



West Northamptonshire Schools Forum

A meeting of the West Northamptonshire Schools Forum will be held at the <https://www.youtube.com/channel/UCDyc2cNcl19OvcGOCuZDTBQ> on Tuesday 18 January 2022 at 2.00 pm

Agenda

<p>7.</p>	<p>2022-23 WNC High Needs Budgets (Pages 5 - 12)</p> <p>Includes update on final DSG settlement, any updates to HN places and LA high needs budgets for information.</p> <p>Beth Baines</p>
<p>9.</p>	<p>2022-23 Early Years Budgets (Pages 13 - 20)</p> <p>Includes Early Years consultation responses, proposed early years single funding formula 2022-23 and proposed LA central expenditure.</p> <p>Beth Baines/Kelly Mills</p>

Catherine Whitehead
Proper Officer
10 January 2022

West Northamptonshire Schools Forum Members:

Peter French	Paul Wheeler
James Shryane	Dan York
Sandra Appleby	Lyndsey Barnett
Simon Bentley	Vanessa Bradley
Lee Hughes	Rachel Martin
Jon Lake	Karen Lewis
Iain Massey	Jenny Thorpe
Hayley Walker	Rod Warsap
Eliza Hollis	

Information about this Agenda

Apologies for Absence

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If you have any queries about this agenda please contact Paul Hanson via the following:

Email: paul.hanson@westnorthants.gov.uk

Or by writing to:

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West Northants Schools forum: 18 January 2022

Agenda Item 7

West Northamptonshire Council Special Schools Funding 2022-23

List of Appendices

Appendix A – Indicative Special School Budgets

Related agenda items

Agenda item 4 – DSG Monitoring

Agenda item 5 – 2022-23 Schools Budgets

Agenda item 8 – High Needs Block Deficit Recovery Plan

Agenda item 9 – 2022-23 Early Years Budgets

1 Purpose of Report

- 1.1 To inform West Northamptonshire Schools forum of the High Needs Block budgets for 2022-23 and to present the indicative Special Schools budgets for 2022-23.
- 1.2 Table 1 shows the relevant responsibilities in relation to schools funding formula changes which is taken from the Education and Skills Funding Agency's (ESFA) schools forum Powers and Responsibilities, published in March 2020.
- 1.3 There are no votes required in relation to this agenda item.

Table 1

	Local Authority	Schools forum	ESFA
Formula change (including redistributions)	Proposes and decides	Must be consulted. Voting is restricted to School Members.	Checks for compliance with regulations
Movement of up to 0.5% from the schools block to other blocks	Proposes	Decides	Adjudicates where schools forum does not agree LA proposal
Financial issues relating to: arrangements for pupils with special educational needs, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding	Consults annually	Gives a view and informs the governing bodies of all consultations	None
Financial issues relating to: arrangements for the education of children otherwise than at school, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding	Consults annually	Gives a view and informs the governing bodies of all consultations	None

Table 1 cont.

	Local Authority	Schools forum	ESFA
Central spend on: high needs block provision	Decides	None, but good practice to inform	None

1.4 There are no changes to the formula used for 2022-23 Special Schools budgets and there are no financial issues to report regarding the commissioning of high needs places. The places agreed with high needs providers were submitted to the ESFA in November following discussion with providers and these were reported at December 2021 schools forum.

2 Background

2.1 As per in January Schools Forum agenda item 5, The Secretary of State for Education announced the DSG funding allocations for the 2022-23 financial year on 16 December 2021.

2.2 On 19 December the ESFA also provided information on a supplementary increase to the high needs block funding. Special schools and other providers funded from the high needs block of the DSG will benefit from an additional £325 million in 2022-23, through a top up to the DSG allocations. This is an increase of 4% to the high needs allocations announced in July 2021. This extra funding recognises the additional cost to LAs, special schools and alternative provision.

