

## Warrington Schools Forum

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### Agenda

**Date:** 12 October 2021

**Time:** 4.30 pm – 6.30 pm

**Venue:** via Zoom

	Item	Enc / Verbal	Decision; Discussion; Information	Entitled to vote	Lead
1.	Apologies and Welcome  Apologies received from: <ul style="list-style-type: none"> <li>Garry Bradbury</li> </ul>				Chair
2.	Traded Services	Enc	Information		Stephen McNulty
3.	Minutes from the previous meeting and matters arising (22 June 2021)	Enc			Chair
4.	2022-23 Funding Update	Enc	Information / Discussion		James Campbell
5.	Membership Induction process for new members, covering vacancies (process)	Verbal	Discussion		Paula Worthington
6.	AOB				Chair
7.	<b>Proposed meeting schedule for 2022:</b> <ul style="list-style-type: none"> <li>11 January 2022</li> <li>22 March 2022</li> <li>21 June 2022</li> <li>11 October 2022</li> </ul> Tuesdays at 4.30 – 6.30 pm if virtual or 5.15 – 7.00 pm if at a venue (Venue or virtual arrangements to be agreed)				

# REPORT



**Report to:** Schools Forum

**Item:** 2

**Date:** 12 October 2021

**For:** Information

**Title:** Annual Service Level Agreement  
(SLA) Review

**Author:** Stephen McNulty (Traded  
Services Business Manager)

## 1. INTRODUCTION & BACKGROUND

1.1 The purpose of this report is to provide Schools Forum with an update of SLA buyback for the 2021/22 financial year and a comparison with last year.

1.2 Buy-back from schools is analysed each year to highlight growth and possible areas of concern and is presented to Schools Forum in October in order to provide an overview of the trading relationship between Warrington Borough Council and local schools.

1.3 The report does not include:

- The revenue generated by the School Meals service. This service is paid for directly by parents via the cost of individual meals taken or through the government policy on providing free meals to eligible children.
- The buyback from Building Services due to the fact we are in contract with an external supplier (Mears) with a different specification. No additional commitment is required from schools as part of the wider council agreement with Mears.

## 2. ENTERPRISING WARRINGTON – SUSTAINABLE SERVICES

2.1 The Council has been working on an approach to trading sustainable services with schools as part of its wider Enterprising Warrington project.

2.2 The Council remains committed to working with schools to determine the most efficient and effective mode of delivery within the current range of traded services as well as establishing open communication about new ways of working across the system in Warrington.

- 2.3 Three year SLA's commenced back in 2020 for the vast majority of the council's traded services. Maintained school SLA's began year 2 of 3 on 1<sup>st</sup> April 2021 and academy schools on 1<sup>st</sup> September 2021. Exceptions to the three year SLA period include;
- Some ICT SLA's are on a one year contract basis to both offer more flexibility to the schools (to allow schools to decide on services more frequently due to changes in technology) or in-line with 3<sup>rd</sup> party contracts that the council has in place.
  - Education Child Psychology Service & Warrington LiFE Service (formerly Careers for Young People Service) offer more bespoke advice, guidance and support, these can be purchased by the school/academy on an "as and when required" basis.
  - Tree & Woodland SLA (two year pilot) Schools now pay a heavily reduced rate upfront for the SLA each year and then pay a fixed amount for each ad-hoc service they request. This is to allow more flexibility to schools, for example; statutory requirements are not always on a yearly cycle so schools requirements may change year on year.
  - Warrington Training Hub – again flexibility to allow schools to decide year by year whether they wish to buy in to the SLA to receive a 40% discount off training.

2.4 SLA price rises each year are limited to externally verified figures (Consumer Price Index). Anything higher triggering a wider consultation with schools.

### **3. REVENUE PERFORMANCE – MAINTAINED SCHOOLS**

3.1 Total combined revenue from all traded services:

2020/21: £3,647,436

2021/22: £3,440,605\*\*

\*\*Ad-hoc services and training are also expected to be sold throughout the remaining financial year (October 2021 > March 2021) and will need to be measured retrospectively at the end of the financial year to ensure a balance between cost of delivery and income generated.

3.2 We estimate that revenue from maintained schools is likely to decrease in 2021/22, due to the fact that four primary schools formed the BEAM academy trust in May 2021.

### **4. REVENUE PERFORMANCE – ACADEMY SCHOOLS**

4.1 There have been no academy conversions so far during the 21/22 academic year. Academy schools account for 38 of the 92 schools in Warrington (41%).

