



Wirral Schools Forum

Date:	Tuesday, 18 January 2022
Time:	4.00 p.m.
Venue:	Not yet confirmed

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AGENDA

1. **PROTOCOL FOR VIRTUAL MEETING**
2. **MINUTES OF THE MEETING HELD ON 30TH NOVEMBER 2021
(Pages 1 - 6)**
3. **MATTERS ARISING**
4. **ALTERNATIVE PROVISION UPDATE (Pages 7 - 10)**
5. **ENERGY UPDATE (Pages 11 - 14)**
6. **SCHOOL BUDGETS REPORT 2022-23 (Pages 15 - 28)**
7. **DE-DELEGATION OF SERVICES 2022-23 (Pages 29 - 34)**
8. **SCHOOL BALANCES UPDATE (Pages 35 - 38)**
9. **WORKPLAN (Pages 39 - 40)**
10. **ANY OTHER BUSINESS**

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WIRRAL SCHOOLS' FORUM

30th November 2021

MINUTES

Present: Adrian Whiteley (Chair)

Schools Group

L Ayling	J Merry
J Bush	M Morris
M Forber	A Norbury
E Johnson	S Ralph
H Johnson	J Weise
M Loftus	
J McDonald	

Non-Schools Group

G Harris	A Rycroft
B McGregor	J Trigg
J Proctor	

In Attendance:

S Ashley	K Frost
J Backhouse	I McGrady
H Bedwa	L Rice
K Bird	S Robinson
Cllr Clements	C Thomson
C Fenlon	S White

Apologies:

L Davidson	S Goodwin
G Fraser	C Scott
S Davies	

1. Protocols of the Virtual meeting

- This is a public meeting
- The meeting is recorded for minute taking purposes only
- Remain on mute unless requested to speak
- Raise 'hand' to ask a question, or ask a question in the chat section
- Use Chat to vote as not everyone has the hand symbol.

2. Minutes from the Meeting held on 28^h September 2021

The minutes from the meeting were accepted as a true record.

3. Matters Arising

There were no matters arising

4. Election of Vice Chair

John Weise was elected as the vice chair of the Forum

5. Edsential Update

Ian McGrady updated Forum on the services provided by Edsential during another difficult year. Edsential co-ordinated Holiday and Activity programmes in 2021 in spring and summer, and will provide the same for the Christmas break. In the summer they reached 4438 children in Wirral during the summer 638 of which were SEND children.

Edsential normal services returned to near normal in September 2021. There has been some disruption due to absence and recruitment. The COP26 Teacher Toolkit supports schools to integrate climate change into the curriculum, which also available on the official COP26 website.

To cover losses due to Covid Edsential have been able to access Business grants, along with refinancing of the business through a loan agreed by shareholders.

Resolved

Forum noted the report

6. Schools' Library Service Update

Louise Rice updated Forum on the Schools' Library Service (SLS) provided mainly to primary schools through de-delegation. The Service has adapted over the past 12 months due to Covid. Additional Services that are being provided are:-

- the Click & Collect service has been successful.
- a Reading for Pleasure option has been taken up by 90% of schools as children have not had access to public libraries.
- A PE resources pilot to loan PE equipment to schools.

The team also offer services to academies and secondary schools through the Wirral Library Service Level Agreement.

The Wirral Schools Library Services have been asked to join a national SLS service, which may lead to providing services to other local authorities. This is still in early stages of discussion.

Resolved

Forum noted the report

7. Contingency, Special Staff Costs and Insurance

Christine Thomson outlined the purpose and use of Contingency, Special Staff costs and Insurance budgets. These budgets are currently de-delegated. Due

to the increase in maternities during the year, it is expected that the special Staff Costs budget will be increased for 2022-23.

Resolved

Forum noted the report

8. Early Years Working Group Update

Carol Fenlon updated Forum on the Early Years Working Group and service updates since the last meeting. The main points highlighted were:-

- There is now an increase in uptake of places of 2 year olds, which dipped during 2020 & 2021 as parents did not take up .
- There are sufficient places for demand for 2,3 & 4 year olds.
- There is an increased demand and complexity of SEND pupils within early years.
- The inclusive Practice Fund is estimated to overspend due to the referrals of children being higher due to covid pandemic over last 2 years.

Resolved

Forum noted the report and the need to discuss early years funding for children with higher level or complex needs within the High Needs Working Group.

9. High Needs Working Group

James Backhouse briefed the Forum on outcome of the recent High Needs Working Group. The Key areas to be discussed going forward are

- Out of Borough and Independent Provision
- Growth of Primary CLD and how that moves into secondary CLD
- SEMH provision, particularly looking at mainstream base provision
- Review of base provision, including those set up in 2018.
- Look at best practice in other Local Authorities
- Review spend in respect of Exceptional Needs and IPFAs
- Early identification of SEND in early years settings.

