary - OLA	420,100	434,400	434,400	0	Top-up funding for Sutton pupils in OLA schools
Secondary Mainstream	994,100	906,100	906,100	0	Top up for individual pupils (legacy) and additional support contracts
Secondary base - place and top up funding	1,182,500	1,183,000	1,183,000	0	Additional Place and top up funding for maintained and academy opportunity bases
Secondary - OLA	389,100	378,700	378,700	0	Top-up funding for Sutton pupils in OLA schools
Special School - maintained	1,804,200	1,820,900	1,820,900	0	Place and pay and pension grant funding
Special School - maintained	3,389,200	3,415,500	3,415,500	0	Top up and top up individual funding
Special School - academies	348,100	348,100	348,100	0	Pay and pension grant funding
Special School - academies	4,946,900	4,946,900	4,946,900	0	Top up, top up individual and place extra funding
Special School - OLA	1,848,500	1,875,000	1,875,000	0	Top-up funding for Sutton pupils in OLA schools
Non maintained Independent Provision	6,920,400	6,920,400	6,920,400	0	Non maintained or independent fees - including specialist and AP provision and allowance for future placements
Allowance for Future Placements	2,498,100	2,259,800	2,403,428	143,628	to cover future costs of placements and EHCPs
Alternative Provision - Limes	1,323,200	1,351,800	1,351,800	0	Place, top up, year 11 and pay and pension grant funding
Alternative Provision - Limes	783,600	803,600	803,600	0	Top up individual and place extra funding
Alternative Provision - STARS	1,238,300	1,239,500	1,239,500	0	Place, top up and pay and pension grant funding
Alternative Provision - STARS	83,400	83,400	83,400	0	Top up individual funding
Hospital Provision - STARS	266,300	281,500	281,500	0	Lump sum paid to STARS for children educated in hospital
Targeted Youth Service	110,000	110,000	110,000	0	Contribution to Targeted Youth Services to support preventative work
Mainstream College	1,118,000	1,118,000	1,118,000	0	Placement costs related to mainstream college placements for pupils with an EHCP
Specialist College	2,704,000	2,704,000	2,704,000	0	Placement costs related to specialist college placements for pupils with an EHCP
Therapies (Cognus)	3,213,500	3,213,500	3,213,500	0	Therapies provided to individual pupils (mainstream/base/special schools) by Cognus
Therapies (Non-Cognus)	230,000	230,000	230,000	0	Therapies provided to individual pupils (mainstream/base/special schools) by other suppliers
SEN Travel Assistance	690,000	690,000	690,000	0	Contribution to SEN transport including travel training
Contribution to SW support for education	272,700	272,700	272,700	0	Contribution to Children's Social Care for safeguarding leads, Early Help services etc...
Cluster Group Expenses	217,000	217,000	298,000	81,000	SenCo Salary costs and Backfill payments, software licence costs
Other Expenses	85,000	85,000	85,000	0	External and internal legal expenses and costs of equipment
Cognus Ltd - High Needs Services	1,803,300	1,803,300	1,803,300	0	Commissioning Agreement - HN consultancy services
Total - High Needs Block	44,883,800	44,667,900	44,892,528	224,628	
Early Years Block					
Early Years - 3 & 4 Year olds	13,349,800	13,294,800	13,294,800	0	Core funding to schools, PVI, nurseries to deliver 3 & 4 yr old free entitlement (EY NFF)
Early Years - 2 Year olds	1,165,800	1,212,300	1,212,300	0	Core funding to schools, PVI, nurseries to deliver 2 yr old free entitlement (EY NFF)
Early Years - central expenses	161,000	165,000	165,000	0	Central provision - EYFE Manager and Predicable Needs funding
Cognus Ltd - Early Years Foundation	510,400	510,400	510,400	0	Central provision transferred to Cognus to provide EY advisory services
Total - Early Years	15,187,000	15,182,500	15,182,500	0	
Total DSG	112,087,500	112,547,300	112,771,928	224,628	
DSG Reserve			(1,367,993)		
SENCo Cluster Groups			390,000		Unspent 2021/22 allocations carried forward to 2022/23
Clawback - Exclusions			107,195		Statutory (£90k) and non-statutory (£17k) exclusion funding recouped in financial year 2021/22
Total - DSG Reserve			(870,798)		

SEN budget 2022/23

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Report Title	Discretionary Schools Grant (DSG) Deficit Statutory Override Consultation
Meeting	Schools Forum
Date	11 October 2022
Chair	Jenny Sims
Report Author(s)	Carol Worne, Strategic Finance Business Partner, Sutton Council Kieran Holliday, Strategic Lead for Education
Open/Exempt	Open

1. Summary

- 1.1. This report provides an overview of the Discretionary Schools Grant (DSG) statutory override consultation recently published by the Government.

2. Recommendation

- 2.1. To note the details of the consultation, the LA's response and the possible impact of any potential outcomes.

3. Background

- 3.1. In 2020, the Department for Levelling Up, Housing and Communities (DLUHC) (then the Ministry for Housing, Communities and Local Government - MHCLG) introduced a 'statutory override' that separated local authorities' DSG deficits from their wider finances. The effect of the override is that local authorities do not need to make provision from their general reserves to cover their DSG deficits. This statutory override is due to end at the end of 2022/23.
- 3.2. There is no suggestion that the outcome of this survey will have any effect on surplus reserves, it is focussing on DSG deficit positions only. DSG surplus reserves will continue to be ring fenced to the DSG.