4.2 Total combined revenue from all traded services:

2020/21: £1,599,518

2021/22: £1,538,473\*\*

\*\* Ad-hoc services and training are also expected to be sold throughout the remaining academic year (October 2021-August 2022) and will need to be measured retrospectively at the end of the financial year to ensure a balance between cost of delivery and income generated.

- 4.3 Revenue from Academy schools is likely to rise this year. This is due to:
- Facilities Cleaning Service have recently taken on additional three academy schools as part of a successful tender process. Cleaning staff from those schools have therefore moved over to WBC (under TUPE). Those additional contracts are not included in the totals above as cleaning specifications are still to be agreed.
  - The BEAM Academy Trust formation in May 2021.

## 5. REVENUE PERFORMANCE COMBINED YEAR ON YEAR

5.1 The following table shows services in which revenue has reduced or increase by at least £10,000 year on year.

Please note that this table does not include any services which rely heavily on revenue from ad-hoc services and training throughout the year. Those services will need to be measured retrospectively at the end of the financial year to ensure a balance between cost of delivery and income generated.

Service	% Variance (+ / -)	£ Variance (+ / -)	Rationale
Grounds Maintenance Service	-14%	-£31,641	Service is still expecting approx. £15K worth of ad-hoc work from schools over the 21-22 contract duration. So this would reduce variance to approx. £16K. Service is currently looking at marketing to commercial businesses in Warrington in order to reduce/eliminate any shortfall.
HR Advisory Service	-7%	-£23,989	Reduction in buyback from Warrington academy schools. Service will however receive revenue from ad-hoc requests throughout the year (approx. £5K). It has also taken on a couple of new Out Of Borough Academy schools, so we estimate the reduction in overall revenue will be approx. £14k at year end.
Insurance	-11%	-£32,594	Only applicable to Maintained Schools. The risk protection arrangement (RPA) for schools was introduced earlier this year by the DfE so some schools have opted for this instead of WBC's insurance. No impact on the service as it is delivered via the arrangement we have with Salford Borough Council.

Education & Child Psychology Service	+31%	+£5,888	Additional referrals above and beyond schools statutory entitlement as a result of COVID. This is likely to continue into the foreseeable future. Any additional income generated by the service will be re-invested in providing additional capacity to support the schools during this difficult time.
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## 6. VALUE FOR MONEY / SERVICE IMPROVEMENT MEETINGS

6.1 Services are subject to review when at least one of the following factors applies;

- Not currently achieving cost recovery (in relation to direct costs)
- A declining revenue year on year
- An unclear financial position

6.2 The council has no intention to cease or drastically reduce any service provided to schools without prior consultation. Any reviews that may take place will focus clearly on supporting services to ensure they are delivering the services that customers want and that there are effective feedback mechanisms between customers and services to ensure any changes or improvements can be identified and agreed. This will ensure that we are delivering modern and efficient services that are providing excellent value for money.

6.3 There are currently 52 council services trading with schools. One additional service will be available in 2022. We have recently added a new fleet of vehicles to our General Waste Collection Service which will allow us to offer the service to schools. Waste services will be in touch with schools later in October with more information.

6.4 Quarterly SLA Meetings for the schools and all WBC traded services were run up until the first COVID-19 lockdown in March 2020. We will look to re-introduce these meetings in the New Year. Schools will be informed of all the future meeting dates via email and by the weekly schools newsletter.

The overall aim of these meetings is to improve the customer experience by working with the schools to improve service delivery and provide value for money. This will be achieved in a number of ways; the meeting will give the schools an opportunity to share their SLA experiences (whether good or bad) and put forward ideas. The feedback goes directly to the services in order for us to either share good practice or for our services to make improvements. The meetings are also a good opportunity for our services to update the schools on the current SLA's on offer and any changes or updates.

## 7. SLA ONLINE DEVELOPMENTS (My School Services)

7.1 There have been a number of enhancements to the online system for schools during the past twelve months. These are summarised below.

7.2 Schools should note that we will continue to listen to your feedback on how the system is or is not meeting your needs and we will continue to work with the supplier to offer developments and maintain a system, free of charge to schools, into the foreseeable future.

### Summary of enhancements

<b><i>Implemented in 2020/2021</i></b>	
October 2020	Online "Webinars" for the delivery of meetings and training online through the portal. Updates to the e-learning portal; now add videos, documents, links to websites and tests through the portal.
January 2021	Enhancements to the Communication Module which included updates to newsletters and news articles.
June 2021	Updates to the Governors Module.
July 2021	Updates to the NQT Module.