The consultation in respect of bases in schools will be sent out shortly. This will be updated in the spring Forum Meeting.

Julie Merry offered to be a primary representative on the High needs Working Group.

10. School Improvement and Behaviour Support

James Backhouse updated Forum on the services delivered by the School Improvement and behaviour Support services through de-delegated funds. The High needs Strategy identifies the requirements within Wirral over & above statutory requirements. The 4 key areas that the de-delegated budgets are used for are:-

- School improvement strategy with School assurance professionals going into schools to quality assure the current position.

- Support School Improvement on Wirral through ECS to develop a “Leading with Strength” programme over the next 2 years.
- A clear CPD offer, particularly in early years education, curriculum development and literacy across the curriculum.
- Further CPD support is to be developed in relation to governance, particularly training and support.

Resolved

Forum noted the report and endorses the use of the de-delegated budgets for school improvement and behaviour support.

11. Budget Monitoring Update 2021-22

Christine Thomson informed Forum that the final confirmation of the early years grant has been received and the underspend is final grant is £281,400 which will be ringfenced for use by Early Years.

The expected 2021-22 DSG budget is forecasting an overspend of just under £2m, which is made up of £17m deficit brought into the year, plus an expected in year deficit of £319K. Since September the deficit position has worsened by £1.3m due to Inclusive Practice Fund, pressure on out of borough placements and independent sector.

It was noted that the expectation that £2.7m current year high needs budget could be used to offset the historic deficit was not realistic. The expected spend highlights that there will only be a small in year overspend of the High Needs budget which is more realistic.

Resolved

Forum noted the report

Forum noted the final 2020-21 Early Years grant funding and that the underspend is ring-fenced to Early Years sector.

12. National Funding Formula Update and Consultation for 2022-23

Christine Thomson informed Forum of the outcome of the consultation.

Responses were low, but informed the decisions of 2022-23 formula budget as follows:-

- MFG will be applied at 1.25%
- A falling rolls/growth fund will be established from any headroom after applying the 1.25% MFG.

As Birkenhead High Academy School is an all through School, their funds are calculated on an all through minimum pupil funding level (MPPL). Due to the disproportionate number of primary pupils to secondary this allocates less funding than if it was 2 separate schools. A disapplication process is available which will allow the MPPL to be applied to each phase, which has to be agreed by Schools Forum.

Resolved

- Schools Forum noted the report
- Forum members views were sought for on the proposals:
 - 1.25% MFG for 2022-23 funding formula
 - Falling rolls & growth fund from any spare capacity.
- Schools Forum members agreed to the Disapplication request to DfE for Birkenhead High Academy School.

13. Schools Forum Membership Update

Sue Ashley informed the group of the current Forum Membership and changes since the last meeting. There continues to be academy vacancies and further requests for members will be sent out. The 16-19 representation will be followed up.

Resolved

Forum noted the report

14. Workplan

The workplan was provided for information. Dates for future meetings are detailed below:-

Tuesday 18th January 2022 (Virtual Meeting)

Tuesday 14th June 2022

There may be a March meeting if any issues arise.

Dates for the High Needs working group need to be identified.

15. Any Other Business

There was no other business.

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REPORT FOR SCHOOLS FORUM DECEMBER 2021

PART 1: WIRRAL COMMISSIONED ALTERNATIVE EDUCATION

Despite the huge challenges presented by the Covid pandemic during the academic year 2020/2021, Wirral continued to build on the significant success of the test and trial pilot provisions for permanently excluded students in Key Stages 3 and 4, commissioned through Progress – Schools Ltd. A thorough and robust tendering process at the start of the year resulted in the award of the contract to this national and well-respected company who continue to perform at Ofsted rated ‘Good’. Thanks are due to Paul Smith and Catherine Kerr for their contributions to this time consuming process. It would be fair to comment that, in assessing each of the companies that chose to tender for the contract, the quality of the submission from Progress-Schools Ltd was outstanding, articulating a very knowledgeable and insightful proposal in addressing Wirral’s expectations with regard to meeting the needs and challenges presented by young people who have been permanently excluded from secondary school.

Obviously, the Covid pandemic and the lockdown arrangements for schools had an impact on numbers being permanently excluded as well as student attendance and engagement with education; despite the inhibiting factors faced, there are a number of positive aspects to have emerged, including:

1. The proactive engagement by the Local Authority in recognising the potential negative consequences of young people being disengaged from education for a prolonged periods and the positive work undertaken with schools to try to mitigate these circumstances.
2. The development of more ‘bespoke’ provision for young people who have been permanently excluded from school.
3. Improved outcomes for young people who have been permanently excluded from school.
4. Considerable resource expended to try to reduce the potential impact of young people becoming Not in Employment Education and / or Training (NEET) at age 16.

