

## West Northants Schools forum: 18 January 2022

### Agenda Item 6

#### Disapplication Request (top slice) for funding of Specialist Support Services

#### 1 Purpose of Report

- 1.1 This report is to update West Northamptonshire Schools Forum on the disapplication request to the Education and Skills Funding Agency (ESFA) following the endorsement by Schools Forum in December 2021 to fund specialist services, and the visual and hearing impairment service through a 'top-slice' from mainstream maintained and academy schools.
- 1.2 Within National Funding Formula guidelines a Local Authority can transfer up to 0.5% from the Schools Block to the High Needs Block with schools forum approval. A disapplication request to the ESFA is required for transfers above 0.5%, or for any amount without school's forum approval.
- 1.3 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 September 2018.

Table 1

	<b>Local Authority</b>	<b>Schools forum</b>	<b>ESFA</b>
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
De-delegation for mainstream maintained schools	Proposes	Maintained primary and secondary school member representatives will decide for their phase.	Will adjudicate where schools forum does not agree LA proposal

- 1.4 **All members** of schools forum will be required to vote on this item as set out in section 5.

## **2 Background**

- 2.1 Following consultation with schools throughout October–November 2021, a clear majority of Schools Forum members agreed the second option put forward in the funding of specialist services, and the visual and hearing impairment service [paper](#) in December 2021 – to top-slice £2.1m (approximately 0.68%).
- 2.2 The preferred option was agreed on the understanding that the council would not ask for the 0.5% top-slice allowed by funding regulations as a result.
- 2.3 As per paragraph 1.2, if a local authority wishes to transfer more than 0.5%, even with endorsement from schools forum, they need to submit a disapplication request to the ESFA with a robust business case. The transfer is for one year only and to continue with the transfer of funding a new disapplication request is required each financial year following review of the continuation of the proposal, consultation and endorsement of schools forum.
- 2.4 WNC submitted the disapplication request with supporting evidence to the ESFA following the December 2021 meeting, and at the time of publication of papers for the January 2022 meeting, the council awaits feedback on the final decision from the ESFA.
- 2.5 If the ESFA do not approve the request for the 0.68% transfer, the LA would default to transferring the maximum allowable 0.5% from the Schools Block to the High Needs Block, with schools forum approval, to assist in mitigating the DSG pressures in the High Needs Block (see related agenda item 7).
- 2.6 For completeness this proposal requires a further vote as set out in section 5.

## **3 Financial implications**

- 3.1 Before voting, schools forum members are reminded that the top slice of approximately 0.68% as approved equates to approximately £2.1m in total, or on average £32 per primary pupil and £41 per key stage 3 / 4 pupil in order to fund, in the most straightforward way, services for which schools have delegated budgets.
- 3.2 The transfer of the maximum allowable 0.5% equates to approximately £1.5m in total, or on average £23 per primary pupil and £29 per key stage 3 / 4 pupil which would be a general contribution to the high needs block overspend.
- 3.3 If schools forum do not agree to the maximum allowable 0.5% (approximately £1.5m) then the LA would seek approval from the ESFA for this.

## **4 Legal implications**

- 4.1 Movement of up to 0.5% from the schools block to other blocks are permitted under funding guidelines with schools forum approval.

## **5 Recommendations for schools forum**

- 5.1 Schools forum are asked to agree to the movement of 0.5% from the schools block to the high needs block, as allowed by funding regulations, in the event that the ESFA do not agree to the disapplication request of the £2.1m (approximately 0.68%) transfer.

## **6 Next Steps**

- 6.1 The LA await the final decision from the ESFA on its disapplication request at the time of publication of January schools forum papers.
- 6.2 If ministerial approval for the top slice of £2.1m (0.68%) is not granted, the LA will default to the 0.5% transfer from the schools block to the high needs block as per the December 2021 forum papers. Schools budgets will be updated accordingly.

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