Table 2 – WNC Final DSG Funding Allocations £m

	High Needs Block
2021/22	54.2
Provisional 2022/23	58.5
Final 2022/23	58.9
Increase /(decrease) from prior year	4.7
% Increase / (decrease) from prior year	8.7%
Supplementary Funding 2022/23	2.0
Total increase /(decrease) from prior year	6.7
Total % Increase / (decrease) from prior year	12.4%

2.3 Given the high needs pressures, the authority will not be seeking to continue to jointly fund the early years SEND children in nursery provision. WNC will not be requesting a block transfer from high needs to early years in 2022-23.

2.4 As consulted on, discussed and agreed in the December 2021 Schools Forum, the Council was not seeking to transfer 0.5% from the schools block to high needs block to cover the general overspend, as it has done in previous years. Instead, the LA sought a top slice to fund specialist support services of £2.1m (approx. 0.68%) which schools forum endorsed, which now requires ESFA approval. If the ESFA does not agree to the proposal, despite schools forum agreement, then the council must pursue the 0.5% top slice to fund part of the overspend (see also agenda item 5 & 6).

3 High Needs Budget Setting Process

- 3.1 This section of the report provides explains the process used to set the budget for 2022-23.
- 3.2 The detailed budgets still continue to settle down and embed in the current financial year and the 2022-23 budget represents 'stabilisation' where we continue to understand and develop the financial situation for WNC as a sovereign Council. However, in parallel we will continue to plan and work towards delivery of the high needs block recovery plan.
- 3.3 The base line starting point for setting 2022-23 high needs budgets is the 2021-22 budgets and the forecast outturn position for those budgets at the time of writing this report. From this forecast outturn, for demand led services, we have identified predicted ongoing demand pressures and estimated growth required next financial year and beyond. We add this to the base line on the assumption from detailed analysis that the current year forecast is due to increased demand and rates increases from providers, and not a temporary increase.
- 3.4 The intelligence gathered as part of the budget monitoring process for 2021-22 also provides information on unavoidable increases in 2022-23 due to increased numbers of pupils within the high needs education system in 2021-22 from September intake. For example, 50 additional special school pupils from September 2021 add approximately £417k to the 2021-22 financial year and has a 7 month impact. In 2022-23 there will be a 12-month impact of that intake, and the full year cost would be £1,000,000 for the full 12 months.
- 3.5 In addition to these increases known due to September 2021 increases, there will also be the 7-month impact of growth in numbers from the September 2022 intake. This is estimated and added to our budget forecasts.
- 3.6 Other considerations for 2022-23 budget setting are the increases in the employers National Insurance contributions for the Health and Social Care Levy, general pay inflation and other inflationary uplifts (salary budgets tend to be between 80-90% of a schools budget).

4 The High Needs Budgets 2022-23

- 4.1 The main budgets are shown in Table 3 on the next page starting with the 2021-22 budgets, adding the ongoing predicted impact of in year demand, forecast growth next year (including inflation) and then the final 2022-23 budget position.

Table 3 High Needs Budgets 2022-23 £000s

High Needs	2021-22 Net of Recoupment Budget	Net Budget Forecast 2021-22 outturn	2021-22 Known Growth/Reduction to include 2022-23	Growth in 2022-23 (e.g. Sept intake)	2022-23 Gross Budget
SEN Units	1,846	1,936	90	558	3,220
Special School	15,645	14,942	-703	658	24,057
Post 16 high needs	781	933	152	879	4,140
Independent and 'Out of LA'	9,705	12,161	2,456	2,021	14,182
SEND in Mainstream	6,104	6,632	528	61	6,693
Hospital & Outreach	506	506	0	17	1,668
Alternative Provision	1,603	1,603	0	342	4,497
MASH - Staffing	57	57	0	1	58
Educational Entitlement Team	324	324	0	3	327
Virtual School including Kick into Study	240	240	0	2	243
Specialist Support Service	415	415	0	4	419
Sensory Impairment	1,074	1,074	0	11	1,085
Education Health Care team	679	679	0	7	686
NPPS (Northamptonshire Parent Partnership Service)	11	11	0	0	11
prior year deficit repayment	1,348	1,348	0	0	1,348
Total High Needs	40,338	42,861	2,523	4,563	62,635
CSSB historical funded					-202
School Block funded					-1,489
High Needs Block					60,944
HNB DSG					58,922
HN Supplementary grant(16th Dec 2021)					2,022
HNB funding per December 2021 settlement					60,944