4. Consultation

- 4.1. The DLUHC invited all local authorities to complete a voluntary survey, by 19 August 2022, to help them understand the impact of the DSG deficit statutory override ending this financial year, if it is decided to go ahead on this basis.
- 4.2. Questions covered the financial position of both the DSG reserve and the local authority general fund reserves, with an emphasis on current and forecast reserve balances up to 31 March 2025, in order to assess the likely impact of any predicted DSG reserve deficit on wider service delivery across the authority.
- 4.3. Our prediction for the DSG reserve balance, for the next three years is:
- 2022/23 - £0.870m
 - 2023/24 - £0.480m
 - 2024/25 - £0.090m

We have RAG rated our confidence in these projections as Medium.

- 4.4. The basis for this projection is the expectation of an annual shortfall of £0.390m, which is the total reduction in the DSG reserve (not including exclusions clawback) at the end of 21/22.
- 4.5. Our written answers to this survey are in Appendix A
- 4.6. The outcome of this survey will be reported at the next Schools Forum meeting.

5. Appendix

Appendix Letter	Appendix Title
A	DSG Statutory Override Survey - Answers

Appendix A - DSG Statutory Override Survey 2022-23 - Written Answers

Question 12: Are you in favour of an extension of the DSG deficit statutory override?

Do you feel that the statutory override should be extended beyond the end of the 2022/23 financial year?

Please select:

Yes

Question 13: For how many years do you feel the override should be extended?

Please select:

3 years (until 31 March 2026)

Question 14: Please provide a brief explanation of your answer to Question 12 (and if applicable Question 13) on whether or not you think the statutory override should be extended (Do not use more than 500 characters).

We currently have a surplus DSG reserve, and our forecast is for this to continue for the next two years. It is assumed that the conditions of grant to carry forward any underspend into next year's Schools Budget will continue. There is some uncertainty after this period, so we could potentially be in deficit by 31/3/25. Schools Forum currently has a sense of ownership of the DSG, and specifically the High Needs Block budget, where future overspends are likely to occur.

Question 15: What more do you think could be done to support local authorities in relation to DSG pressures?

Please list up to three measures you would see as most beneficial. Please do not use more than 150 characters for each measure.

- i Strong delivery of SEND green paper recommendations to reduce demand for EHCPs and remove perverse incentives in the SEND system
- ii Recognition of inflationary pressures on School budgets and hence DSG allocations
- iii

Question 16: If you would like to provide some brief, additional commentary on the status of your DSG balance and the statutory override, please do so here.

Over the past few years we have managed to maintain a surplus DSG reserve. With added pressures on the HNB over the coming years, and to create fairer system, we have worked with Schools Forum to revise these funding arrangements, as well as setting up additional programmes to try and reduce future demands on the service. Schools Forum has taken ownership of the pressures and understands that they stand alone from the General Fund reserves and council wide pressures on other services.

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Report Title	Early Years National Funding Formulae Consultation
Meeting	Schools Forum
Meeting Date	11 October 2022
Chair	Jenny Sims
Report Author(s)	Laura Byrnes, Early Years Commissioning Manager
Open/Exempt	Open

1 Summary

- 1.1 On 4 July 2022 the Department for Education (DfE) launched the [Early Years Funding Formulae consultation](#). This consultation closed on 16 September 2022 and the outcome of the consultation is expected to be announced in the autumn term (date unconfirmed). However, it is expected to be prior to the publication of the indicative 2023/2024 Dedicated Schools Grant (DSG) allocations in December. It is possible that the appointment of the new Early Years minister (announced on 27 September) may delay or impact the outcome of the consultation but there has been no indication of that to date.
- 1.2 The DfE Early Years National Funding Formula (EYNFF) consultation proposes to align the EYNFF approach with that used for other DSG allocations. They are proposing to do this by:
- Updating the data sets used to inform the funding formula used for local authorities allocations using the latest data available
 - Updating and amending the funding formula for the 3 and 4-year-old place allocation
 - Updating and amending the funding formula for the 2-year-old place allocation
 - Baselining the early year's element of the Teachers Pay and Pensions Grant (TPPG) within the 3&4-year-old funding formula
 - Reforming the Maintained Nursery School supplement (MNSS) that is distributed to the local authority through the introduction of a minimum funding floor (£3.80) and funding cap (£10) as well as allocate the Maintained Nurseries share of the TPPG via the MNSS
- 1.3 The DfE has not reviewed or updated the data that is used for the funding formulae since its inception (2017) instead they increased the hourly rates annually through a fixed pence per hour.
- 1.4 Whilst Local Authorities (LA) are responsible for decisions on the funding formula, they are required to consult with early years providers and the schools forum on any changes to their local formula used to distribute the early years place funding.
- 1.5 The proposed changes to the national funding formulae will result in an increase in funding allocations for Sutton's early years settings in 2023/24. However, this increase will be capped for the place funding allocation for 2 year olds and 3 and 4-year-olds.

2 Recommendations

- 2.1 To note the national consultation on the Early Years National Funding Formula and the likely impact it will have in Sutton
- 2.2 To note the indicative increase in hourly rates allocated to the Local Authority that will be passed on to Early Years providers in the Borough via the local funding formula.
- 2.3 To agree the options upon which to consult with the sector in relation to how the Teacher Pay and Pensions Grants should be distributed in the local area (currently provided for schools and maintained nurseries only) and the criteria upon which a 'quality supplement' could be defined.

