

**West Northants Schools Forum: 13 December 2023**  
**Agenda Item 6**  
**Mainstream School Budgets 2024-25**

**List of Appendices**

Appendix A – Schools Forum Consultation Written Responses

Appendix B – estimated cost of de-delegations per school

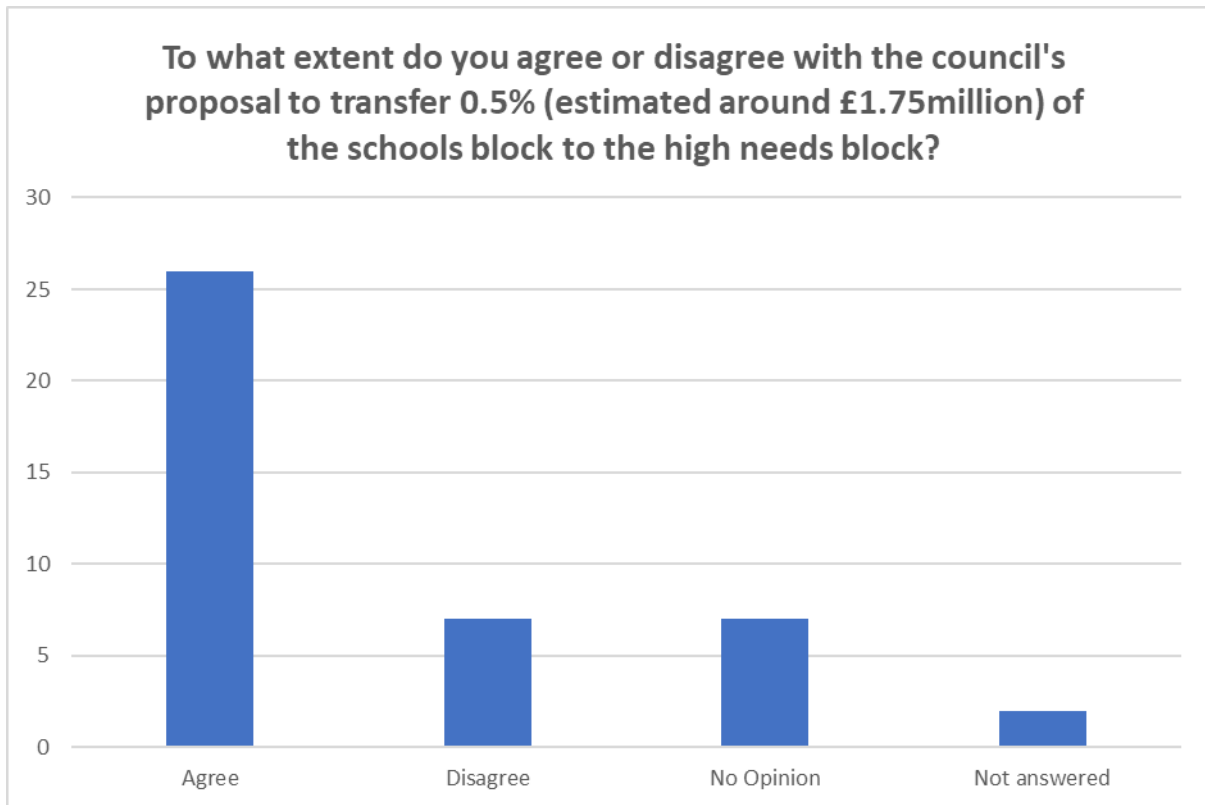
**1 Purpose of Report**

- 1.1 This report is to inform West Northamptonshire Council's (WNC) Schools Forum of the responses to the schools forum budget consultation for 2024-25. This will support their decisions for setting block moves and centrally managed budgets. The consultation ran from the 1<sup>st</sup> of November to the 30<sup>th</sup> November and WNC received 42 responses from 186 schools (prior year was 57).
- 1.2 This consultation was first taken in draft to the Schools Forum in October 2023 prior to going live.
- 1.3 Reviews of the consultation feedback have led to changes in some of the options being presented to schools forum members. For example an increased rate is suggested for the size of the School Improvements Grant de-delegation for maintained schools due to the request for bursar support and training.
- 1.4 There is also a change in the growth fund budget for 2024-25 to support schools taking pupils from the closure of another school. These are highlighted and explained in the relevant sections.

**2 Responses to the consultation**

**3 Schools Block transfer of 0.5% to the High Needs Block**

- 3.1 WNC propose to transfer 0.5% of the schools block to the high needs block (0.5% was also in transferred to the 2023-24 high needs block). If this 0.5% transfer weren't made, then it would add an estimated pressure of £1.75m to an already stretched budget. The response to the question was supportive of the move with 26 of the 42 respondents agreeing with the transfer.