5 Special Schools Budgets

- 5.1 The individual special school budgets for 2022-23 are provided in appendix A to this agenda item. The main change for 2022-23 is an increase in the RAS rates of 5%. The RAS top up funding is just a little less than half the budgets for special schools and this increase therefore provides an overall increase of 2.4%.
- 5.2 Special school budgets have a minimum funding guarantee set by Government of 0% for 2022-23 but given the National Insurance increases and other inflationary pressures, we have increased at a level

similar to the supplementary funding being provided to mainstream schools provided for the same purpose

- 5.3 Special school budgets are made from two parts, the fixed place funding (set in the November submission to the ESFA for academies) and through the schools forum published places in the December 2021 meeting. Those places are based on the numbers of pupils in the special schools at October 2021 and any known growth planned for those schools.
- 5.4 The second part of the funding is a per pupil amount referred to as the “top up”. This is not fixed and follows the pupil calculated on a daily basis and is dependent on that pupils RAS score (resources allocation system). The RAS score information in the budgets is indicative and based on the Autumn RAS returns from special schools. Special schools have the best knowledge of how their pupil population is changing through the year, and are advised to let us know of any significant changes to the indicative top up funding provided in these budgets as soon as possible so that monthly transfer amounts can be amended appropriately.

6 Key Changes 2022-23

- 6.1 Special School RAS rate increase of 5% (equates to 2.4% budget increase) for 2022-23.
- 6.2 High Needs Budget growth seen in the independent sector in 2021-22 is most significant area of growth for 2022-23.

7 Financial implications

- 7.1 See section 4 above – individual budgets are increased for 2022-23 to follow known growth from 2021-22 and forecast growth.

8 Legal implications

- 8.1 There are no legal implications arising from the proposals.

9 Recommendations for schools forum

- 9.1 That schools forum note the final funding settlement for high needs budgets for 2022-23 and the proposed indicative budgets for special schools for 2022-23.

10 Next Steps

- 10.1 The final special school budgets will be published by the end of February 2022.

Report Author:

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Officer title: Senior Finance Business Partner

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DFE reference	School	Top Up estimate for 2022-23 (based on Autumn Update 2021)	Inflation 5% on top up	Oct 21 RAS no's (not including out of county)	Budget 22-23 Estimated Top Up	PLACE FUNDING 22-23*	21-22 Average TOTAL Per Pupil (place and top up)	2022-23 Average before protection	Additional Places (growing schools)	Protection to prior year per pupil average rate	INDICATIVE BUDGET 2022-23
7020	Billingbrook (A)	2,600,000	130,000	240	2,730,000	2,502,500	21,194	21,375	0	0	5,232,500
7000	Daventry Hill School	1,466,000	73,300	171	1,539,300	1,816,667	18,210	19,002	76,250	0	3,432,217
7014	Fairfields (P)	1,488,000	74,400	119	1,562,400	1,221,667	22,153	23,129	0	0	2,784,067
7019	Greenfield (S)	1,181,000	59,050	85	1,240,050	1,042,500	24,052	24,589	0	0	2,282,550
7028	Kingsmeadow (P)	263,000	13,150	24	276,150	405,833	23,890	21,506	0	57,210	739,193
7017	Northgate (S)	1,997,000	99,850	247	2,096,850	2,557,500	18,275	18,489	0	0	4,654,350
7002	Purple Oaks	1,070,000	53,500	99	1,123,500	1,026,667	20,195	21,348	0	0	2,150,167
7018	Gateway (S)	792,000	39,600	54	831,600	660,000	24,479	25,400	0	0	1,491,600
	TOTAL	10,857,000	542,850	1,039	11,399,850	11,233,333	172,447	174,839	76,250	57,210	22,766,643