3 Background

- 3.1 The EYNFF was introduced in 2017 to provide a consistent approach, based on data, that the Department for Education (DfE) used to determine the funding allocations for each local authority for the delivery of the 3 and 4-year-olds free childcare entitlements and to implement a universal base rate for all provider types. The funding formula has not been revised since its inception nor has the underlying data sets used to inform the formula, therefore it is significantly out of date.
- 3.2 The Early Years block of the Designated Schools Grant consists of five allocations shown below and is allocated based on the take up of the entitlement and eligibility of children collected during the annual spring term census.
 - i. **Childcare place funding for 2-year-olds:** This allocation is 100% passed-through to early years providers for the delivery of free childcare places for eligible 2-year-olds.
 - ii. **Free childcare place funding for the universal and extended entitlement for 3 and 4-year-olds:** Local authorities are required to pass through a minimum of 95% of this allocation to early years providers using a locally established Early Years Funding Formula. The council last consulted on its local funding formula in 2017/18 when the requirement to establish a universal base rate for all early years providers was implemented. Sutton's Early Years funding formula consists of the following:
 - Universal base rate £ 5.12 per hour
 - Flexibility Supplement £0.25 per hour
 - Deprivation Supplement £0.53 per hour
 - Inclusion funding administered by the Early Years advisory team
 - iii. **Maintained Nursery Supplement:** this allocation is provided to supplement the higher costs incurred by Maintained Nurseries Schools. Sutton has two Maintained Nursery Schools that will receive this supplement based on the number of universal free childcare places they deliver.
 - iv. **Disability Access Fund:** A fixed annual allocation of £800 is provided to early years providers for children in receipt of Disability Living allowance taking up their free

childcare entitlement. The allocation to LAs is based on data the DfE holds on eligible children residing in the borough.

- v. **Early Years Pupil Premium** is allocated to early years providers as a fixed hourly rate (60p) for eligible children accessing their universal free childcare entitlement. This allocation is established based on expected take-up.

- 3.3 Since 2018 and 2019, school-based nurseries and maintained nursery schools have received two additional grants that are allocated distributed separately from early years funding allocations (i) the Teachers' Pay Grant (TPG) and (ii) Teachers' Pension Employer Contribution Grant (TPEG) These grants were introduced to provide support to schools with respect to the 2018 and 2019 teachers' pay awards, and to support schools and local authorities with the cost of the 2019 increase in employer contributions to the teachers' pension scheme.

4 Early Years National Funding Formula - DfE Consultation 22/23

- 4.1 The proposals set out in the consultation aim to align the early years allocations with the arrangements in place for schools and high needs via the DSG, through updating and amending the underlying data used to inform the funding formula and by including the Teachers Pay and Pensions Grants (TPPG) in the overall quantum of 3 and 4 year old funding moving forward.
- 4.2 Further details of the proposed changes are available in the [published consultation document, the step by step financial modelling document and the Technical note.](#)
- 4.3 To be able to implement the proposals, and to ensure that no local authority has a reduction in funding, the DfE will apply protections – a minimum funding floor and a gains cap.
- 4.4 The proposed changes will be financially advantageous for Sutton with an increase in hourly rates for the place funding for 2, 3 & 4 year-olds as well as an increase in the Maintained Nursery Supplement hourly rate.
- 4.5 The proposed per hour funding allocations for 23/24 for Sutton are as follows
 - i. 2-year-olds funding £6.83 - an increase of 54p compared with 22/23
 - ii. 3 & 4-year-olds £6.14 - an increase of 26p compared with 22/23 case rate and inclusive of the TPPG
 - iii. Maintained Nursery Supplement £4.45 per hour per child attending the universal entitlement - an increase of 50p compared with 22/23. This also includes the TPPG funding.
- 4.6 Whilst Sutton will see an increase in the hourly rates for the place funding allocations, Sutton is one of the boroughs affected by the gains cap. This means that the 2 year old place funding hourly rate is capped by 8.6% and the 3-and-4-year-old place funding is capped at 4.4% therefore, Sutton's hourly rate does not increase to the level it should be, as calculated by the formula.

Early Years Block Funding 2022/23

- 4.7 Funding allocations and data sets will be reviewed and updated annually, however, it is not yet known when the protections will cease.
- 4.8 There is no change to the minimum pass through rate of the 3-and-4year old place funding which remains at 95%.
- 4.9 The only change to the funding formula for the two year old allocations is the update to the underlying data and the gains cap. As 100% of this allocation must be passed through to providers and there are no requirements for local funding formula there is no action for the local authority other than to increase the hourly rate paid to providers.
- 4.10 The EYPP and DAF are not included in the funding formula, therefore the distribution of these allocations will continue in the current form.

5 Teachers Pay and Pensions Grant (TPPG)

- 5.1 To align the Early Years funding with school allocations, the DfE proposes to include a Teachers Pay and Pensions Grant (TPPG) into the EYNFF for Early Years in place of the TPG and TPECG (see 3.3).
- 5.2 DfE does not propose that the TPPG is ringfenced. Instead they strongly encourage local authorities to consider the use of a 'quality supplement' in their local funding formula to take account of additional pressures that some providers might face, for example, the need to pay employer contributions to the teacher's pension scheme to distribute the TPPG. This could include cost pressures faced by PVIs in relation to qualified teaching staff, as well as maintained nurseries.
- 5.3 Sutton does not currently have a quality supplement in its local formula. Any change to the formula will require a consultation with early years providers and the schools forum - however the final decision sits with the local authority.
- 5.4 During the period April 2022 to August 2022 the TPG allocated to schools was £21.52 per child. During the same period, the TPECG that was allocated to schools was £60.92 per child.
- 5.5 TPPG has been calculated in the proposed EYFF at 10p per hour and applied to all funded hours delivered in Sutton for 3 & 4-year old place funding (universal and extended) at all early years settings. This equates to £57 per child per annum.
- 5.6 As mentioned in the previous section the Maintained Nursery Supplement is only allocated for universal hours and the TPPG calculated in this supplement is 50p per hour.
- 5.7 Both Sutton's Maintained Nursery Schools deliver the extended entitlement, these schools do not receive the MNSS for the extended hours. Therefore the Council will need to consider whether the TPPG allocations for the extended hours are appropriate for these settings when determining the funding formula for all settings.
- 5.8 The addition of the TPPG is a significant change to the Early Years funding formula that will mean that the council will need to consider its approach to distributing the TPPG so

Early Years Block Funding 2022/23

that it is equitable and transparent - a fundamental intention for the introduction of the National Funding Formula (in 2017) and a universal base rate for all provider types.