Progress – Schools Ltd operate from three bases within the Birkenhead area, delivering a range of provisions as directed by the Council including:

Key Stage 3 (KS3) Reintegration Programme: continuing to develop and embed the 12-week reintegration programme for excluded KS3 students, as preparation for students to re-join mainstream school. Over 80% of KS3 students who have been reintegrated back into mainstream education since 2018 have done so successfully; sincere thanks are due to our secondary schools who have worked in collaboration with Progress-Schools to secure the success of this project. Where it is deemed that a student will not successfully reintegrate back into mainstream school (most often students who are permanently excluded late in Year 9 and for whom the reintegration

programme has less impact), provision is made for the student to transition on to a different bespoke intervention - Progress Pathways – see below.

Progress Pathways: Offers a practical, vocationally based curriculum for permanently excluded KS4 students in conjunction with high quality local providers including Cornerstone and Tranmere Rovers FC. The vast majority of students who have accessed Progress Pathways this year have achieved some success as evidenced both by their achievement in qualifications and the destination data currently being collated. To date, 66.5% of 2020/21's Year 11 cohort have confirmed places in further education or work with training, with 12.5% currently NEET. Whilst it is extremely important that we continue to work towards reducing NEET figures further still, it must be noted that this data represents a vast improvement on the outcomes achieved by young people attending the previous Pupil Referral Unit (PRU) provision and strongly suggests that the direction of travel is both beneficial and good value for money.

A Nurture and Wellbeing Centre: Whilst still in its infancy, the development of a provision for permanently excluded children in crisis, requiring a strongly therapeutic approach is well underway. The curriculum is aimed at building resilience, self-regulation and anger management, with opportunities for practical and creative activities, as well core subjects.

Assessment provision: A small assessment facility is available for permanently excluded young people who present as having undiagnosed or 'hidden' SEND, leading to Education Health and Care Plans (EHCP) where appropriate. On conclusion of assessment, students who demonstrate that their needs would be best met through special school placement would be facilitated; students who do not meet the threshold would be supported through strategies identified during the assessment process to either re-integrate back into mainstream school or allocated a place at Progress Pathways, if deemed more appropriate. It is worth noting that there have been permanent exclusions from Special school sector this term; whilst Progress-Schools Ltd are the named provider from the 6th day of the permanent exclusion, the provision is not staffed and resourced as a Special school and therefore a swiftly convened Annual Review meeting is required to ascertain the best and most appropriate provision to meet need.

Progress – Futures: These programmes are aimed at students in both Key Stages 3 & 4 who are not ready for reintegration, or who may have already experienced the KS3 Reintegration Programme/ Progress - Pathways and have not responded positively to the opportunities presented. These students require access to further learning experiences with the effective delivery of English and Maths at an appropriate level, a curriculum with a strong practical bias, and interventions designed to help them to become ready to progress, either through re-integration back to mainstream or on to the Progress Pathways programme. For Y11 students there is a significant emphasis on the need for intensive, high quality IAG, with opportunities for post 16 education/ training clearly signposted to avoid young people becoming NEET.

Despite the tremendous impact of the pandemic on all schools and young people, what has become increasingly transparent during the course of the past twelve months is that schools are extremely committed to using a vast array of strategies and

techniques to avoid the use of permanent exclusion. This has been particularly evident when young people have returned to school after a period of lockdown and where enforcing normal and established school routines has been a challenge.

PART 2: SCHOOL COMMISSIONED ALTERNATIVE EDUCATION

Despite the pandemic, during the academic year 2020/21, there were 277 referrals to Alternative Educational (AE) provision through the Council AE Portal, of which:

- 207 were boys
- 70 were girls
- 104 have some form of SEND
- 158 were Pupil Premium and
- 21 were CLA

This remains typical of the picture nationally and very similar to last year's data.

In terms of secondary school permanent exclusions, the following three-year trend has emerged:

2018/19	2019/20	2020/21/
46	23 (NB 4 from out of area schools but Wirral residents)	21

Of course, whilst the reduced number of permanent exclusions in the last academic year could be attributed to the period of lockdown, this is not necessarily the case. Schools have been working diligently to develop their own adapted curricula for students at risk of permanent exclusion and using interventions such as Alternative Educational provision and managed moves in order to ensure that more young people remain engaged in mainstream settings.