*Place funding: (5/12ths of 2021-22 academic year and 7/12th of 2022-23 academic year, includes out of county)

Top up for pupils that are in different Local Authorities are not shown in the budgets above as they are not paid from West Northamptonshire Council

Phases: (A) = allthrough, (P) = primary, (S) = secondary

Please note growth estimates are not shown in the above as we do not know where new pupils will be placed for 2022-23 academic year.

Special School Resource Allocation Band funding rates for 2022-23

Phase	RAS Band	2021-22 rates	2022-23 rates
		£	£
Primary	P1	47	49
Primary	P2	327	343
Primary	P3	795	835
Primary	P4	1,216	1,277
Primary	P5	2,431	2,553
Primary	P6	4,769	5,007
Primary	P7	7,480	7,854
Primary	P8	10,659	11,192
Primary	P9	14,212	14,923
Primary	P10	17,485	18,359
Secondary	S1	2,291	2,406
Secondary	S2	2,571	2,700
Secondary	S3	3,039	3,191
Secondary	S4	3,460	3,633
Secondary	S5	4,675	4,909
Secondary	S6	7,013	7,364
Secondary	S7	9,724	10,210
Secondary	S8	12,903	13,548
Secondary	S9	16,363	17,181
Secondary	S10	19,729	20,715
		Sixth Form	Sixth Form
Post-16	X1	3,249	3,411
Post-16	X2	3,529	3,705
Post-16	X3	3,997	4,197
Post-16	X4	4,418	4,639
Post-16	X5	5,633	5,915
Post-16	X6	7,971	8,370
Post-16	X7	10,682	11,216
Post-16	X8	13,861	14,554
Post-16	X9	17,321	18,187
Post-16	X10	20,687	21,721

West Northamptonshire Council

Schools Forum January 2022

Early Years Funding 2022-2023 Proposal Report

1. Introduction

1.1 West Northamptonshire Council (NNC) is required to consult with Schools Forum on the proposed arrangements for the Early Years Funding Formula. It is also best practice to consult with the sector before implementing any changes to base rates and supplements with PVI, Childminders and Maintained Nursery Sector funded providers.

1.2 WNC is committed to supporting and enabling the funded and non-funded Early Years sector to deliver sustainable and high quality provision within West Northamptonshire. The proposal available within this report has been based on a safe and sound balance of our commitment to passport as much DSG funding to providers, as well as being able to meet our statutory duties as a council in delivering a high quality service to the Early Years Sector.

2. Background

2.1 The Schools and Early Years Regulations 2018, (Regulation 22) requires local Authorities to ensure that from April 2018 at least 95% of the hourly funding rate for 3 and 4 year olds allocated by the Department for Education is passed on to providers through the formula, or other funding paid directly to providers. The DfE monitor this requirement through the WNC annual s251 budget returns.

2.2 Early Years Block DSG is calculated based on the number of hours children are taking up during census week, January 2022 (first 5 months of 2021-22) and January 2023 (for last 7 months of 2022-23). If a provider does not compete the census, the service does not receive funding for those children from 1st April 2022.

2.3 During normal circumstances, the DfE announce the base rate and budget allocations for the coming year after the Government Budget announcement in October each year. However, due to Covid 19, this was delayed by a month and this received 25th November 2021 followed by the DSG allocations in early January 2021.

3. Consultation with the sector

3.1 West Northamptonshire Council (NNC) is required to consult on the proposed arrangements for the Early Years Funding Formula for participating Early Years funded providers.

As part of this consultation process, a survey was issued to the Early Years Providers in West Northamptonshire to capture their views and ideas regarding the Early Years Funding for PVI and Childminders and the Maintained Nursery Sector for 2022-2023.