<b><i>Upcoming developments for 2021 and 2022</i></b>	
October 2021	Updates to News Bulletins, articles and automated email alerts.
February 2022	Training Module major update.

7.3 There will be further updates throughout the year. We currently have 82 other local authorities using the same portal for their schools SLA's. All of which are constantly feeding back system developments.

## 8. RECOMMENDATIONS

8.1 Schools Forum is asked to:

(i) Note the progress being made to provide sustainable services that offer schools value for money and consistent levels of service.

(ii) Recognise that the council is an important provider, commissioner and participant in the Warrington education system.

(iii) Encourage colleagues to feedback their views on both SLA's and council services in order to help shape the future of traded services. This can be either via the quarterly schools SLA meetings or by contacting Stephen McNulty: [smcnulty@warrington.gov.uk](mailto:smcnulty@warrington.gov.uk) / 01925 442682.

## Warrington Schools Forum

Minutes – 22 June 2021 (Held via Zoom – due to Covid-19)

Draft to be confirmed October 2021

### Membership

Membership with differentiated voting rights ~ Total Membership of 26, of whom 22 are entitled to vote on funding formula issues											
Sector Representation (22)	Appointed by the Council following election by:	Member	Dates and Attendance								
			13 October 2020	19 January 2021	23 March 2021 CANCELLED	22 June 2021	12 October 2021	2022 date TBC	2022 date TBC	2022 date TBC	
Maintained Nursery School Senior Staff (1)	Primary Headteachers Group	Marcia Atherton (MA) <i>From 19/01/2021</i>	P	P	C	P					
Special School Staff (1)	Special School Headteachers Group	Lucinda Duffy (LD)	P	P	C	P					
Special School Governor (1)	Governors Forum	Mike Frost (MF)	P	P	C	P					
PRU (1)	PRU Management Board	Lindsay Regan (LR) <i>From 19/01/2021</i>	A	A	C	P					
Academy – all phases (8)  Agreed this should be: (5 secondary including UTC) (3 primary)	Academy Schools	Gwyn Williams (GW)	P	P	C	P					
		Tim Long (TL)	P	P	C	A					
		John Carlin (JC)	A	P	C	A					
		Jon Wright (JonW)	P	P	C	S					
		Gary Cunningham (GC)	P	P	C	P					
		Paula Warding (PWa)	P	P	C	P					
		Cath Cooke (CC)	P	P	C	P					
	UTC	Chris Hatherall (CH) <i>(from 22 June 2021)</i>	A	X	C	P					
Maintained Primary School Sector (7)	WAPH and Governors Forum	Jacqui Wightman (JacquiW)	P	P	C	P					
		Lesley McGann (LM)	P	A	C	A					
		Lyndsey Glass (LG)	P	P	C	P					
		Ian Moss (IM)	P	P	C	A					
		Janet Lazarus (JL) <i>Governor</i>	P	P	C	P					
		Craig Burgess (CB) <i>Governor</i>	P	P	C	A					
		Donna Kendal (DK) <i>Governor</i>	-	P	C	A					
Maintained Secondary School Sector (2)	WASCL	Chris Hunt (CH)	P	A	C	P					
		Ed McGlinchey (EM)	A	X	C	A					
Private Voluntary and Independent Providers (1)	PVI Providers Forum	Kelda Willians (KW)	A	X	C	X					

Representing	Member	Dates and Attendance							
		13 October 2020	19 January 2021	23 March 2021 CANCELLED	22 June 2021	12 October 2021	2022 date TBC	2022 date TBC	2022 date TBC
<b><u>Non-Schools Members (4)</u></b>									
Anglican Diocese (1)	Jane Griffiths (JG)	P	P	C	P				
Roman Catholic Diocese (1)	Chris Williams (CW)	P	A	C	X				
16-19 Institutions (1)	Damian McGuire (DM)	P	P	C	P				
Parent Governor (1)	Vacant	-	-	-	-				