Whilst the use of Alternative Education in Primary school settings is still at a very embryonic level, there are some early indications that suggest some positive impact. A pilot for 16 Primary aged children (Key Stage 2) who presented with Social Emotional Mental Health (SEMH) completed a time limited, fixed term programme of therapeutic intervention with WRAP, based at the Shaftesbury Youth Club centre. Of the Year 6 students involved with the programme anecdotal evidence shows that, when combined with enhanced Year 6 to Year 7 transition arrangements, children have been successful in making a positive start to their secondary school careers.

Other Providers who continue to support Wirral schools and who are affiliated to the Wirral Guild of Alternative Education are as follows:

Cornerstone Training (Construction)
Horizons Education (English and Maths tuition)
Impact Northwest (English, Maths, therapeutic intervention, SEN support, Arts Award)
Liviva (Hair and Beauty)
Reaseheath College (outdoor educational experiences for young people with SEN Year 9 and land-based qualifications KS4)
WRAP (Educational support, therapeutic intervention, vocational qualifications, KS4 study support)
Utopia Project (KS4 study support plus vocational qualifications and GCSE Eng and Maths)
Stride (English, Maths, vocational qualifications)
Tranmere Rovers Football Club (vocational qualifications through Progress Pathways)
Wirral Riding School (re-engagement of disaffected young people through equine activities including related qualifications through the British Horse Society)
New Horizons (specific age/ gender related projects to tackle identified local issues eg gangs, knife crime etc including vocational qualifications)

In February 2022 a new registered provider – Transforming Lives for Good – is due to open in Hoylake. This provision is planning to start with a 6 place base at a cost of £120 per day for young people in Key Stages 3 & 4 at risk of permanent exclusion. It follows the same well considered model of teaching combined with therapeutic intervention to achieve reintegration back into school, not dissimilar to the Progress-Schools Ltd KS3 Reintegration programme but available for schools to commission directly.

The challenge for the next academic year is to continue to develop the growth of safe, high-quality provision in Wirral, enhancing the breadth and range of our offer.

ALTERNATIVE EDUCATION IN WIRRAL: FUTURE PLANS

Moving forward, the key objectives for 2021/22 are as follows:

1. Continuing to work collaboratively with schools to further develop the Alternative Education landscape and broaden the offer currently available for schools to commission.
2. Continuing to consider Alternative Education innovation as it pertains to the Primary school sector: models and delivery.
3. Ensuring that students who access the bulk of their education through Alternative Provision are not disadvantaged in any way, establishing better coordinated services with health, social care, and other relevant agencies.

For further information please contact:

Jan Levenson
Lead for Alternative Education KS 3&4
janlevenson@wirral.gov.uk
Mobile: 07824 387397 (Tuesday – Thursday)

WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM – 18 JANUARY 2022

ENERGY PURCHASING FOR SCHOOLS UPDATE

1. EXECUTIVE SUMMARY

This paper provides a brief update on the procurement of electricity and natural gas on behalf of schools and suggests budget changes for the 2022/23 financial year. This follows a period of extreme price volatility that is affecting all energy users. Energy prices have recently risen at unprecedented rates. In the commercial sector energy price rises of 595% have been reported.

2. PURPOSE OF THIS UPDATE

The purpose of this report is to provide schools with information on:

- Changes in natural gas and electricity prices that are anticipated for the 2022/23 financial year based on December 2021 data.
- Unit prices achieved by the Crown Commercial Service (CCS) framework compared with commercial rates.
- Uncertainties in projecting future costs.
- Budget change suggestions to ensure provision for the purchase of electricity and natural gas over the 2022/23 financial year.
- Environment and climate emergency

The content of this report is only applicable to accounts that are part of the CCS framework agreement. The Council holds no information for schools which make their own energy supply arrangements and cannot comment on this area of work.

3. ANTICIPATED 2022/23 PRICE CHANGES BASED ON DECEMBER 2021 DATA

In line with the framework arrangement natural gas and electricity are purchased on our behalf by CCS over a six-month window running from 1 October 2021 to 31 March 2022. Comparison of market rates issued in March 2021 and December 2021 suggests that the price increases set out below will come about if conditions do not change.

Energy type	Percentage cost increases (Mar 2021 vs Dec 2021)	Worst case cost increases for 2022/23 (Mar 2021 vs Dec 2021)
Gas (Supplied by Total)	272 %	294 %
Electricity (Supplied by EdF)	165 %	170 %

NB: Climate Change Levy changes included

Information received in December 2021 suggests there may be further price rises. Contributing factors include the deteriorating diplomatic relationship with Russia and the reduction in French nuclear output. Prior to December a slight easing of markets was reported. The worst-case scenario increases are included owing to ongoing uncertainty.