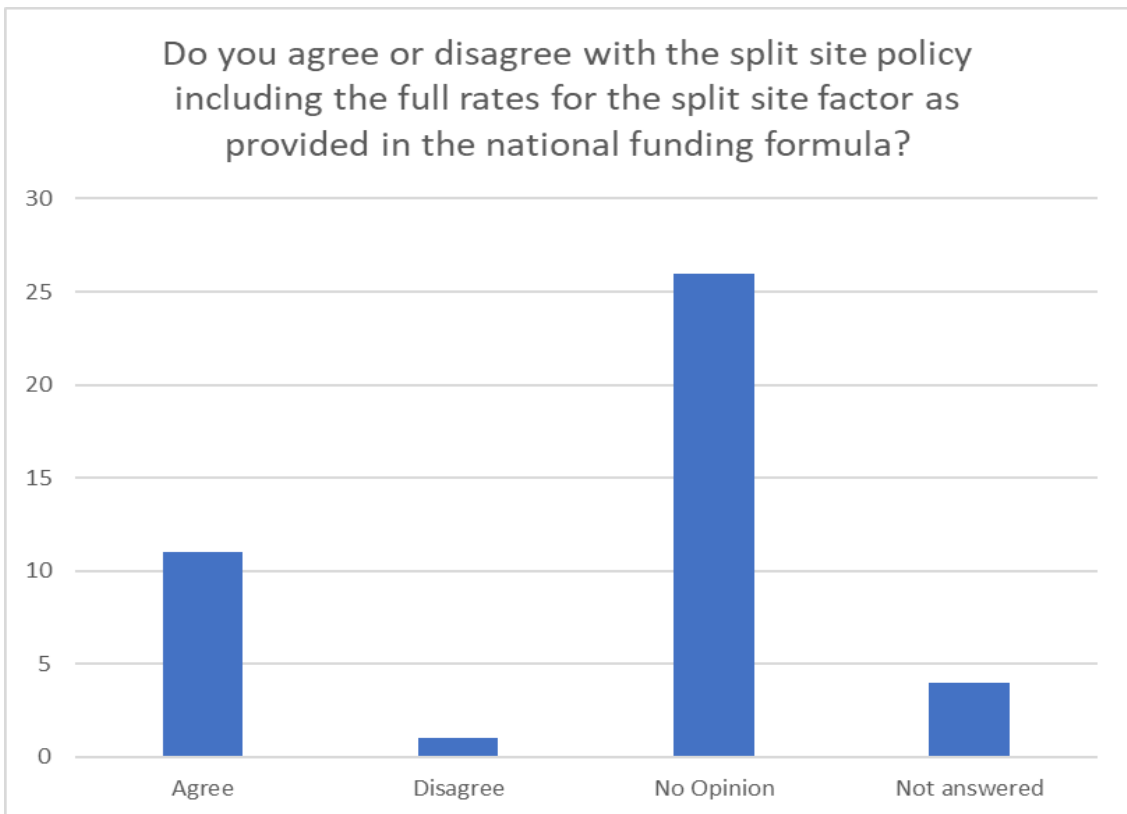
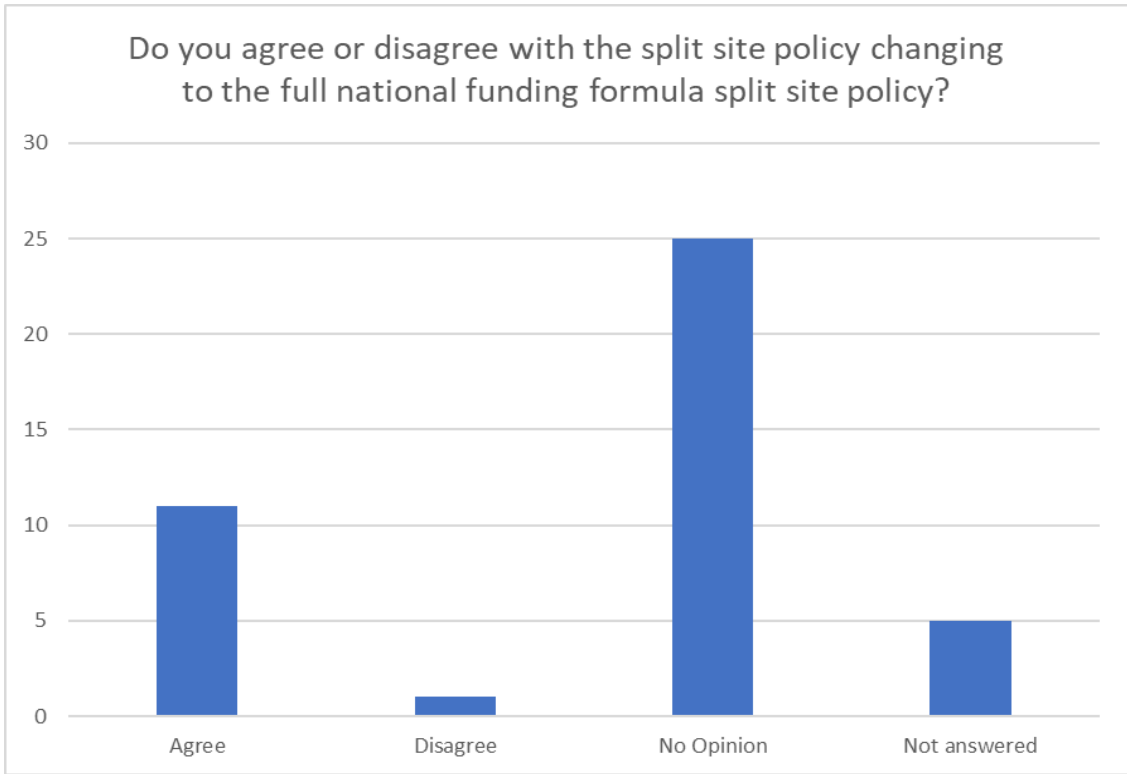


3.2 We asked our school leaders if they had other comments they would like to make on the national funding formula and the transfer of 0.5% to the high needs block. These responses are shown in full in appendix A. There was widespread support and understanding regards the increase in funding for the high needs block and acknowledgement of the financial pressure on, and increased demand for, SEND education. However, many commented that this should not be done to the detriment of mainstream school pupils education funding, that mainstream schools need the funding as do the SEND schools. One comment was that there simply is not enough funding within the education system.

3.3 There were also a number of comments relating to the distribution of high needs funding and it being difficult to access. WNC is committed to ensuring that all children, pupils and young people have access to the education that they need and we want to assure all our education providers, parents, pupils and students that we are working to address the back log of assessments due to the national shortage of educational psychologists. There is a £450k investment in reducing this backlog across 2023-24 and 2024-25 with significant service improvements and investment underway. In addition, the current SEND project is working to ensure that decisions around funding for education are open, transparent and fair.

#### **4 Split site funding policy change**

4.1 The national funding formula prescribes a standard split site funding policy and rates for the first time in 2024-25. We recommended moving to the new policy and rates in full to mirror the national funding formula. The responses to the split site policy were largely in favour of adopting the change as were the responses to adopting the rates in full for 2024-25, with 11 in agreement with both, one disagreeing and 30 either with no opinion or not responding to that question.



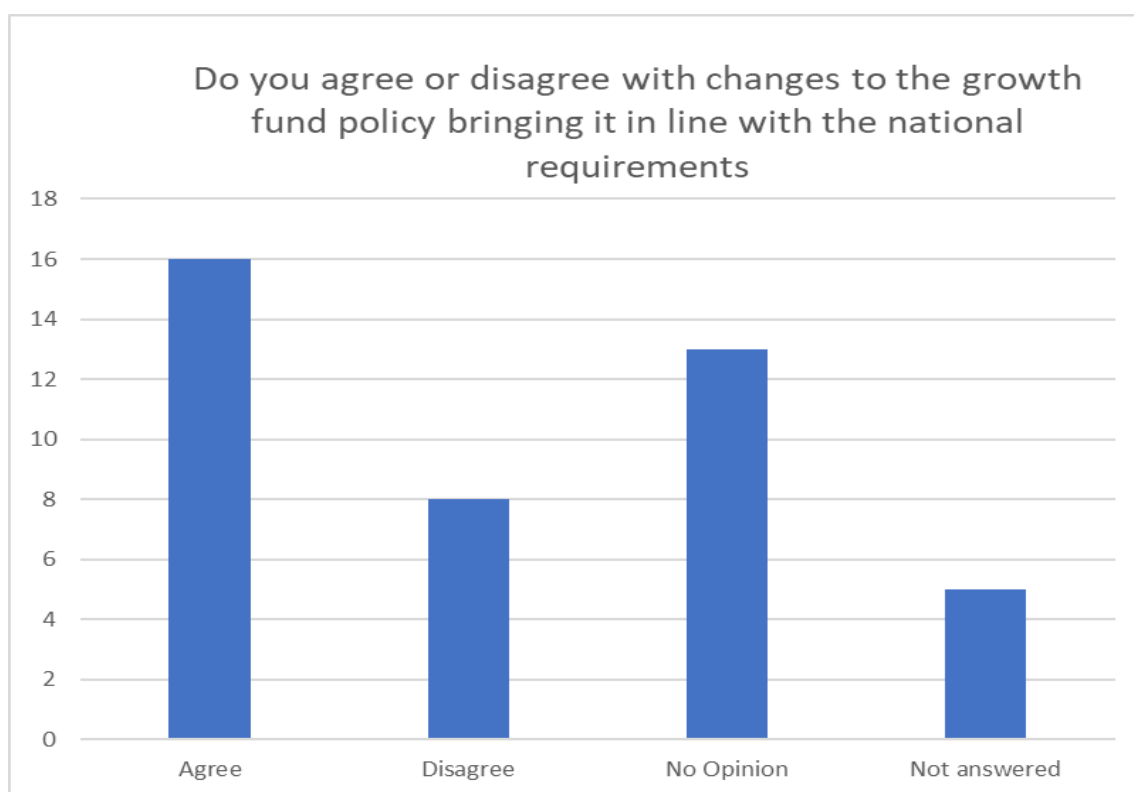
4.2 There were 8 comments provided by schools for the split site section which noted that as the split site is now part of the national funding formula it should be applied at WNC but that where capping and size of school mean that they are adversely affected, adjustments should be made to the formula to prevent them having significant financial difficulty as a result of formula changes. We will analyse the impact on small schools when the final DSG settlement