<b>Independent Chair</b>	Maureen Banner (MB)	P	P	C	P				
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Representing		13 October 2020	19 January 2021	23 March 2021 CANCELLED	22 June 2021	12 October 2021	2022 date TBC	2022 date TBC	2022 date TBC
<b><u>Warrington Borough Council</u></b>									
Director, Early Help, Education and SEND	Paula Worthington (PWo)	P	P	C	P				
Finance Manager	James Campbell (JC)	Z	P	C	P				
Senior Accountant (Schools)	Garry Bradbury (GB)	P	P	C	P				
Executive Member for Children and Young People's Services	Cllr Sarah Hall <i>(from 22 June 2021)</i>	A	A	C	A				

### Key

**P** ~ Present

**A** ~ Apologies

**X** ~ Absent with no apologies

**Z** ~ no connection to Zoom

**S** ~ Substitute

**-** ~ Vacancy

**O** ~ Observer

**C** – Meeting cancelled

### Trades Union

Laura Watson

(NASUWT)

Lucie Humphreys

(NEU)

### Also attending

Allan Keating attending as substitute for Jon Wright (Great Sankey High School)

Louise Atkin (WBC Head of Service – Quality Education and Learning)

### Minutes

Gill Sykes



## **1. APOLOGIES AND WELCOME**

The chairperson welcomed everyone to the meeting and noted that apologies would be recorded in the minutes.

## **2. MINUTES FROM THE PREVIOUS MEETING AND MATTERS ARISING (19 JANUARY 2021)**

The minutes were accepted as a true record of the meeting and the following was noted:

- Page 3: Trade union facilities time. Reminder of the query about whether the union role was considered for staff graded higher than M6, and how that related to the backfill. The answer to this query is that reimbursement is made at the grade the incumbent is and backfill arrangements are then at the discretion of the school.
- Page 5: Review of special educational needs provision. Query about the banding and top up funding going to be reviewed. Schools may submit very detailed provision maps and are only getting about half of the funding they are asking for. Schools are not likely to agree to £7½k and could just agree to £6k. Louise confirmed that the notional budget is being considered during the special review and noted that WAPH Exec had also highlighted this.
- Lyndsey noted that enquiries have been made about the amount schools contribute in other local authorities and none contribute more than £6k and some contribute less. Paula informed that is accurate but some of our top ups are much higher than other local authorities and this is information that the review will tease out so we can get to the fairest position.
- Paula noted that Councillor Hall would say the real challenge for the local authority is that the government funding to support SEND, schools and local authorities is not sufficient.
- The Chair noted that we understand the limitations of budgets and we are doing the best for children by looking at maximising options within the authority. The SEND review is critically important to try to achieve the best for everyone concerned and we want to be supportive and do what we can. The local authority should continue to lobby government about the inadequacy of funding.
- Page 8: School meals. This has not yet been resolved.

## **3. SCHOOLS FORUM CODE OF CONDUCT**

Paula Worthington presented her paper to the forum and the following was noted:

- The code of conduct has been prepared as the last couple of meetings have been difficult and there were some issues with people making contact afterwards as they felt uncomfortable with the tone of the meeting and the use of the chat function.
- The code of conduct is based on the Nolan Principles (the basis of ethical standards expected of public office holders). Also included in the document are links to the latest Schools Forum operational good practice guidance, powers and responsibilities, structure and a self-assessment toolkit.
- Paula asked the forum if they were happy to sign up for this way of working in order for the meeting to be constructive, for there to be productive conversations and so people aren't anxious about coming to the meeting.

Questions/comments were invited by the Chair.

- Noted that courtesy and collaboration are the best outcomes for everyone and it is timely.
- Reference to induction materials for new members and if appropriate a 'mentor' was highlighted. Lyndsey noted that she had a good induction when she joined Schools Forum.
- The Chair asked if members were accepting the code of conduct and as there were no comments forthcoming the Chair confirmed this would be taken that there was acceptance from forum members.

#### 4. 2020/21 DSG & EDUCATION SERVICES OUTTURN POSITIONS

Garry Bradbury presented his report to the forum to notify of the confirmed outturn position for the central Dedicated Schools Grant (DSG) activities for 2020/21. This was discussed and the following was noted:

- We finished with an in year deficit of £220k (not the aggregated position) and this is an increase in the deficit. This represents an overall DSG deficit of 1/5<sup>th</sup> of 1% and the £220k is slightly better than the projections over the financial year.
- There is an isolated underspend in Early Years which has been rolled forward as a contingency. There are likely to be retrospective Early Years Block funding reductions when it is recalculated from the latest census (January 2021).
- It was previously agreed to roll forward contingency primary numbers and union duties and the overall balance on other de-delegated services was an overspend £23k so there is no unused balance to return to the maintained schools.
- The core education position was an underspend of £750k, aggregated with the DSG overspend gives an overall underspend of £531k. The underspend was from areas of activity depressed by the effects of the pandemic e.g. transport, CWD costs etc. and are likely to be one-off situations not replicated in future years.