4. AVERAGE UNIT PRICES ACHIEVED BY CCS

The CCS risk managed approach continues to deliver competitive average unit costs: Commercial energy unit rates reported on the U-switch website on 15 December 2021 suggested the following unit prices:

- Electricity: 14.3 to 14.7 p/kWh (Standing Charges excluded)
- Natural Gas: 4.3 to 4.5 p/kWh (Standing Charges excluded)

The Crown Commercial Service November purchasing update for November 2021 reports the following unit prices:

- Electricity: 11 p/kWh (Standing Charges excluded)
- Natural Gas: 3.66 p/kWh (Standing Charges excluded)

The U-switch site has not been updated since 15 December so a more recent comparison cannot be provided.

It should be noted that non-energy costs made up over 66% of electricity costs and approximately 25% of a typical gas bill in 2021/22. Many of these costs are agreed by the regulator OFGEM with the suppliers. Customers have no influence over these costs which are often updated in the first three months of the calendar year. It cannot be guaranteed that these cost elements remain stable.

Anticipated non-energy costs for gas have doubled rising from 0.33 p/kWh in 2021/22 to 0.61 p/kWh in 2022/23. Climate Change Levy rates for gas are also rising from 0.405 p/kWh in 2021/22 to 0.568 p/kWh in 2022/23. These combined cost elements will be 60% higher in 2022/23.

Currently there is nothing to suggest that there will be significant changes to non-energy costs for electricity. The Climate Change Levy rate for electricity is being held at 0.775 p/kWh for 2022/23 according to the Government website.

5. UNCERTAINTIES IN PROJECTING FUTURE COSTS

There are two issues that make future cost projections uncertain: changing patterns of energy use and ongoing market uncertainty.

We cannot be certain how the pandemic will affect annual energy consumption. Some schools may have seen a reduction in energy use that reduced costs. However, we cannot be certain how energy use patterns will be affected in 2022/23. Increased ventilation rates required to prevent the spread of the virus may affect energy used for heating. The information we have available is insufficient to estimate consumption and cost over the winter period. In normal circumstances it is expected that approximately 78% of energy for heating is used between September and March.

Recent factors that have affected energy prices include:

- Short term power prices increased sharply in December 2021 with high pressure weather systems bringing a drop in temperatures and wind generation. The UK exported more electricity than it usually imports through the interconnectors with France. French nuclear generation has reduced by about 10% which is also restricting supply. The UK electricity balance has been extremely tight with 'day ahead' prices breaking records. National Grid has announced a review into spiralling balancing costs but this alone is unlikely to restrain prices, which reflect the extremely tight balance this winter.

- December has seen the first sustained periods of cold weather this winter following a relatively mild October and November. This, alongside deteriorating supply expectations from Russia, has seen short term prices rocket. Demand is relatively stable despite the high price environment with gas for power generation demand buoyed by low nuclear availability (in France in particular). Gas supply from Russia is significantly below previous years and competition with Asia for LNG (Liquefied Natural Gas) is fierce.

5. CHANGES IN PROVISION FOR GAS & ELECTRICITY EXPENDITURE

The following changes to expenditure are suggested as precautionary provisions to take account of the increased prices anticipated for 2022/23. The suggestions are made using the worst-case scenario due to ongoing market volatility.

- Increase provision for **natural gas** supplied by TGP by 194%
- Increase provision for **electricity** supplied by EdF by 70%

6. ENVIRONMENT AND CLIMATE EMERGENCY

In July 2019 Wirral Council declared an Environment and Climate Emergency. Following the declaration, the Council is seeking to reach net zero carbon emissions by 2030. We will be purchasing electricity from renewable sources for the 2022/23 financial year under the framework agreement to decarbonise our electricity use. The green electricity is backed by REGO (Renewable Energy Guarantees of Origin) scheme. The additional cost will be funded from the Council's Climate Emergency budget.

7. RECOMMENDATIONS

It is recommended that the forum notes the content of this report.

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WIRRAL COUNCIL

SCHOOLS FORUM – 18th JANUARY 2022

REPORT OF THE DIRECTOR FOR CHILDREN, FAMILIES AND EDUCATION

SCHOOLS BUDGET 2022-23 AND 3-YEAR FORECAST

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to outline the Schools Budget for 2022-23 so that Forum can indicate their views on the proposals. The report describes the financial changes to be considered by Schools Forum and Policy and Resources Committee. The proposed budget totals £316,157,106 for Early Years, Maintained Schools, Academies, colleges, and providers for the financial year 2022-23.
- 1.2 In addition to the budget year, a forecast for the three financial years 2023-24, 2024-25 and 2025-26 has also been included. The purpose of the 3-year forecast is to inform planning and to determine the future impact of current decisions. On that basis the forecasts are included for information and will not be considered for approval by the Policy and Resources Committee.