is released and liaise with the ESFA, Cllr Baker and Schools Forum members if we see any unintended consequences as a result of the formula changes.

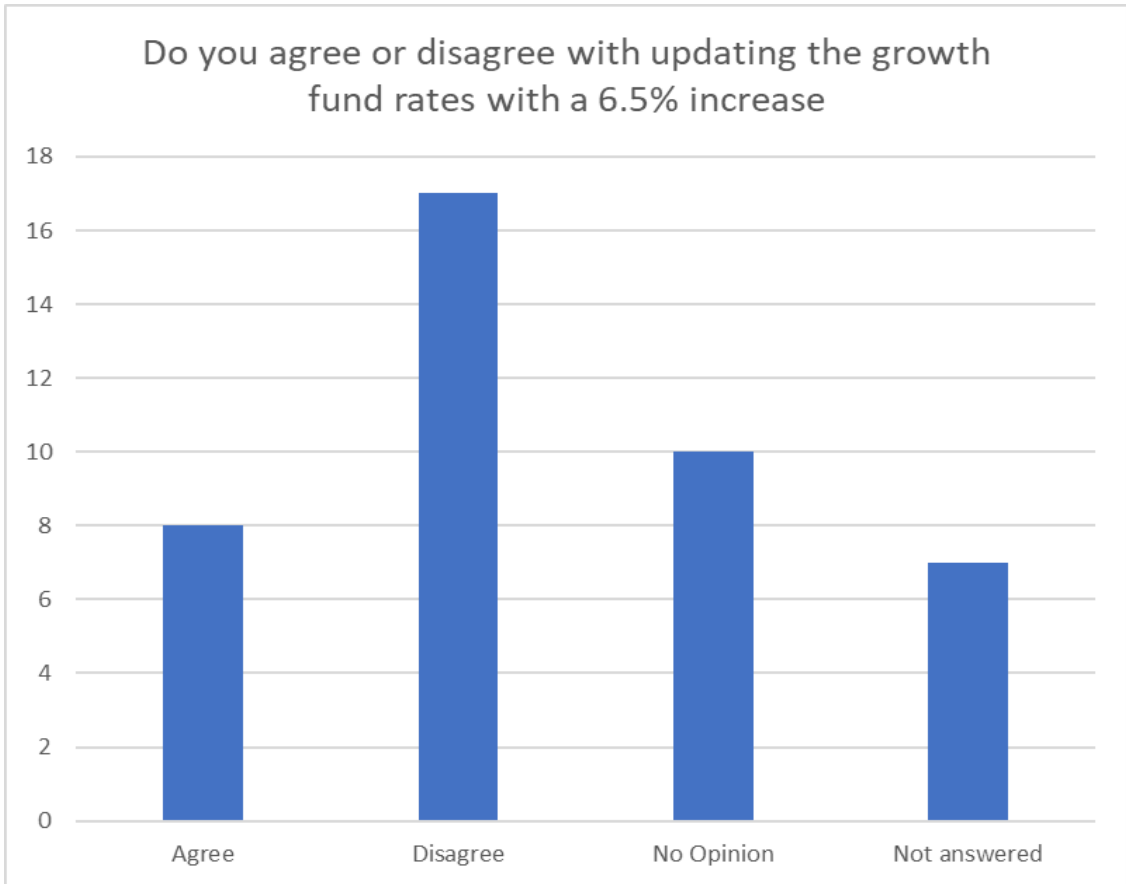
- 4.3 Other commentators said that split site funding did not apply to them, but it will affect all schools as it reduces the overall funding available to other schools by implementing the new rates in full.
- 4.4 Another comment was that having split sites with the additional costs of other buildings is difficult to manage on the schools budget without split site funding.

## 5 Growth fund policy, rates, weighted numbers and the growth fund budget

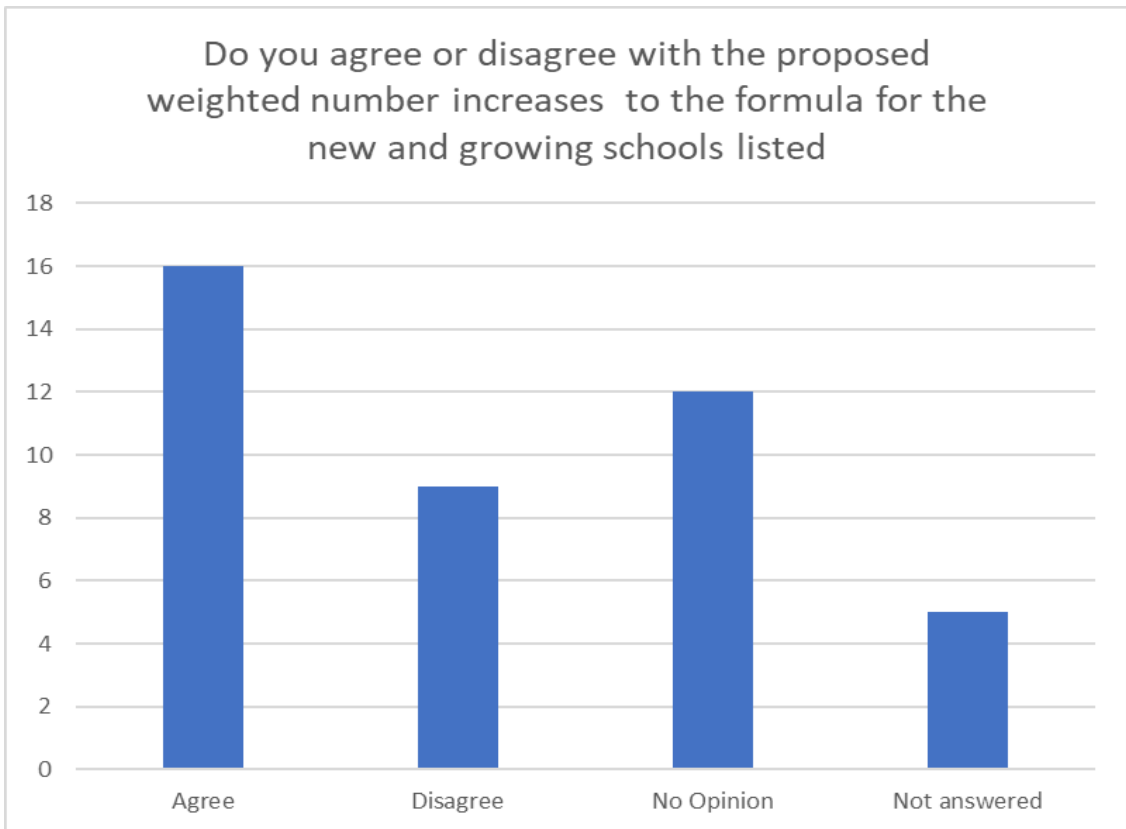
- 5.1 It is Schools Forum’s responsibility for setting the Growth Fund policy, budget, rates and the weighted numbers to be added to schools budgets for new and growing schools. For the first time in 2024-25 there are requirements to fund the in year growth regardless of pupil admission number but on the basis of whether a school will have to add an additional class (when at the request of the LA).
- 5.2 We asked if schools were in agreement with the changes proposed to WNC’s growth fund policy and the response was largely in favour of this with 16 being in agreement. There were 8 who disagreed and 18 with either no opinion or no response.