5.9 The council has two broad options to distribute the TPPG in 2023/24:

- i. Implement a 'quality' supplement that is only available to schools with nurseries
- ii. Implement a 'quality' supplement that is available to all early years education settings (schools and the Private Voluntary and Independent (PVI) sector) that employ a qualified teacher or a practitioner with an early years equivalent qualification.

The initial benefits and challenges associated with the two options above are provided in the table below;

Option	Benefits	Challenges
i	<ul style="list-style-type: none"> Schools continue to receive funding to support the additional cost associated with Teachers pay and pensions contributions. It can be assumed that all school based settings have a teacher-led provision, therefore no further data would need to be collected. 	<ul style="list-style-type: none"> The local funding formula would not be accessible to all settings. PVI settings that employ highly qualified staff including teachers would be disincentivised to retain staff and /or deliver the entitlement The rationale for introducing a funding formula in 2017 was to support universal availability and access to the funding across all provider types, this option would be reverting back to a different funding rate for provider types. The DfE encouragement to establish a quality supplement rather than a TPPG supplement suggests that this supplement should be used more broadly and available to all settings.
ii	<ul style="list-style-type: none"> All supplements in the local formula will be accessible to all provider types. This would develop a straightforward funding formula for local providers. Incentivises all settings to employ and retain highly qualified staff. The funding formula used to calculate the TPPG in the LA allocation considers all the hours delivered in all provider types in Sutton. Therefore there is some funding available for all providers (if eligible) Qualifications of staff in early 	<ul style="list-style-type: none"> Additional administration to check a providers eligibility via the Early years census return Additional administration to prevent fraudulent claims and accurate census returns are submitted. Schools may receive reduced funding as a result, than previously received, depending on the number of eligible PVI settings for the supplements and the take up of the entitlements.

	<p>years settings are collected in the Early years census. This data can be used to establish eligibility for the quality supplement and would be used as part of the providers annual agreement to deliver the free childcare entitlements.</p> <ul style="list-style-type: none"> • Encourages settings to submit accurate and timely census returns. • PVI settings will benefit for additional funding not previously available to them. • Additional funding will support early years workforce issues, whereby staff are leaving the sector due to low wages. • Schools will be eligible for the Supplement as it is assumed that they are all teacher-led provisions. 	
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- 5.10 The quality supplement, in both options would need to be allocated to the education setting as a per hour supplement paid as part of their free childcare entitlement termly funding claims as there is no other method to distribute the supplement.
- 5.11 There is no required criteria for the quality supplement in [government guidance](#), however, LA's should use the quality supplement to support workforce qualifications, or system leadership. This guidance will be updated following the consultation outcome and it is expected that the Government will encourage LAs to use this supplement to take account of additional pressures that some providers might face, from, for example, the need to pay employer contributions to the teachers' pension scheme.
- 5.12 As there is no required criteria for the supplements, councils are able to set their own criteria for eligibility. The most straightforward option would be to allocate the supplement to settings that employ a qualified teacher (or Early Years equivalent qualifications) - this information is collected via the Early Years Census and would allow some Private, Independent and Voluntary providers to be eligible for this grant, or providers that employ a teacher (or equivalent).
- 5.13 Whilst this is likely to be the most straightforward methodology, implementing a quality supplement based on take-up may result in schools receiving more or less TPPG than they received in previous years under the existing method of distribution. The Local Authority is keen to hear the views of the sector should there be alternative methodologies that we should consider as part of the consultation process.
- 5.14 The outcome of the consultation is expected in October and indicative budgets published in December - with changes implemented in April 2023. Therefore any consultation with

settings will need to take place in time to confirm and implement changes to funding by the new financial year (April).

- 5.15 January and the Spring term is an extremely busy time of year for the council and early years providers with statutory data returns such as the Early Years Census, School Census, Termly funding claims as well as the end of the financial year closing of accounts and confirming new financial year arrangements. The council will need to be mindful of the burdens providers have when publishing its consultation

6 Next steps

- 6.1 Officers to prepare a consultation paper for the local early years funding formula to be published following the outcome of the government's consultation later in the Autumn term.
- 6.2 This consultation paper will include the options for eligibility criteria for the introduction of a quality supplement in the local funding formula effective from April 2023 and the options to distribute the TPPG in future.
- 6.3 It is envisaged that the council's consultation will include financial modelling for the options available to support providers' understanding and to enable them to effectively respond to the consultation.
- 6.4 Pending the Government's response which is expected to be published at some point in the autumn term, officers will prepare a consultation document for the sector and agree this with Schools Forum in December with a view to consulting early in the new year.

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Report Title	School Improvement and Monitoring Grant and Core Statutory Duties
Meeting	Schools Forum
Meeting Date	11 October 2022
Chair	Jenny Sims
Report Author(s)	Kieran Holliday, Head of Pupil Based Commissioning
Open/Exempt	Open

1. Summary

- 1.1. At the June Schools Forum maintained schools were asked to consider a proposal from the Local Authority on how the local authority's core / de minimis school improvement responsibilities could be funded following (i) a decision by the Government to remove the School Improvement and Brokering Grant (SIMBG) fully in the financial year 2023/24 and (ii) maintained schools decision not to de-delegate funding for school improvement activity in future.
- 1.2. Maintained school representatives were asked to liaise with the maintained school sectors to determine to review the proposal from the Local Authority (LA) and to consider whether there are any alternative options which they would like the LA to consider prior to a final decision being made at the October Schools Forum. No alternative proposals have been identified and a decision now needs to be made whether schools will agree to de-delegate the funding or not.