2.0 BACKGROUND AND KEY ISSUES

The main factors driving the school budget in 2022-23 are summarised below.

- 2.1 The Schools Funding Allocations were issued by the Department for Education on 16th December 2021. The format of the Dedicated Schools Grant (DSG) is unchanged with Local Authority allocations determined by the National Funding Formula (NFF) for Schools, High Needs and Early Years. The main features include:
- school funding increased by 3.2% overall with every secondary school allocated at least £5,525 per pupil and every primary school allocated at least £4,265 per pupil
 - local authorities will continue to set a Minimum Funding Guarantee in their local formulae, which for 2022-23 is between +0.5% and +2.00%.
 - the Schools Block continues to be ring-fenced with limited flexibility to transfer up to 0.5% of the schools' block to High Needs with Schools Forum approval
 - High Needs funding increased by £780m, or 9.6%, in 2022-23 – following the over £1.5 billion increase over the last two years.
 - Early Years hourly rates paid to local authorities will increase by £0.21 for 2-year old's and £0.17 for 3&4-year old's
 - central schools services funding increased by 4% for the ongoing responsibilities that local authorities continue to have for all schools, while funding for historic commitments within this block will decrease by a further 20% for those local authorities in receipt of this funding.

2.2 Other factors that have influenced the 2022-23 budget include:

- existing and on-going demand on services
- the High Needs strategy

3.0 FINANCIAL IMPLICATIONS

3.1 The budget for 2022-23 is compiled from the base budget for 2021-22 approved by Council on 17th February 2021 and updated for the issues identified in this report. The total 2022-23 projected budget (DSG and council funded) is £316.157m and is summarised below along with the 3-year forecast. A detailed analysis of the 2022-23 budget changes is shown in Appendix 1 in addition to a comparison of the 2021-22, 2022-23 budgets and 3-year forecasts which is provided in Appendix 2.

	2022-23 Budget £m	2023-24 Forecast £m	2024-25 Forecast £m	2025-26 Forecast £m
Funding	315.867	322.892	331.312	339.891
Expenditure by funding block:				
Schools	237.824	243.459	248.956	253.934
Central Schools Service	3.580	3.484	3.407	3.346
High Needs	54.569	55.755	57.239	58.886
Early Years	20.184	20.393	21.171	22.523
Total expenditure	316.157	323.091	330.773	338.689
Contribution to/-from reserves	-0.290	-0.199	0.539	1.202

3.2 The contribution to/-from reserves reflects the difference between the funding available and planned expenditure. Both 2022-23 and 2023-24 result in a shortfall in funding and this is due to high needs activities where demand and complexity continue to rise. From 2024-25, funding exceeds expenditure, and this reflects the impact of the High Needs Strategy where planned changes start to have a positive effect on expenditure.

4.0 FUNDING

Apart from the PFI affordability gap of £1.459m, which is funded from Council resources, the schools budget is funded by the Dedicated Schools Grant.

4.1 Dedicated Schools Grant (DSG)

4.1.1 DSG is made up of 4 block allocations with restrictions on moving funding between the blocks. The allocation for 2022-23 indicates a £11.800m increase which is an overall increase of 3.90%. The budgets presented have not transferred any funding between block allocations. DSG funding for the 3 forecast years assumes an average annual increase of around 2.5%.

4.1.2 The table below compares the gross block funding for 2021-22 and 2022-23 and thus includes both maintained schools and academy school activity.

DSG Block	2021-22 Gross Funding £m	2022-23 Gross Funding £m	Increase/- Reduction	
			£m	%
Schools	230.290	237.825	7.535	3.27%
Central School Services	2.153	2.120	-0.033	-1.54%
High Needs	48.521	54.279	5.758	11.87%
Early Years	21.644	20.184	-1.460	-6.75%
Total	302.608	314.408	11.800	3.90%

4.1.3 The allocations for the Schools and Central Schools Services funding blocks have been updated for changes in pupil numbers. Pupil numbers are those recorded in the October census, and have changed as follows:

Pupil numbers	Primary schools	Secondary schools	All- through schools	Total
October 2020 census	25,301	17,849	1,007	44,157
October 2021 census	25,049	18,093	1,027	44,169
Increase/-decrease	-252	244	20	12

4.1.4 Early Years funding is based on a combination of the January 2021 census and the estimated January 2022 census and thus is indicative at this time.