Questions and comments were invited by the Chair.

- With regard to statements from the government about repaying deficits, we are taking a pragmatic approach and making a partial payment, we recognise the work in the political framework and want to be seen to repay some of the recurring debt. We don't want to repay the whole DSG deficit as this would leave us short for current requirements. Paula noted that if we repay the whole deficit it would leave no money for investment in services. This was the decision made by the previous councillor (Cllr Matt Smith) and Paula will contact Cllr Sarah Hall to discuss.
- By keeping some of the money to invest in services it leaves a recurring deficit and flexibility in services to improve the additional resource in school capacity in Warrington. We should ultimately reduce the deficit by not sending our children OOB and by using our DPs and special schools. We are trying to get the best out of the money and allow the politicians to feel comfortable with the money allocated. We will have paid off some of the debt but have contained some money to reinvest in the sector.
- Gary Cunningham asked who decides where to reinvest. Paula noted this is done collaboratively and we are all involved in different ways with the details e.g. SEND partnership board and any proposals would be brought to Schools Forum.
- The Chair asked what the approximate amount of money for reinvestment is. Garry Bradbury noted that between £700k and £800k will be held for developmental funding.
- It was noted that historically funding is insufficient and the formula being used is detrimental based on proxy of needs, whereas Warrington have expansion and pressures of supply and provision across the borough. We are still trying to gain adequacy of funding and are in the f40 group for high needs and for school budgets as well.
- Paula gave an example of The Puddle where amazing work is being done (by a school governor) to create a SEND offer. Negotiating with large organisations to pay The Puddle for 19+ apprenticeships and work placements. They are committed that any money raised will be paid back into the SEND budget to raise income for Warrington and SEND.
- The Chair asked if there could be political lobbying for our two MPs to raise the profile of need in Warrington. We have outstanding staff in schools who keep delivering, but if we don't highlight concerns some children may not get what they deserve. The local authority are doing everything to support our children and we need a voice in parliament.
- It was noted that people say there is an excellent offer in Warrington for SEND and as a consequence parents are actively moving into the area and other local authorities are naming our schools in their EHCPs so they benefit from our provisions. Sometimes other LAs are doing this through tribunals.

Recommendations:

- (1) Schools Forum is asked to note the 2020/21 outturn position for DSG, and that this overspend will be aggregated with the 'brought forward' deficit of £718,754, such that the accumulated DSG deficit as at March 2021 stands at £937,849. **NOTED**
- (2) Maintained school representatives are asked to note that no additional balances are due to be returned in respect of de-delegated services. **NOTED**

## 5. 2020/21 SCHOOL BALANCES

Garry Bradbury presented his report to the forum, the annual maintained school balances were discussed and the following was noted:

- Maintained school balances have increased and it tends to act as a retarding force on strength for our argument of insufficient funding. The balances being retained are fairly high.
- There were no in-year academy conversions so the balances are directly comparable. They rose from £5.6m in 2019/20 to just over £8m in 2020/21. There are individual positions, however overall three quarters of our primary, special and secondary maintained schools had increased balances over the course of the last financial year.
- It is a one-off situation and a legacy of the fact Covid made for an unusual financial year. Areas where schools had increased expenditure included hygiene etc. and because of lockdown situations schools spent less than they would normally do.
- When looking at the figures we need to consider how the balances are ring-fenced e.g. PPP, sports ground and how much of the surplus was committed in setting the balanced budget for the financial year. The underlying figure is more like £4m rather than £8m. 55% of the surpluses declared on the official records were committed balances and not true surpluses. If we are challenged we can qualify the information for public record.

Questions and comments were invited by the Chair.