- 5.3 We also consulted on updating the growth fund rates in line with the teachers salary increase in 2023-24, and 17 disagreed with this increase. There were 8 in agreement and 17 with either no opinion or no response.

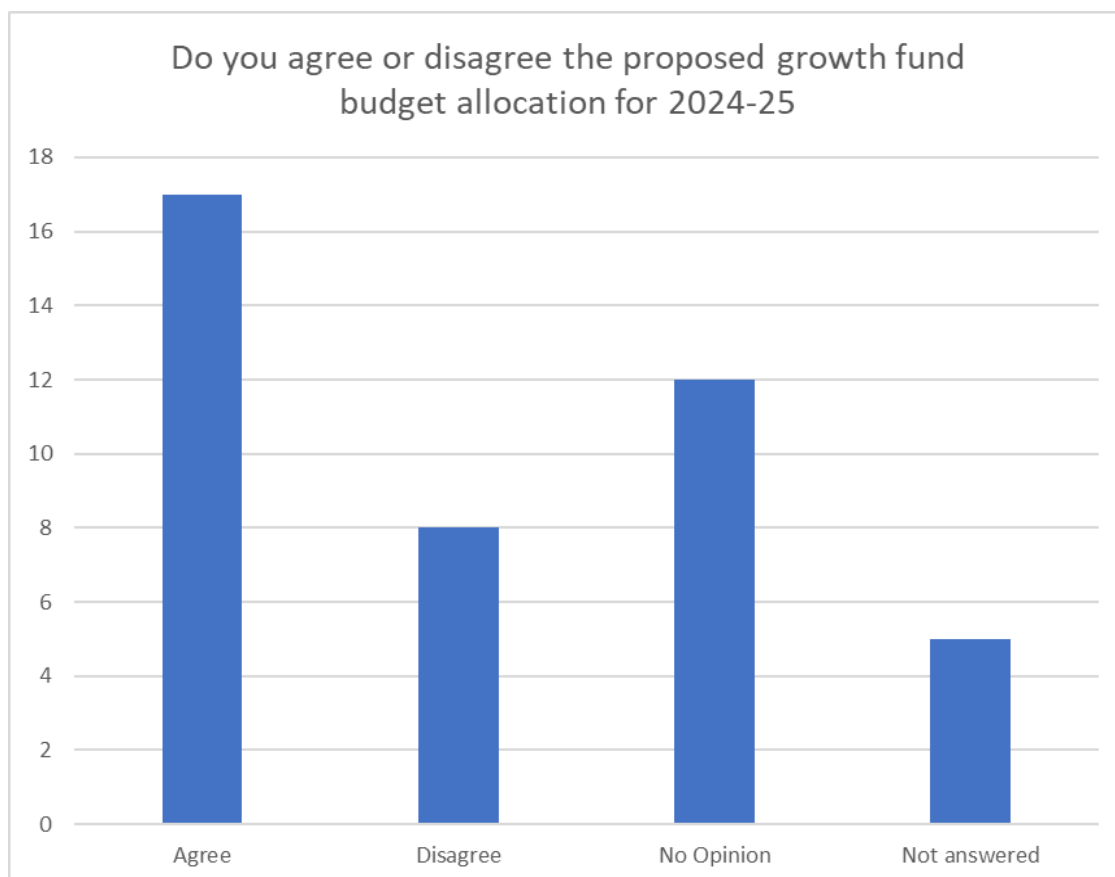


5.4 The response to the inclusion of the weighted numbers in the schools formula showed that the majority, 16, were in agreement and 9 were in disagreement with this. 17 either had no opinion or did not respond.



5.4 We also provided the forecast budget requirement for funding growth in classes in 2024-25 and listed schools and academies where that growth was planned. 17 of the response were in

agreement with the budget and 8 were against with 19 either of no opinion or did not leave a response.



5.5 We received one comment on the growth fund which was a request for assurance that there is strategic overview around places to ensure that they are located and allocated properly, with a specific example being given by the responder relating to a school with an intake of 9 pupils in reception year (please see appendix A for full response).

5.6 WNC can provide assurance that place planning is at the forefront of the Children’s Directorate services. WNC never create places where there is existing spare capacity amongst local schools (i.e. schools within a reasonable travelling distance which is generally schools within a 3-mile radius). We realise that more and more primary schools have gaps in their numbers which can be attributed to an ongoing drop in birth rates and a slight drop in inward migration following on from Brexit, but there are still some areas that are more densely populated where we have run out of places in the area, in certain year groups. In terms of allocating pupils elsewhere when numbers are low, the admissions code wouldn’t allow us to do this as parental preference is a legal requirement where there are available places.

5.7 Our biggest area of growth continues to be at secondary level and we are working on longer term plans to address this

## **6 Impact on pupil growth funding budget due to Southfield Primary closure**

6.1 Southfield Primary school is set to close from July 2024, following on from a decision taken by the Warriner Trust and the DfE. The school had become financially unviable due to low pupil numbers and a deficit budget position.