3.2 As part of this consultation process, the survey at the end of this document is provided to all Early Years Providers in West Northamptonshire to capture views regarding the Early Years Funding for PVI and Childminders and the Maintained Nursery Sector for 2022-2023.

3.3 Questions as follows:

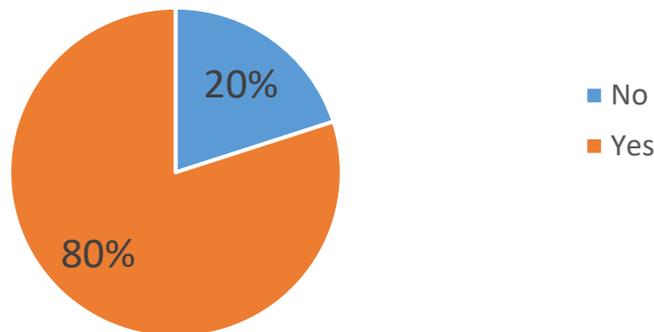
	Questions
1	<p>Do you support the LAs proposal to add:</p> <ul style="list-style-type: none"> • 60% of any increase available in 3 and 4 year old funding into the base rate • 25% of any increase available in 3 and 4 year old funding into the deprivation factor • 10% of any increase available in 3 and 4 year old funding into the inclusion fund • 5% of any increase available in 3 and 4 year old funding into the central funding for early years
2	If you do not agree with the proposals for 3 and 4 year olds, what would your proposal be?
3	Do you support the LA's proposal to add 100% of the available 2 year old funding into the base rate for 2 year olds?
4	If you do not agree with the proposals for 2 year olds, what would your proposal be?
5	Do you support the LA's proposal to distribute the Maintained Nursery Supplement according to the rate and hours that the funding is provided to NNC?
6	Do you support the LA's proposal to distribute the Maintained Nursery Supplement (the separate part of the Early Years Block funding received by WNC for the MNS) according to the rate and hours that the funding is provided to NNC?
7	If yes, would you like to see a staged approach to this, or a complete move to this distribution in 2022-23 budgets
8	Do you support the LAs proposal to distribute the funding brought forward from 2020-21 to settings? This would be based on a comparison of one funding block to another from 2019-20 to 2020-21
9	Would you prefer the creation of a "Financial Support" fund with the funding brought forward from 2020-2021 run by LAs that settings can apply for?

4. Consultation Outcomes

4.1 The survey was released on 24th December 2021 and closed 14th January 2022. There were 26 responses out of 506 childcare providers in West Northamptonshire.

Below responses taken from 'Appendix 1 – Consultation Spreadsheet 220114'

Do you support the LAs proposal to add: 13p to the base rate for 3 and 4 year olds for Universal and extended provision and 4p to the deprivation rate for 3 and 4 year olds for Universal and extended provision



Comments:

The rise in funding should be in line with the rise in minimum wage. By not providing sufficient funding you are forcing settings to raise the cost of childcare and putting more pressure on families to fit the bill.