- The Chair asked if there could be a different presentation to indicate that there are reasons behind some of the balances. Garry noted that we have to subscribe to the national framework for financial reporting and have to declare what the closing bottom line is. The reporting is quite inflexible but we can give context to the figures if we are challenged. There is no challenge from the government as it stands.
- There is the issue of only reporting or questioning maintained school balances as this is only looking at some of the schools nationally and it is not fair to focus on this sector and not include the academy sector.
- Noted that politicians who are not on governing bodies and do not grasp the significance of what is happening may not think schools are really struggling to make ends meet. This is a danger and diminishes the potency of our message around insufficient funding.
- Lucinda welcomed more clarity and noted that for her special school the surplus is essential to balance the budget. Having the breakdown is really helpful and gives a step forward for the clarity and noted that the final sheet is really useful.
- Gary Cunningham noted that as an academy they are always asked about 3 year forecasts. A 3 year budget is always a very different picture with schools having to use carry forward funding to balance the books and always have to be mindful of building reserves so you don't have to lay people off.
- Garry Bradbury noted that now the maintained sector is being challenged to find 3 year projections there would be a legitimate reason to have some provision for future years factored in to reduce the bottom line figures even further. Next year we will still liaise with schools themselves over the future projections.

Recommendations:

- (1) Schools Forum members are asked to note the level of maintained school balances recorded at the end of 2020/21. **NOTED**
- (2) Schools Forum members representing WAPH and WASCL are asked to consider whether to recommend that schools evaluate internally their closing 2020/21 balances. **NOTED**

## 6. AOB

**Farewell to Lyndsey and Jacqui:** It was noted that this is the last Schools Forum meeting for Lyndsey Glass and Jacqui Wightman as they are both retiring. The Chair acknowledged that they have been great supporters of Schools Forum and their understanding of the forum is second to none. They will be a sad loss to their own schools, Schools Forum and Warrington. They have been supportive and passionate about all children in Warrington and never give up. They will be greatly missed and on behalf of the forum the Chair wished them both all the best in their retirement. Lyndsey and Jacqui thanked Maureen and expressed the wish that they hoped everyone would continue to support Schools Forum.

**Cllr Joshua Dixon:** Has asked the Chair about Schools Forum (he is the shadow representative for education). Paula will find out if Cllr Sarah Hall is comfortable with this and Paula informed that she has had a meeting with Cllr Dixon to give an update and brief on education. Schools Forum shouldn't be an opportunity for political leverage. Paula will contact Cllr Dixon and noted that Schools Forum is a public meeting and papers are published on the council website.

## 7. MEETING SCHEDULE FOR 2021

- 12 October 2021

Tuesday at 5.15 – 7.00 pm unless held virtually and will then start at 4.30 pm  
(Venue or virtual arrangements TBC)

The Chair thanked everyone for attending and the meeting was closed.

# REPORT

WARRINGTON  
Borough Council



**Report to:** Schools Forum

**Item:** 4

**Date:** 12<sup>th</sup> October 2021

**For:** Information / Discussion

**Title:** 2022/23 Funding Update

**Author:** Garry Bradbury

**Queries to:** [Gbradbury@warrington.gov.uk](mailto:Gbradbury@warrington.gov.uk)

**Presenter:** James Campbell

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## 1 INTRODUCTION

- 1.1 The purpose of this paper is to update Schools Forum members with details of the indicative funding – and underlying methodologies - of Dedicated Schools Grant (DSG) for financial year 2022/23, and in particular how this impacts on the establishment of individual school allocations for that period.
- 1.2 The current “standing” policy of Warrington Borough Council, and Schools Forum, is to replicate National Funding Formula (NFF) as closely as possible, so the intention is that the changes outlined in this report will follow through into Warrington’s school funding formula for 2022/23, unless there are circumstances which dictate otherwise, such as affordability (discussed in section 3.2)

## 2 NFF FORMULA VALUES

- 2.1 The NFF formula values for 2022/23 were revealed by the Education & Skills Funding Agency (ESFA) in mid-July. Those values, inflated by Warrington’s Area Cost Adjustment multiplier (a very modest 1.00363) are illustrated in **Appendix 1**.
- 2.2 In general terms, NFF factor values have increased by:
  - £10,000 to the maximum sparsity values (no impact for Warrington)
  - 3% to basic entitlement, free school meals at any time in the last 6 years (FSM6), income deprivation affecting children index (IDACI), lower prior attainment (LPA), English as an additional language (EAL) and the lump sum
  - 2% to free school meals (FSM) deprivation factor
  - 2% to the floor and minimum per pupil levels