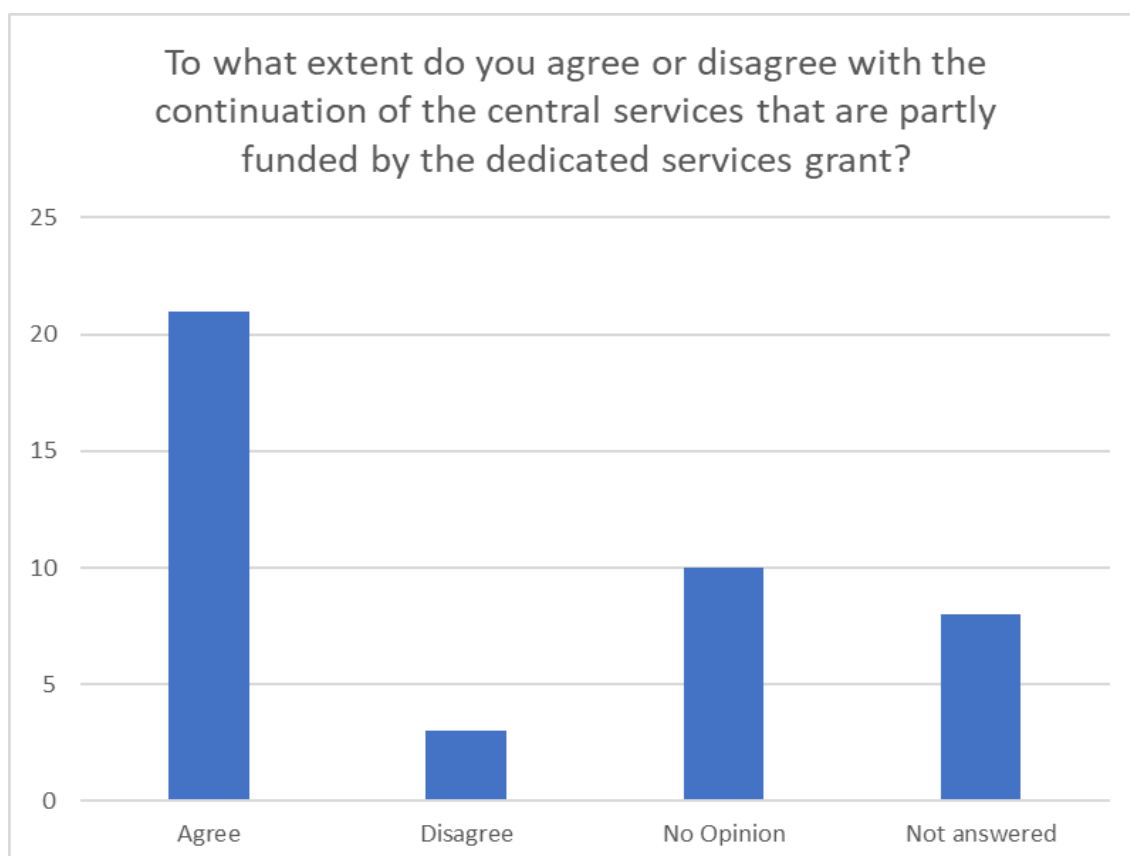
6.2 This has resulted in 78 pupils facing displacement from July 2024, across years reception to 5. There is limited capacity across Brackley schools and this will be further impacted upon as a result of the Southfields closure

6.3 Waynflete Infants and Brackley Junior have been allocated 69 of the 78 'to-be-displaced' Southfields pupils and as a result some year groups will be over PAN and one year group will need a bulge class of 30.

6.4 The impact of this is an additional requirement in the growth fund to try to fund the additional classes. This will add a £201.4k pressure into the budget requirement for 2024-25. As a result we are increasing the budget proposed for Growth Fund from £0.97m to £1.17m.

## 7 Central Schools Services Budgets

7.1 Within the budget consultation we provided the list of centrally funded services which are largely to fulfil statutory services, for example the admissions service and the copyright licenses. We asked whether School Leaders agreed with the continuation of these services and 21 agreed. There were 3 responses against the central services and 18 with no opinion or who did not respond.



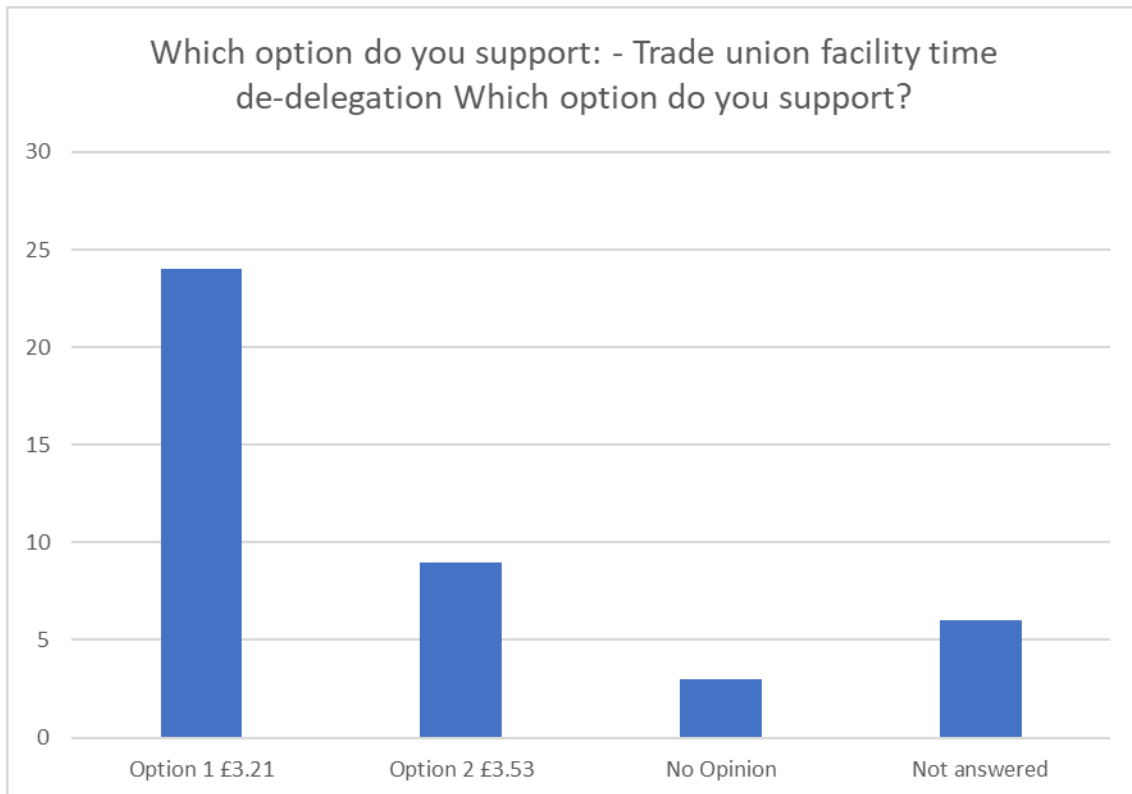
7.2 Within the comments section there were 8 responses which generally supported the proposal to continue central services as set out in the consultation but made comments on the quality and need for improvement in WNC services. These related to education services for; Finance support, legal, SEN, premises and general contact details.