4.1.5 High Needs funding for 2022-23 includes the non-recurring supplementary allocation of £1.868m announced on 16th December 2021 in addition to the recurring block funding.

4.2 Supplementary DSG Allocations

4.2.1 On 16th December 2021 the Education and Skills Funding Agency (ESFA) announced supplementary funding in addition to the schools and high needs DSG allocations for 2022-23 only.

4.2.2 The extra funding for Wirral schools is expected to be around £7m and is to be allocated to schools in Spring 2022 by DfE based on factors already in the NFF. Schools will have the flexibility to prioritise their spending of the schools supplementary grant to best support the needs of their pupils and staff and address cost pressures, including those associated with the Health and Social Care Levy. Given the uncertainty as to the value and allocation basis of this funding at this time, it has not been included in the 2022-23 budget.

4.2.3 The high needs extra funding recognises the additional costs that local authorities and schools will face in the coming year, which were not foreseen when the original high needs block allocations were calculated. The additional funding also considers that colleges and other providers offering extra hours of study to students with high needs may require extra high needs top-up funding to support those students. The additional funding totals £1.868m and has been included in the 2022-23 budget.

4.3 Other Grant Funding

In addition to DSG, the following grants represent additional funding sources for schools and are not included in the budget.

- 4.3.1 Pupil Premium provides funding targeted towards deprivation. It has been confirmed that Pupil Premium rates will increase in 2022-23 in line with the latest inflation forecasts.
- 4.3.2 The Primary PE and Sports Grant and Extended Rights to Home to School Transport are expected to continue in 2022-23, although this is still to be confirmed. It is also expected that COVID related specific grants will be awarded as necessary.
- 4.3.3 The teachers' pay grant and teachers' pension employer contributions grant is now included in the NFF for schools and high needs. Maintained nursery schools, and schools and academies with early years pupils will continue to receive these as separate grants.
- 4.3.4 The Schools Budget includes funding for High Needs students in 6th Forms. All other post 16 funding is through the National Funding Formula for 6th Forms and thus is not included in the budget.

5.0 BUDGET ALLOCATIONS 2022-23

5.1 Schools Block £237.825m

This budget reflects the delegated budgets allocated to both maintained and academy mainstream primary and secondary schools. In November 2019, Schools Forum supported this block being redistributed to maintained schools using the formula factor rates used in the National Funding Formula thus this is the basis on which funding will be allocated to individual schools.

5.1.1 Academies

Currently there are 15 secondary academies, 13 primary academies and 1 all-through academy schools. Academies are independent from the local authority and are funded directly from the ESFA, however Regulations require Wirral to continue to calculate their budgets which are then deducted from Wirral's DSG.

5.1.2 Minimum Funding Guarantee (MFG)

For 2022-23 LAs can apply MFG of between plus 0.5% and plus 2.00% per pupil to protect schools from large formula changes. Following a consultation with all primary and secondary schools, School Forum in November 2021 supported a plus 1.25% Minimum Funding Guarantee for the 2022-23 mainstream schools funding formula.

5.2 Central School Services Block £2.120m

- 5.2.1 This block provides funding for LAs to carry out central functions on behalf of pupils in state-funded maintained schools and academies in England. Funding previously allocated to LAs for the Education Services Grant (ESG) retained duties is included within this block, together with funding for historic commitments.

5.2.2 Funding allocated to Local Authorities for historic commitments, which for Wirral are the contribution to combined budgets and schools retirement costs (school closure), has been reduced by 20% in line with the DfE's expectation that these costs will unwind over time.

The funding for ongoing responsibilities includes:

- School Licenses
- Admissions
- Schools Forum
- Former ESG retained duties
- Capital Expenditure from Revenue (PFI costs)

The treatment of these budgets, which are considered in further detail later in this report, is in accordance with national guidance.

5.3 High Needs Block £54.279m

This budget covers a range of related activities. The allocation of funding to each activity is based on the "place plus" funding system introduced by the DfE in April 2013 and includes:

- Special schools (pre- and post-16), and non-maintained special schools, both of which receive a base level funding of £10,000 per place.
- School bases which receive £6,000 per place.
- Alternative Provision Bases funding of £10,000 per place.
- Place funding in Wirral's FE provision at Wirral Met College and Birkenhead 6th Form College of £6,000 per place.
- Additional funding over and above that provided for places in the form of "top ups" is provided on a per pupil basis. The top up, or "plus" element of funding, takes account of the agreed assessed needs of pupils and is paid by the "commissioner" responsible; this may be Wirral Children's Services, a school, or another Local Authority. Wirral's top up system uses 5 bands to allocate funding across special schools, resourced bases, and alternative provision. Non-maintained Special Schools also receive a top up.
- The costs of Top Ups for all education and training for post 16 specialist provision for Learners with Learning Difficulties or Disabilities (LLDD) in colleges and private providers.
- The Hospital Schools budget.
- The cost of placements in Independent Special Schools.
- The costs of Education, Health and Care Plans and Independent Pupil Funding Arrangements.