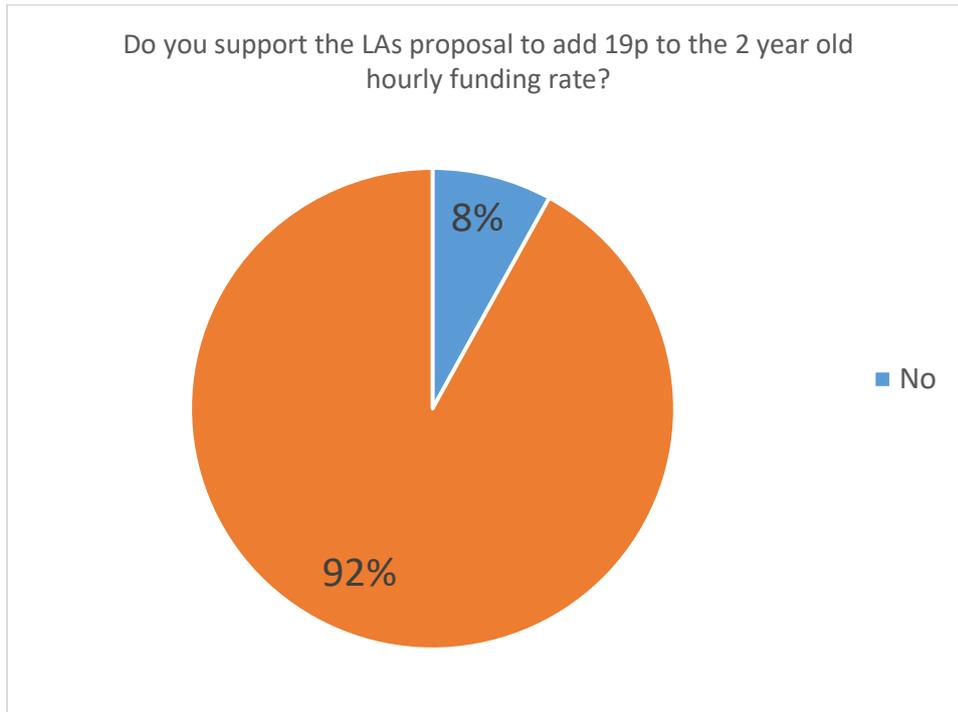
A higher funding rate passed on to providers

Pay the going rate as we think £5.60 per hour is perfectly reasonable as the Minimum Wage rate will be rising to £9.50 per hour from April and this will put more pressure on our finances.

It is not enough especially with the increase to minimum wage in April. I would propose the full amount of £4.66. £4.18 does not even match what we potentially could have had in year 2021-22

I would rather have DAF remain at £615 per year and see an increase in the universal funding rate for 3 & 4 year olds. This funding is Early years bread & butter and quite frankly we are on our knees with the current funding and the proposed increase of 13p is not enough.

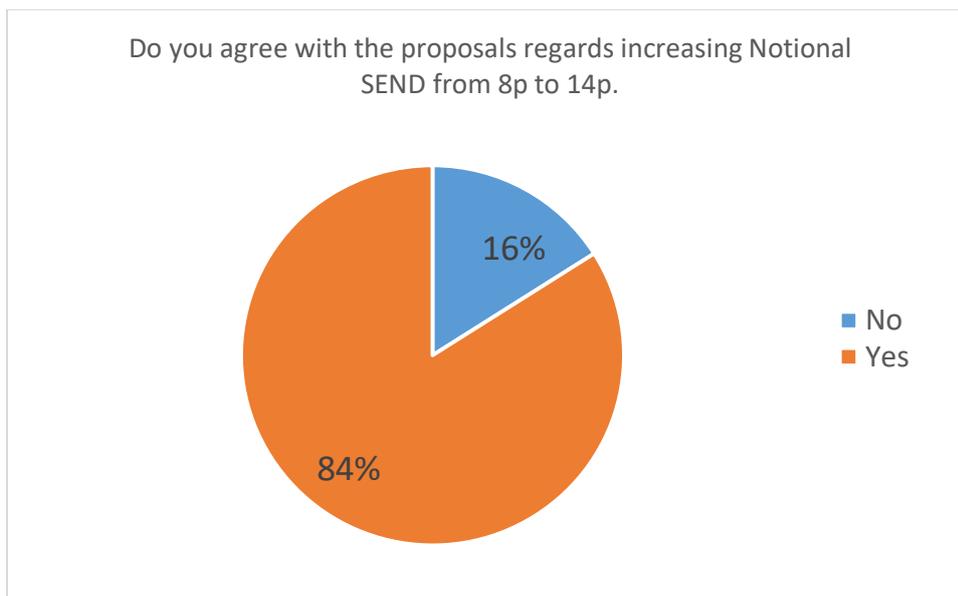
I would propose an increase of 15p per hour to the base rate to take it to £4.20 per hour as this would take us back to the rate we were being paid before the Ofsted grading and staff quality payments were removed from the funding and may help to offset the rises in the minimum wage that have taken place and will take place in April 2022.