- 7.3 Another comment focussed on the PFI scheme at their school and a lack of value for money, especially given the increase in costs over the last two years (see full response in appendix A).
- 7.4 The PFI contract is a long term arrangement which was used to support the restructure of Northampton schools from three to two tiers and add school places. The facilities management part of the PFI costs, which is the one which changes, is tied to the RPIx inflation index. As inflation has been very high recently, this has unavoidably caused large increases in these costs. The facilities management services are contractually subject to benchmarking every five years, so when the next benchmarking exercise is due that will provide an opportunity to check these costs against the market.
- 7.5 Specific concerns about the performance of your local team should be raised with the PFI contract management function at the Council, who will be pleased to see if there are failing which should be addressed.
- 7.6 One comment was a request for information on the teachers pay and pension grant element of the central schools services block. This is to cover the inflationary salary increases for centrally employed teachers.
- 7.7 Further information and breakdown of each of the service areas was also requested which will be brought to a schools forum for review next year.

## **8 De-delegation: Trade Union Facility Time**

- 8.1 For the continuation of the trade union facility time de-delegation from maintained schools (and academies who choose to buy in) we provided two options.
- 8.2 Option 1: the same rate as for 2023-24 £3.21 – which would reduce the budget available due to the reducing number of maintained schools and lower buy in by academies. Or
- 8.3 Option 2: to increase the rate to maintain the budget, with a rate of £3.53 per pupil per Anum.
- 8.4 The majority have responded to keep the 2023-24 rate of £3.21 per pupil. 24 schools agreed with maintained the rate of £3.21 per pupil, 9 voted to increase the rate to £3.53 while 9 either had no opinion or did not respond.





8.2 A number of comments were provided for the trade union section. 9 comments asked us what the long term strategy is with more maintained schools academising and more academies not opting into this de-delegation. They said;

“it is going to be financially challenging for those LA schools and Trusts that continue to represent the diminishing group and costs rise.”

8.3 Another commented that as there was no additional funding to cover support staff salaries despite the salary increase, that therefore no increase should be applied to the trade union de-delegation funding. And one commented that as the unions are paid for by their customers they were unsure as to why schools needed to contribute.

8.4 Clearly there is a lot of support within the schools responses for the trade union de-delegation but there was one negative comment received stating:

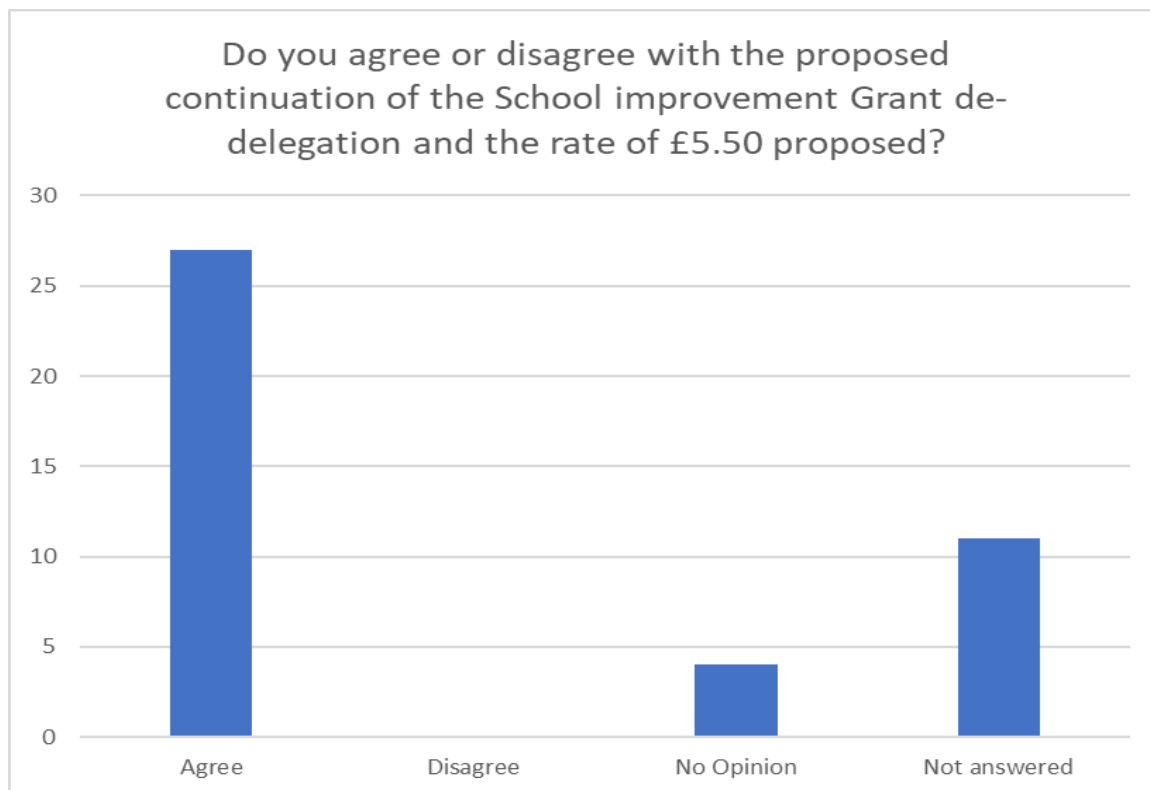
“There should be no payment for union activities; put the money into pupil books and other resources”.

8.5 This de-delegation results from a statutory requirement to union representatives allow reasonable time off their employment and the de-delegated monies are used to re-imburse schools who employ the TU rep for their contracted time and would have to fund additional staff to cover that time.

8.6 Trade union representatives will attend the schools forum meeting and will be given the opportunity to respond to each of the points raised.

## 9 De-delegation: School Improvement Grant

9.1 For the school improvement grant, no change in the rate was proposed and all those who responded agreed with the proposal. 27 agreed and 15 either had no opinion or did not respond.



9.2 We received 5 comments in this section, and 2 in another section of the consultation asking us to consider funding, for example by using this de-delegation, to provide support to schools with financial advice, support and training. Especially in situations of emergency where a bursar may have left of be off sick. We have also received this request outside of the consultation with direct requests from school leaders and their bursars. We are therefore providing a new proposal in addition to the current SIG, in response to these requests.