2. Recommendation(s)

Applies to maintained schools only:

- 2.1. To agree to de-delegate funding as set out in Appendix B (to be updated when January 2023 census data is known). For de-delegation to be agreed annually at Schools Forum as part of the normal budget setting process.

3. Background Information

- 3.1. On 29 October, the Education Skills Funding Agency (ESFA) published [a consultation on 'reforming how local authorities' school improvement functions are funded'](#). The proposals were to:
 - Remove the School Improvement Monitoring & Brokering Grant (SIMBG), which is currently allocated to local authorities to support school improvement activities in relation to maintained schools; AND
 - Allow LAs to fund their school improvement activity (including all core school improvement activities) via de-delegation from schools' budget shares.
- 3.2. In January 2022, the Government confirmed its response:

- They will proceed with reducing the local authority SIMBG by 50% for financial year 2022-23, prior to full removal in the financial year 2023-24.
 - Provision will be included in the School and Early Years Finance Regulations 2022 (England) to instead allow local authorities to deduct funding for local authorities' core school improvement activities from maintained school budgets.
- 3.3. As agreed at Schools Forum on 15 December 2021, a nil return was made in the APT for any de-delegation in 2022-23, for both primary and secondary sectors such that the Local Authority will see a reduction in the SIMBG of 50% in 2022/23 and the grant will be fully removed from 2023/24.
- 3.4. At the time of this decision, it was noted that the ESFA acknowledges that LAs will likely need to retain some level of funding in order to pay for core/de minimis school improvement activities. It was also noted that local authorities can appeal decisions by maintained schools not to de-delegate any funding to the Secretary of State if it disagrees with the amount that has been de-delegated by schools.
- 3.5. The local authority did not seek to disapply the decision made by maintained schools in 2022/23 because 50% of the grant is still available and this can fund de minimis / core school improvement activities.
- 3.6. The Local Authority invited any alternative proposals from schools but had indicated to schools both at Schools Forum and at Headteacher briefings that it would seek a 'disapplication' from the Secretary of State should the proposals set out in this paper not be agreed by schools on the grounds that it must be able to fund its core duties - if only in a de minimis way.

4. What are the core / de minimis duties of the Local Authority?

- 4.1. The Local Authority has a number of statutory duties related to school improvement activities for maintained schools. The Government defines these core duties in the following way:
- To understand the performance of maintained schools in their area, using data as a starting point to identify any that are underperforming, while working with them to explore ways to support progress;
 - To work closely with the relevant Regional School Commissioner (RSC), diocese and other local partners to ensure schools receive the support they need to improve;
 - Where underperformance has been recognised in a maintained school, proactively work with the relevant RSC, combining local and regional expertise to ensure the right approach, including sending warning notices and using intervention powers where this will improve leadership and standards; and
 - To encourage good and outstanding maintained schools to take responsibility for their own improvement; support other schools; and enable other schools to access the support they need to improve.
- 4.2. The Government's white paper 'Opportunity for All' indicates that all schools will become an Academy by 2030. At this point, the Local Authority's school improvement duties will cease

entirely, however until this point the Local Authority remains responsible for schools that are maintained. Currently about 60% of Sutton's schools are academies, with 40% remaining maintained by the Local Authority. As the proportion of schools change to become academies, any contribution to the LAs core school improvement duties will need to be reviewed on an annual basis.

- 4.3. Looking at the list in 4.1, it is possible to take an expansive or a limited view of these duties. Typically, Sutton to date has taken a relatively limited view. The total value of all school improvement activity in 2022/23 was £150k made up of £98k funded through the Improvement and Brokering Grant and £52k funded through the Schools Causing Concern budget (prior to the decision to reduce the SIMBG by 50%). Clearly, it will only be possible to continue to work within a limited view of these duties.
- 4.4. Appendix A summarises previous school improvement activity in 2021/22 and 2022/23 and identifies what is considered core / de minimis based on a 'limited' interpretation of the duties that local authorities have in relation to maintained schools. This equates to £51k and would be the value recommended to de-delegate for 2023/24.
- 4.5. It should be noted that Cognus currently receives £50k of funding from the High Needs Block for school improvement work. This is a historical budget which was provided to supplement the school improvement and monitoring grant to support school improvement activities where they related to the development of provision for pupils with additional needs (inclusion support). For the purposes of estimating what a de-minimis school improvement offer should be, this is considered as a separate exercise. Presently we do not propose to continue to fund Cognus for this. Inclusion support funding would be better routed through the SENCO clusters where there is funding available (e.g. schools can commission the inclusion support that they need from Cognus through this mechanism).
- 4.6. There are 22 maintained schools in the Borough (excluding Specialist Provision) who are currently maintained. The current School Improvement and Brokering Grant is funded based on a per pupil amount (approximately £11 per pupil. In order to fund the LA de minimis responsibilities the LA is requesting contributions from schools as set out in Appendix B for 2023/24 based on January 2022 census data. These figures will be adjusted based on October 2022 census data later in the year when setting the budget for 2023/24. This would reduce the average cost of school improvement activity to circa £4.60 per pupil.