Comments

A higher funding rate passed on to providers!

Pay the going rate as with 3-4 year funding.



Comments

Maybe notional SEND should be withdrawn and settings could apply for a lump sum to cover additional costs whilst awaiting referral.

Maybe notional SEND should be withdrawn and settings could apply for a lump sum to cover additional costs whilst awaiting referral.

A significantly higher rate is required to even begin to cover the costs involved with provide sen support to the increasing numbers of children who are requiring it.

Keep Notional Send at the current rate of 8p. Early years are struggling to make ends meet as it is, if we then have to keep back 14p per funded child for notional send we have a total of £4.04 per hour to cover their care with staffing costs and their snacks for snack times (as we are no longer able to charge for these – only voluntary which brings in nothing when you are in a deprived area and families are struggling with financial hardship)

5. Summary of Consultation

5.1 The response rate for the survey was poor with only 26 settings responding out of a possible 506. This will be due to several factors, timing of the consultation and short deadline being the immediate two.

The survey reveals that the sector who responded are in favour of an increase in the hourly rates but feel that with the cost of living rising this does not cover inflation

There are several comments regarding the amounts for the base rate for 3 and 4 year olds as well as the Notional SEND. The sector who responded suggest that the base rate and Notional SEND rates be higher than the proposed increases.

6. The Proposed Early Years Funding rates for West Northamptonshire

Table 1: proposed rates to providers for 2022-23

Funded Entitlements	2021-22 rates	Change	2022-23 proposed*
2 year old funding	£5.23 per hour	19p increase	£5.42 per hour
Universal and Extended Entitlement for 3 and 4 year olds	£4.05 per hour	13p increase	£4.18 per hour
Notional SEND	£0.08 per hour (included within the above base rate)	6p increase	£0.14 per hour (included in the above base rate)
Deprivation for 3 and 4 year olds 30% SOA	£0.28 per hour	4p increase	£0.32 per hour

**Inclusion Fund –Early Years High Needs	£8.00 per hour	Changes to be proposed in a January 2022 consultation specifically on additional support for SEND children	To be confirmed March 2022
Centrally retained budget –	5%	£41,250	£1.13m
Early Years Funding and Business Compliance			
Early Years and Childcare Advisory and Training Service			
Early Years Pupil Premium (EYPP)	£0.53 per hour	7p increase	£0.60 per hour
Disability Access Fund (DAF)	£615 per child per year	£185 per child per year increase	£800 per child per year
Maintained Nursery Sector Supplementary Funding (MNS)	Following feedback from the December Schools Forum meeting, the consultation for this supplement will be held directly with the 5 West Northants Maintained Nurseries to be confirmed February 2022 at the latest.		

*** The non-statutory Early Years High Needs (EYHNF) Funding process and rates will be reviewed and discussed in February 2022.*

Table 2: proposed rates to providers for 2022-23

Funding provided to WNC	2021-2022	2022-2023	Change £	Change %
2 Year old base rate per hour	£5.41	£5.62	£0.21	3.9%
Universal and Extended Entitlement for 3 and 4 year olds per hour	£4.49	£4.66	£0.17	3.8%
Early Years Pupil Premium (EYPP) per hour	£0.53p**	£0.60p**	£0.07	13.2%
Disability Access Fund (DAF)	£615**	£800**	£185	30%
Maintained Nursery Settings protection per hour	£4.57	£4.73	£0.16	3.47%

*** per eligible child, per child's year*

Next Steps

Forum to vote on the following points:

1. Increase base rates at suggested amounts provided in tables 1 and 2
2. Dissemination to the Sector

West Northamptonshire Council Early Years Funding Proposal Report 2022-2023

17th January 2022

Kelly Mills – Early Years’ Business Compliance and Funding Support Service Manager

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