9.3 WNC would not want to replace the current bursar support that schools are purchasing from external suppliers but we recognise and want to support schools with this request. The role that we believe would be most useful to our maintained schools would be to provide additional capacity within the School Effectiveness team to provide financial support to schools through:

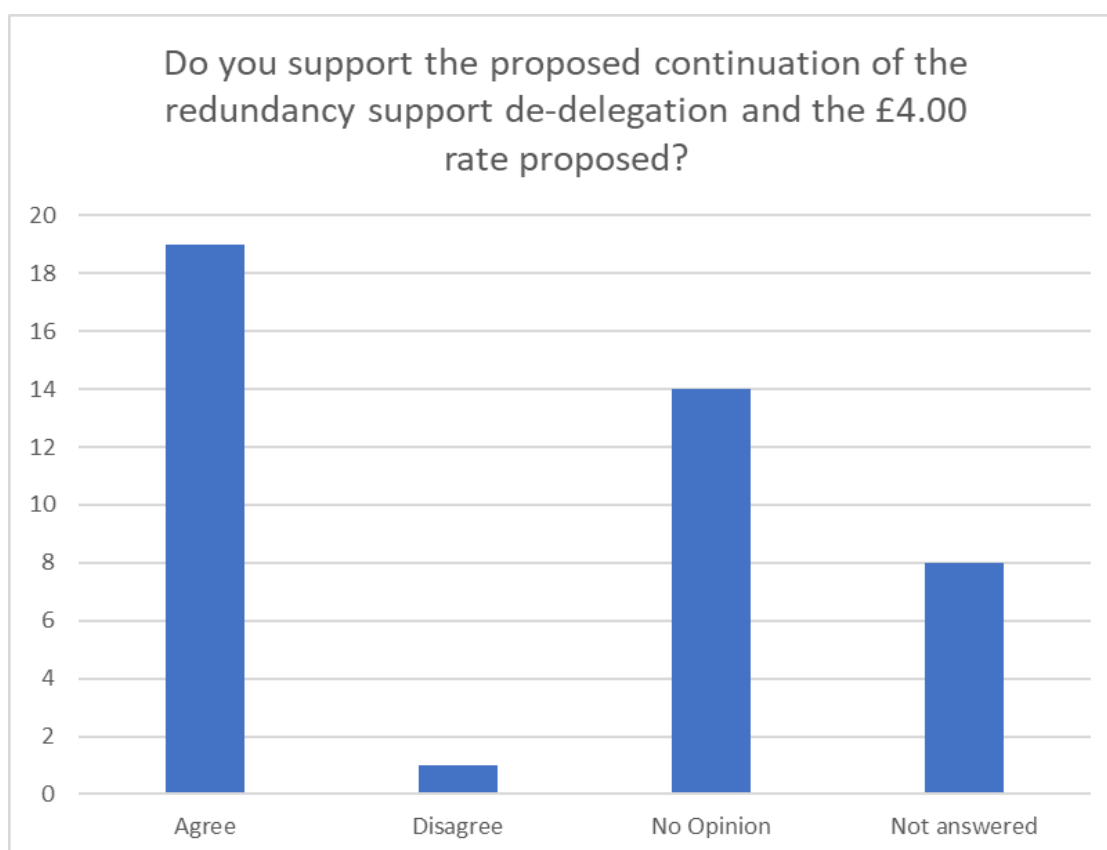
- short term additional financial support, as a service to all maintained schools, when facing an unpredictable difficulty,
- tailored support to go between employed external bursar support and WNC specific forms, returns and processes,
- training for new bursars and in-school financial teams and bursar support suppliers, with regards to WNC specific requirements,
- short term cover for emergency situations where a bursar becomes unavailable,

- challenging and supporting restructures as and where required.

9.4 The additional budget requirement is estimated to be £60k which would be a cost of £5 per primary pupil. The cost of the 3 regular de-delegations including this new proposal are shown in appendix B (Oct 2022 census basis).

## 10 De-delegation: Redundancy support

10.1 For the redundancy support de-delegation from maintained schools, no change in the rate was proposed and 19 of those who responded agreed with the proposal. 1 disagreed and 22 either had no opinion or did not respond.



10.2 We received just two comments on this de-delegation section one of which was against the use of a redundancy de-delegation because they believe that if a school are having to restructure or make redundancy's then:

“the county council as main employers should fully fund this not (as main employers) not schools that are already in debt”.

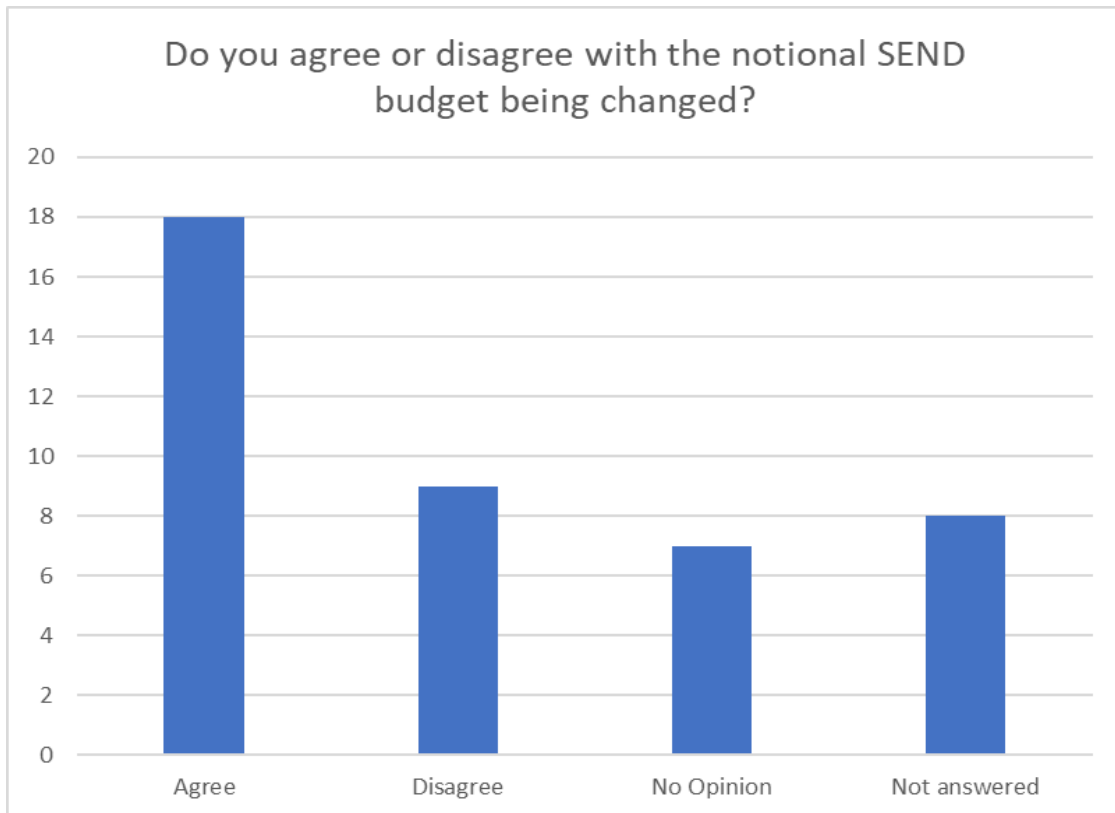
10.3 This is the opposite view of the Council as this would create inequality with regards to those schools who are reacting to changes in their budgets and restructuring through good financial practices and forecasting. It would reward those who do not act and respond to changing pupil numbers and funding.