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Appendix A - 2021/22 School Improvement Programme

De minimis/core spend highlighted in red

Current School Improvement Activity	De minimis / core?	Spend in 2021/22	Core Duty
School Specific Support - total spend in 2021/22 - £30k			
Regular KIT meetings with maintained schools / general School Improvement Advisory Services and data review (currently provided by Jamie Hassan) <u>Breakdown</u> <ul style="list-style-type: none"> • 1 x visits as a minimum for every school - Jamie Hasson £450 a day 20 primary schools - £9k, 2 days £850 for secondary schools = £1,700 = £10,700 • £9,300 for general support arising from the above including brokerage and planning 	Yes	£21k	To understand the performance of maintained schools in their area, using data as a starting point to identify any that are underperforming, while working with them to explore ways to support progress;
Support for New Headteachers	No	£5k	N/A
Specific support for schools - e.g. Training and CPD for specific schools /	No	£4k	N/A
CPD and Programmes - total spend in 2021/22 - £181k			
Maximising the potential of TAs Training	No	£10k	N/A
TT Education - etc...challenge partners, workforce development, Covid Support	No	£101k	N/A
Bespoke Inclusion Projects	No	£21k	N/A
Curriculum Development / work to assess QA education	No	£5k	N/A
Literacy Projects	No	£15k	N/A
Developing Inclusive Practice	No	£8k	N/A
Formative Assessment	No	£10k	N/A

Appendix A - 2021/22 School Improvement Programme

General Training and related costs (refreshments, venue hire etc..)	No	£10k	N/A
Salaries and Cognus charges - total spend £30k			
Cognus Salaries Covers role of Head of School Improvement 2 days a week plus an allowance for admin	Yes	£30k	<p>To understand the performance of maintained schools in their area, using data as a starting point to identify any that are underperforming, while working with them to explore ways to support progress;</p> <p>In effect would pay for the work involved in the allocation and deployment of residual school improvement activities, OFsted visits, data analysis as well as the execution of school improvement powers of intervention should they be needed.</p>

2022/23 School Improvement Programme

Improvement component	Forecast spend
School Specific Support	£37,120
CPD and Programmes	£30,050
Salaries	£29,761

Appendix B - Estimated contributions from maintained schools for de-minimis school improvement contributions in 2023/24

School	Status	NOR January 2022	Estimated Contribution
Nonsuch Primary	Foundation	235	£1,079
Robin Hood Inf	Community	264	£1,212
St Cecilia's	VA	464	£2,130
Robin Hood Jun	Community	357	£1,639
St Mary's Jun	VA	358	£1,643
Foresters	Foundation	248	£1,138
Muschamp	Foundation	625	£2,869
St Dunstan's	VA	458	£2,102
St Elphege's Inf	VA	335	£1,538
Culvers House	Foundation	456	£2,093
St Mary's Inf	VA	295	£1,354
Hackbridge	Community	775	£3,557
Holy Trinity Jun	VA	341	£1,565
Beddington Inf	Foundation	299	£1,372
Stanley Park Jun	Foundation	367	£1,685
Dorchester	Foundation	598	£2,745
Devonshire	Community	664	£3,048
All Saints Benhilton	VA	465	£2,134
St Elphege's Jun	VA	386	£1,772
High View	Foundation	457	£2,098
St Philomena's	VA	1475	£6,770
John Fisher	VA	1189	£5,458
TOTAL	N/A	11111	£51,000

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SCHOOLS FORUM

TITLE: Complex In-Year Admissions Fund

DATE: September 2022

PURPOSE:

The purpose of this paper is to provide an update on the use of the complex in-year admissions fund and usage of statutory elements of exclusion monies.

UPDATE AND DATA:

The complex in-year admissions fund was introduced in September 2021, funded by the pro-rata statutory elements of the exclusions money and monitored via the Vulnerable Pupil Panel (VPP). The funding was designed to support unplaced pupils who have identified complex life circumstances that require multi-agency intervention, and additional support to aid transition, above that which is ordinarily available in a school or educational setting.

Based on historic admissions data for unplaced pupils it was anticipated that approximately 15 pupils per year would benefit from the fund. During Academic Year 2021/22, two pupils were allocated the funding, totalling £1,200; three further children were identified as meeting the criteria by VPP, however, funding was not allocated as ordinarily available support was considered appropriate.

CURRENT PICTURE:

For the Academic Year 2021/2022, 126 pupils were placed via the Fair Access Protocol (FAP) comprising 35 primary pupils and 91 secondary pupils (this equates to an 80% increase on Academic Year 2020/2021 where 70 pupils were placed, 2 primary and 68 secondary).

In the current Academic Year, 2022/2023, 56 pupils have been placed via the FAP during September (14 primary and 42 secondary); a number of in-year applications are in progress and may require placement via this route.

Placements through the FAP already attract additional funding, for primary schools and the majority of secondary schools, growth funding is awarded where the school is admitting above its planned capacity through the FAP. English as an Additional Language funding has also been agreed and allocated through Schools Forum.

In general, whilst we are still seeing high levels of in-year admissions, most are not attracting the complex FAP funding under the current criteria.

Criteria/key indicators

In addition to being new into the borough and without a school place, the pupil must have factors from at least three of the following:

- An instability of home life
- The involvement multiple external agencies that may include (social care, YOT,

- police), or recent engagement in services.
- Attended multiple schools
- Been excluded or demonstrate behaviour challenges
- SEMH needs
- Identified safeguarding/contextual safeguarding concerns
- SEN support needs
- Other identified concerns that add to the vulnerability of the pupil

FUNDING ALLOCATION:

Following a permanent exclusion schools receive a termly flat rate invoice comprising:

- 1) Statutory elements (AWPU) that include a basic entitlement, and additional educational needs factors such as Free School Meals, English as an Additional Language
- 2) An additional locally agreed amount to Limes that includes Pupil Premium (where the money follows the child/young person).

The Local Authority claims the pro-rata exclusion monies and, if the non-statutory element balance is transferred to Limes College to provide additional services to excluded pupils beyond their education.

If the pupil does not transfer to Limes, the non-statutory element is held by the Local Authority until such time that it is deemed appropriate to return it to the excluding school.

The table below illustrates current position re statutory and non-statutory exclusions money.