- 0% on the premises factors, except for PFI, which has increased by inflation (schools business rates will be paid by ESFA to billing authorities directly on behalf of all state funded schools from 2022 to 2023 onwards)
- 2.3 Please note that we do not use the Looked After Children (LAC) formula factor, and it was removed from 'standard' NFF when the Pupil Premium Plus rate was increased in 2019/20. While it is still acceptable to use in 2022/23, it will be mandatorily removed in future years' formulae, as notified in the Government's response to the recent formula consultation.
  - 2.4 English as an Additional Language is an optional factor, and it is also discretionary for how long funding is applied after entering the school system – 1, 2 or 3 years. The NFF uses 3 years, as do we. From 2023/24, a 3 year measure will be mandatory.
  - 2.5 Sparsity funding is now based on road distance instead of "as the crow flies" distances from pupils' home to school – there is no consequence for Warrington as we have no schools which trigger funding under either circumstance. Having rather more direct impact is that FSM6 data is now taken from the earlier October census, to harmonise with the new practice for Pupil Premium.
  - 2.6 As 2020 assessments were cancelled due to the pandemic, data from the 2019 Early Years foundation stage profile, and Key Stage 2 tests, have been used as a proxy.
  - 2.7 The minimum per pupil funding and funding floor are applied, ensuring that all schools attract at least the minimum level of per-pupil funding through the formula, and that all schools attract at least a 2% increase compared to their 2021/22 baseline pupil-led funding per pupil. Local authorities are free, though, to set the MFG in local formulae between +0.5% and +2% per pupil. Modifying the MFG downwards from the 2% presently used in the modelling may be one way to accommodate any funding shortfall when the new data are available. Another would be to apply a cap, or scaling factor, on gains at an individual school level, which is not applied in NFF, but is permissible to apply at a Local Authority level (it's not permitted, though, to take a school below its MPPL, and it must permit at least the MFG to be applied).
  - 2.8 Teachers' pay grant (TPG) and Teachers' pension employers' contribution grant (TPECG) are now fully rolled into the NFF for all mainstream and special schools.

### **3 IMPLICATIONS OF REVISED NFF**

- 3.1 **Appendix 2** illustrates the 'cost' of applying NFF 2022/3 values to current data (proxies and all), and compares it to the provisional settlement without any growth funding.
- 3.2 Whilst applying the 22/23 NFF values to \*current\* formulae datasets results in a funding requirement slightly greater than our provisional Schools Block settlement, that settlement does not currently include any growth factor funding. We will not know precisely the "affordability" position until:

- a) The NFF values are applied to datasets from the October 2021 census; and
- b) The growth funding received in respect of NOR growth on a geographical sector basis between October 2020 and October 2021 censuses, is established.

3.3 The hope and expectation is that while the gap may widen when using the data from the upcoming census, the growth funding will be sufficient to bridge it. As is usual, we will require to address this in the Forum meeting in January 2022, prior to submitting our formula APT, when we will either have to decide how to reduce the cost of the formula by

- a) reducing one or more of the formula values,
- b) reducing the MFG towards the minimum of +0.5%
- c) introducing a cap on gains

or consider how any surplus of the growth funding could be utilised, either by transfer to other Block(s) within DSG, or by increasing one or more of the formula values. Bear in mind that if we increase a pupil-led factor beyond its NFF value, this will increase the baseline for future years' MFG protection levels, and there may be a consequence for future affordability.

3.4 Local authorities continue to be able to transfer up to 0.5% of their schools block to other blocks of the DSG, with Schools Forum approval. A disapplication is required for transfers greater than 0.5%, or any amount if it lacks Forum approval.

## 4 HIGH NEEDS BLOCK

4.1 Before the deduction for commissioned places is applied, the High Needs Block for the next financial year will increase by £2,817,111 – a 2% baseline increase over 2021/22, and 11% overall.

	<i>22/23</i>			<i>21/22</i>		
HN Baseline			£23,591,647.00			£23,591,648.42
HN Increase			<u>£2,100,365.00</u>			
2021/22			<u>£25,692,012.00</u>			
2022/23 Baseline			<b>£26,223,183.00</b>			
Basic Entitlement	466	£4,686.37	£2,183,846.84	466	£4,685.90	£2,183,630.00
Import/Export	-82	£6,000.00	-£492,000.00	-108	£6,000.00	-£648,000.00
Hospital/Medical			£438,094.00			£408,735.00
			<b>£28,353,123.84</b>			<b>£25,536,013.42</b>

## 5 TIMELINE AND THE FUTURE

5.1 The local authority is responsible for making the final decisions on the formula; however, each local authority's process should ensure that there is sufficient time to gain Schools Forum and political approval before the APT deadline in January 2022.