10.4 The second comment was that they expected more schools to need to use this if costs continue to rise.

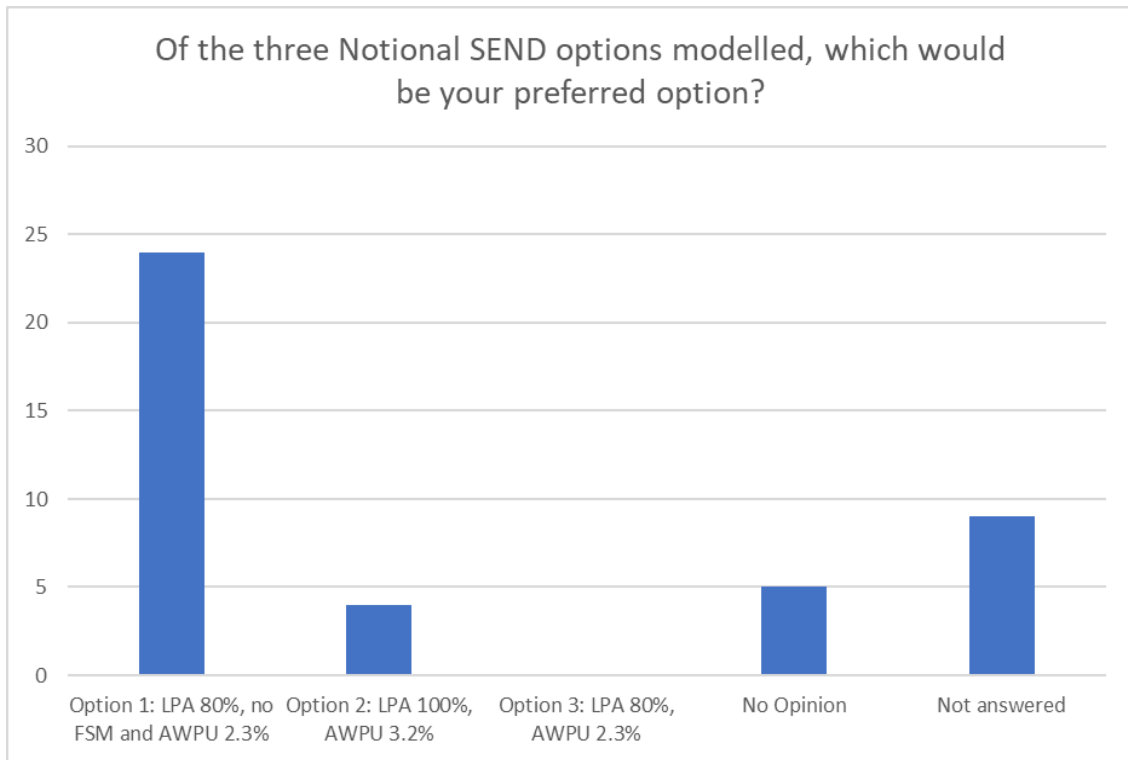
## 11 Notional SEND Options

11.1 The final theme of the schools consultation was a requirement for all LAs to consult on the notional SEND budget set within the national schools funding formula. There was no prescriptive national formula to be followed but a couple of recommendations and also a couple of examples were provided.

11.2 We asked whether the change in notional SEND budget in response to the ESFA's recommendations and there was a majority of responses in agreement with this. 18 would prefer to move to a new calculation, 9 did not want to change and 15 either had no opinion or did not respond.



11.3 We put forward three options, one reflecting an update to the current WNC policy but incorporating two recommendations, to increase include the majority of the low prior attainment factor and not to include the FSM (but include only the FSM ever 6). The other two options varied the percentage of AWPU and low prior attainment. The responses were showing a strong preference for the amended version of the current notional SEND budget calculation. Of the three options proposed 24 chose option 1, 4 chose option 2 and none chose option 3.



11.4 we received a number of responses to the notional send section of the consultation. Some noted and understood that increasing the notional SEND budget reduces the ability to apply for additional element 2 funding while the responses from others suggested they hadn't fully grasped the concept.

11.5 An important point that was made in the comments is that schools need to know how the assessment of 'what is eligible element 2 expenditure' is to be decided by WNC officers. This is being reviewed by the SEND project team as this needs to be clear and practical and consideration given to the limited resources of school and council staff time.

11.6 many comments highlighted the increasing volume and level of SEND that schools are experiencing.

11.7 Another point made by a responder was that;

"With the increase in Support Staff costs over the past two years, rising costs of energy and general cost of other resources the school needs to use part of the notional SEN budget to resource the school. We cannot afford to put the notional SEN allowance to one side for those children that require SEN..."

11.8 We would challenge this view as the notional SEND budget is a specific part of the formula budget that is to be used for the children with SEND. We expect schools to be looking at budget efficiencies and possible restructures if they are unable to use their notional SEND budget on their children with SEND.

11.9 Please see the appendix A for all responses.

## **12 Financial implications**

12.1 The resource and financial implications of the WNC DSG budget are set out in the body of, and appendices to, this report.

## **13 Legal implications**

13.1 There are no legal implications arising from the proposals.

## **14 Risks**

14.1 Although the vast majority of funding passes through to schools under a national funding formula, there are risks to schools and therefore the LA, around the decisions taken on setting the schools block and local version of the national funding formula. All decisions that effectively top slice the schools budgets increase the of going into a deficit, especially for those with falling rolls.

14.2 WNC work with schools to ensure that forecasts of budgetary difficulties are picked up and acted upon quickly. WNC maintained schools provide the LA with information on their end of year, quarterly spend and income information and annually submit 3 year plans. For some of the "top slices" proposed, if accepted will help to mitigate the risks.

## **15 Recommendations for Schools Forum**

### **15.1 That schools forum votes on each consultation proposal:**

15.2 Do you agree with the proposal to move 0.5% from the Schools Block to the high needs block in 2024-25

15.3 15Split Site Policy: Do you agree with implementing the split site policy and rates in full to follow the national funding formula (NFF).

15.4 Growth Fund, do you agree with:

- the updated growth fund policy
- increasing the growth fund rates
- including the weighted numbers included in the consultation document.
- do you agree to set the NET growth fund budget at £1.17m

15.5 Central Budgets from the Central Schools Services Block of the DSG: do you agree the budgets as shown in the schools consultation document, to continue to be funded for another year.

15.6 De-delegation for Trade Union Facility Time: Which option do you support:

- Option 1: Continuation of the de-delegation as in previous years at a rate of £3.21 per pupil
- Option 2: Continuation of the de-delegation but with 10% increase £3.53 per pupil

15.7 De-delegation for School Improvement Grant:

15.8 Do you support the proposed continuation of this de-delegation and the rate of £5.50 proposed?

15.9 Do you support the proposed extension of this de-delegation to include finance support at a rate of £5.00 per pupil?

15.10 De-delegation for redundancy support: Do you support the proposed continuation of this de-delegation and the rate of £4 proposed?

15.11 Notional SEND Budget – do you support:

- The notional SEND budget changing for 2024-25 based on the ESFA recommendations.
- The notional SEND budget option 1, 2 or 3.

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