	No. of Children Excluded	Exclusion Invoices to Schools £	Non Statutory elements to Limes £	Initial Total in LBS £	Statutory Funding £	Non Statutory Funding £	Statutory Funding Paid to Schools (PEX placements) £	Non Statutory Funding Repaid to Schools (after review) £	Final Total in LBS £	Final Total in LBS - Statutory £	Final Total in LBS - Non-Statutory £
22/23 cf plus YTD position	47	(303,636)	82,575	(221,060)	(186,752)	(34,309)	6,767	26,423	(187,870)	(179,985)	(7,886)

Currently there is £179,985 within the statutory pot as at the end of Summer term 2022, of which £90,021 was carried forward from financial year 22/23.

OPTIONS FOR SCHOOLS FORUM TO CONSIDER:

There is an opportunity to consider how the local area may wish to use the available statutory funding elements differently. In considering the options the following should be borne in mind:

- Statutory elements of the exclusion funding should follow the child into their permanent setting if excluded and placed back in mainstream within the same financial year. If the child is not returned to school at the end of the financial year the monies will no longer follow the child. Provision needs to be made to ensure that should a pupil return to a permanent school (mainstream or special) that funding is available.

- The Education and Skills Funding Agency have confirmed that unused funding returns back to reserves at year end. Dedicated Schools Grant (DSG) reserves can be used in line with funding regulations and Schools Forum approvals in line with the guidance. DSG reserves are not ring fenced by block at year end.

Option 1: Maintaining the complex in year admissions fund

Recognising that numbers of in-year admissions remain high, primarily through the Hong Kong Resettlement Scheme and a smaller number from Ukraine schemes, we propose that a modest level of funding, £10,000, (assuming we may allocate the fund to 17 complex cases a year) is ringfenced to continue to support children and young people with complex life circumstances. To be reviewed at the end of the academic year for usage and impact.

Cost: £10,000

Option 2: Working together to improve school attendance

Local area prioritisation of good attendance is part of the wider inclusion agenda, acknowledging that many pupils who are not attending often have a similar profile to those that receive suspension and exclusions. Many children and young people have complex life circumstances and multi-layered needs; improving attendance improves long term outcomes and supports the safeguarding and wellbeing of the child.

The [working together to improve school attendance places](#) a range of new, additional burdens on local authorities, without additional funding. To meet the new duties, local authorities are required to have an Attendance Support Team (AST) who will be responsible for Sutton's c35,000 compulsory school age pupils. The core offer includes each school having a named attendance support team member for advice and guidance, termly meetings with every school, provide network meetings to share effective practice, and assist schools to identify areas to focus on in their school policy by analysing data. Whilst, the local area attendance strategy will need to adopt a multi agency approach, in order to meet the core statutory duties in the guidance a further 2.5 FTE is required in the attendance team in Cognus to meet those duties.

This burden comes at a time when Local Authority and Cognus officers are being asked to put forward 15% savings across all General Fund budgets over the course of the medium term financial plan 2023/4 - 2026/7. Growth for attendance will be requested by officers as part of this year's budget setting process however it is very uncertain if this is going to be possible in light of the wider pressures. It is unlikely to be possible in Year 1 (2023/24) given that many of the Council's savings options will not be realised until 2024/25 or beyond.

With this in mind Schools Forum is therefore asked to consider a proposal for the financial year 2023/24 to;

- a) consider funding these additional duties for a fixed period of 1 year (2023/24 FY) during the initial implementation stage of the local area strategy (£113k in Year 1)
- b) Or to consider providing match funding (half the cost - 57k) for the financial year 2023/24 and the LA fund the remaining 50% (57k).

Total cost £113,243

This would not be an ongoing contribution but would allow time for other education related savings to be made in the General Fund from 2024/25 onwards.

Option 3: Exclusion prevention projects

Sutton's rates of exclusions have remained consistent 2017-2021 at around 0.11% ** and below the national average. However, during the pandemic Sutton's rates of exclusions did not drop in line with our statistical neighbours. Locally collected data for Academic Year 2021-2022 estimates that our current rate of exclusions is 0.21% (DfE published data will not be available until July 2023). This is representative of 23 permanent exclusions being recorded in 2020-2021 compared to 35 in 2021-2022.

There is an opportunity to consider how money may be used to further support exclusion (suspension and permanent) prevention. Examples may include building on existing and effective work that is already taking place in the borough such as;

- increasing the capacity within Paving the Way to further support primary age children displaying behavioural difficulties, unpicking the root causes which may include further identification of need
- to further enhance the outreach, offer from Limes College, such as adding to their turnaround and nurture programmes across primary and secondary
- to add to the Early Help and Integrated targeted youth adolescent team outreach offer, such as adding to their edge of exclusion prevention work across the secondary phase

All three services provide effective support and are well utilised across the local area.

Cost TBC by provider

**Data is DfE published data permanent exclusions and suspension,
<https://www.gov.uk/government/collections/statistics-exclusions>

Option 4: Continuation of FAP Growth and EAL Funding

As illustrated above placements through the FAP attract additional funding, growth funding is awarded where the school is admitting above its planned capacity through the FAP and English as an Additional Language funding has also been agreed and allocated through Schools Forum.

The arrangements for this funding was not guaranteed and its availability was to be reviewed on a year to year basis as the original paper to schools forum explained.

Due to the ongoing increase in FAP a proposal to continue the funding for a further year could be considered.

Total cost; £60,000 (£30k for EAL and £30k growth)

Option 5: Use surpluses to support overspends in other parts of the DSG or to try and create reserves

Year on year increases in the DSG are not likely to continue into the future and Sutton's DSG have only moderate reserves of £800k. This funding if unspent could be used to support overspends in different parts of the DSG - e.g. Central Services Block, High Needs Block.