5.2 Key deadlines are as below:

19/11/21	Deadline for submitting disapplication requests
21/01/22	Deadline for submission of final APT formula proposal for 2022/23
28/02/22	Deadline for confirming school budget shares to mainstream maintained schools

5.3 Consequently, once Accountancy has assessed, in late December, the impact of the confirmed DSG allocation compared to the revised cost of NFF, and established whether we have a funding shortfall or surplus, we will need to discuss appropriate strategies at a Forum meeting in good time for submitting the APT on 21<sup>st</sup> January.

## 6 **RECOMMENDATIONS**

6.1 That Schools Forum members note the contents of this report

6.2 Schools Forum should consider giving a steer to the Authority on how:

- a) To reduce the “cost” of the funding formula if the actual settlement makes a full implementation of NFF unaffordable; or
- b) To utilise remaining funding in the Schools Block settlement, if a surplus remains after implementation of NFF with the new October data

6.3 That a date for a January Schools Forum meeting is agreed to enable timely submission of the APT to ESFA, for financial year 2022/23



Appendix 1: NFF values 2022/23

1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Description	Amount per pupil *	
	Primary (Years R-6)	£3,228.68	
	Key Stage 3 (Years 7-9)	£4,552.47	
	Key Stage 4 (Years 10-11)	£5,130.56	
	Description	Primary amount per pupil *	Secondary amount per pupil *
2) Deprivation	FSM	£471.71	£471.71
	FSM6	£592.14	£868.14
	IDACI Band F	£220.80	£321.16
	IDACI Band E	£270.98	£426.54
	IDACI Band D	£421.52	£597.16
	IDACI Band C	£461.67	£652.36
	IDACI Band B	£491.78	£702.54
	IDACI Band A	£642.32	£893.23
3) Looked After Children (LAC)	LAC March 19		
4) English as an Additional Language (EAL)	EAL 3 Primary	£567.05	
	EAL 3 Secondary		£1,535.55
5) Mobility	Pupils starting school outside of normal entry dates	£928.36	£1,334.83
6) Low prior attainment		£1,134.10	£1,716.21
7) Lump Sum per school		£121,740.32	£121,740.32

\* NFF value multiplied by Warrington's Area Cost Adjustment weighting of 1.00363

Appendix 2: NFF and Schools Block Funding 2022/23

	£	NOR	2022/23		£	NOR	2021/22		
Primary Unit of Funding	£4,546.85	17572.00	£79,897,214		£4,437.85	17572.00	£77,981,900		
Secondary Unit of Funding	£5,768.86	12383.50	£71,438,629		£5,618.69	12383.50	£69,579,048		
Premises			£1,593,567				£1,717,546		
Growth			TBC				£598,945		
<b>Provisional Schools Block 2022/23</b>			<b>£152,929,410</b>		<b>Actual Schools Block 2021/22</b>		<b>£149,877,439</b>		
			TOTAL	<i>Primary</i>	<i>Secondary</i>		TOTAL	<i>Primary</i>	<i>Secondary</i>
AWPU			£115,904,111	£56,734,365	£59,169,746		£112,522,202	£55,076,095	£57,446,107
Deprivation (FSM/FSM6)			£7,010,118	£3,956,543	£3,053,575		£6,835,158	£3,862,974	£2,972,183
Deprivation (IDACI)			£4,075,694	£2,039,563	£2,036,131		£3,962,107	£1,982,184	£1,979,923
EAL			£742,950	£543,522	£199,427		£722,648	£529,087	£193,561
Mobility			£14,779	£14,779	£0		£14,380	£14,380	£0
Low Prior Attainment			£9,322,255	£5,466,407	£3,855,848		£9,040,094	£5,297,031	£3,743,063
Lump Sum			£9,982,706	£8,400,082	£1,582,624		£9,694,568	£8,157,624	£1,536,944
Split Sites			£297,000	£0	£297,000		£297,000	£0	£297,000
Rates			£1,226,933	£644,990	£581,943		£1,296,567	£714,624	£581,943
MPPFL uplifts			£3,519,568	£2,064,799	£1,454,769		£4,089,702	£2,325,988	£1,763,714
MFG			£944,146	£897,940	£46,206		£1,349,790	£1,270,663	£79,127
			<b>£153,040,260</b>	<b>£80,762,990</b>	<b>£72,277,269</b>		<b>£149,824,216</b>	<b>£79,230,650</b>	<b>£70,593,565</b>
						EY Transfer	£53,223		
Shortfall			£110,850						
							<b>£149,877,439</b>		