NEXT STEPS:

For Schools Forum to consider the options listed and/or suggest alternatives. The level of available funding can support a blend of the above options whilst being able to ringfence money for in-year return to school post exclusion and to maintain the complex in -year admissions fund.

It is important to note that this funding stream is a diminishing pot and any funding allocated cannot be guaranteed year on year.

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Report Title	Capital Report
Meeting	Schools Forum
Meeting Date	October 2022
Chair	Jenny Sims
Report Author(s)	Jack Cutler, Acting Head of Pupil Based Commissioning
Open/Exempt	Open

1. Summary

- 1.1. This report provides an update on capital funding and further information on pupil place planning and any capital implications arising.

2. Recommendation(s)

- 2.1. To note the summary of developments against the primary, secondary and special expansion programmes.

3. Background and Key Information

- 3.1. This report provides a brief update on the capital implications of decisions made to ensure a sufficiency of school places for the forthcoming year.

Basic Need Capital

- 3.2. The overall expansion programme costs (below) have been adjusted to reflect the latest position but remain similar to those last reported to Schools Forum in February.

	Previous estimate (May '22) £m	Current estimate (Sep '22) £m
Primary expansions	80.9	81.0
Secondary expansions	94.2	94.5
SEN expansions	12.4	13.2

Capital Maintenance Programme

- 3.3. The programme for 2022-23 has been progressed over the summer.
- 3.4. The 2022-23 capital maintenance programme was approved by the Schools Forum in February - and ratification was received from the People Committee in March 2022. The programme was predicated on a conservative estimated allocation of £750K. The ESFA announced capital maintenance allocations in March 2022. The LA has received an allocation of £851,573. This is in line with the enhanced funding rate that the ESFA increased

School Condition Allocation (SCA) funding by for 2021/22, and so it appears this higher allocation rate will apply to annual funding allocations.

- 3.5. There is an unallocated contingency sum of £150k remaining to cover any emergency condition issues that may arise during the winter months, and a budget of £150k set aside to contribute towards substantial building repair/ replacement projects anticipated to be required within the next 5 years period.
- 3.6. LA maintained schools were invited on 3rd October to submit applications for the 2023/24 capital maintenance programme to be agreed by the Asset Management Panel in December 2022. The window for this application round will close on Monday 31 October 2022.

Secondary Programme

- 3.7. The following additional places were agreed for September 2022; these schools have already offered these places.

- Glenthorne High School - 43 places
- Carshalton Boys - 30 places
- Carshalton Girls - 30 places
- Cheam High School - 20 places
- Oaks Park High School - 50 places
- Overton Grange High School - 30 places

Total - 203 places

- 3.8. Pupil numbers in secondary schools continue to rise; pupils numbers in year 7 are forecast to peak in 2023/24, before starting to fall back again. However, numbers are not forecast to reduce back to levels that can be accommodated within current school PANs until 2028/29.
- 3.9. Due to the relatively low level of surplus places in Sutton, higher than usual levels on in-year applications is placing pressure on a number of year groups, in particular the current year 7 year group. Whilst we anticipate that schools will continue to admit over-numbers where they are able to do so, it may be that in the future the LA requests a school to open a bulge class to release some of the pressure resulting from pupil number growth resulting from these in-year admission.
- 3.10. It has been identified that along with the additional 263 places that have already been agreed across existing Sutton Secondary Schools for September 2023,

Primary Programme

- 3.11. Officers continue to plan for permanent reductions in primary places and are working with primary schools across the Local Area to consider options based on a variety of different factors including where pupils live, where birth rates have fallen most significantly, parental preferences and the location of delivered and planned housing developments..

- 3.12. Despite the above, the significant pressure for in-year places that was seen last year continues into 2022/23, and in particular over the summer holiday period. The level of in year applications is particularly high in the primary phase compared with levels pre 2022/23. These pressures are in large as a result of families arriving in the local area through overseas resettlement schemes, for which Sutton is proving to be a popular destination for families to relocate, no doubt in part due to the very high standard of state education our schools have to offer.
- 3.13. These pressures are particularly acute in years 3 and 6, where the area has vacancies remaining in only a few schools that are not necessarily located a reasonable distance from the residential addresses of children seeking an in-year school place.
- 3.14. Whilst it has been possible to allocate school places to year 2 via making central offers, it has been necessary to open a further additional 'bulge' class into year 5 at the Avenue Primary School, year 3 at Avenue Primary School and year 2 at Devonshire Primary school. The schools will receive the usual level of growth funding support for opening a 'bulge class', which is £58k in the first year and £29k in the second year, as well as reasonable capital funding to support the additional furniture and ICT resources required for this.

SEND Programme

- 3.15. Since 2021/8 the government has made specific SEND Capital funding allocations to support the development and provisioning of SEND places, and community infrastructure and support for SEND pupils. In March 2022, the government announced further allocations of £4.6m for 2022-23 and £3.2m for 2023-24.
- 3.16. To date £1.97m has been allocated from the Special Provision Capital Fund (SPCF) to support SEND projects, with £7.4m remaining unallocated, to be distributed through future funding allocations and LA managed central projects.
- 3.17. A further application round (round 4) for this fund was opened on Monday 3rd October, and will close on 31st October. Decision on funding will be taken by the co-opted asset management plan steering group in mid January 2023.
- 3.18. The new 'Carew Academy' free school (the school is currently located at Carew Manor) to be built on the Sheen Way site still continues to be progressed by the DfE. This project doesn't deliver any additional places at the school (beyond those already on roll at the school). The DfE are currently working on the next stages of the project (pre construction). This school is expected to open in new accommodation for September 2023.

4. Implications

- 4.1. The Council's capital budgets have been updated to reflect committed expenditure.

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