5.4 Early Years Block £20.184m

5.4.1 This Block funds the costs of Early Years Education for 2, 3 and 4-year-old children in schools, nurseries, and private voluntary and independent providers

for both the universal and extended entitlement. Most of this funding is directed through the Early Years National Funding Formula (EYNFF). This is allocated to Local Authorities based on an hourly rate which, for 2022-23, has increased by £0.21 for 2-year old's, and £0.17 for 3- and 4-year-old's.

5.4.2 There are small elements covering SEN costs and some central Early Years support costs. Amounts held centrally are within the nationally defined limits of 5%.

5.4.3 This Block also includes allocations for Maintained Nurseries (MNS) to enable local authorities to protect the level of funding to MNS prior to the introduction of the EYNFF, Disability Access Fund and Pupil Premium.

6.0 2022-23 BUDGET CHANGES

6.1 Individual Schools Budget

6.1.1 Primary, Secondary and Academy Budgets £7.535m increase

The significant changes within this area are as follows:

There is a net increase in school rolls, which results in an overall budget increase of £0.564m. There are 12 more pupils on roll in October 2021 compared to October 2020. Primary numbers have reduced by 256 to 25,432 (a 0.99% reduction) while Secondary numbers have increased by 268 to 18,737 (a 1.45% increase).

The impact of changes in both the monetary value and pupil numbers applied to each of the funding formula elements has generated an increase in funding of £6.971m. This also includes any headroom which may arise if the funding allocated to schools from applying the NFF is less than the overall funding available. For the purposes of the budget report the £6.971m has been split proportionately between primary and secondary budgets.

6.1.2 High Needs Places £1.301m increase

Places in specialist provision within Local Authority areas continue to be determined by each LA in consultation with schools and providers. There is flexibility to adjust this so that places broadly reflect take up by pupils and this has resulted in a net increase of 282 across special school, base and 6th Form/FE provision.

In December 2021, preferences expressed by parents/carers for places in specialist Year 7 provision for September 2022 exceed provision. The final allocation for Year 6 Year 7 key transfer will not be known until 15 February 2022 (statutory deadline). In addition, it is anticipated that there will be additional requests for specialist provision at both pre-16 and post-16 phases after 15 February and before 31 August 2021.

For 2021-22 this growth in demand was addressed by including additional places in the budget and a further 195 places have been set aside for this purpose in the 2022-23 budget and will be allocated via a commissioning process.

All changes have been reported to the ESFA where necessary and have been reflected in the budget as follows:

	Special Schools	Base Provision	6 th Form/ FE	Total
Full year effect of changes made in 2021-22:				
Clare Mount Specialist Sports College	23			23
Elleray Park School	36			36
Woodchurch Engineering College		5		5
Wirral Metropolitan College			23	23
Places not yet allocated: Effective from Sep-22	105	70	20	195
Total place change	164	75	43	282
Total budget change	£0.821m	£0.270m	£0.210m	£1.301m

6.1.3 Hospital School £0.182m increase

The increase reflects the change in the Hospital School element of the high needs block.

6.2 Early Years £1.461m reduction

6.2.1 The early years budget reflects the expected take-up of hours for the Summer, Autumn and Spring terms that fall in financial year 2022-23. The January 21 census showed a falling roll for 2-year old's and 3/4-year-olds compared to the January 20 census, mirroring a drop in birth rates for the related period. A further drop in numbers is predicted for the January 2022 census and this has generated a reduction in the budget of £2.204m. As funding will be based on actual activity the DSG allocation and planned expenditure match for the purposes of setting the 2022-23 budget. This can be flexed, if necessary, once the January 22 census information becomes available.

The table below compares the pupil number information that has been used to inform the 2022-23 budget setting process.

Pupil numbers	Jan-19	Jan-20	Jan-21	Jan-22 (estimate)
2-year old's (PTE)	1,055	1,027	910	854
3/4-year old's Universal (PTE)	4,814	4,680	4,438	4,293
3/4-year old's Extended (PTE)	2,204	2,283	2,158	2,087

6.2.2 As outlined above in paragraph 5.4.1 the hourly rates paid by ESFA to Wirral will increase by £0.21 to £5.59 for 2-year old's and £0.17 to £4.62 for 3&4-year-olds and this has generated an increase in the budget of £0.743m. The expenditure budget relates mainly to the payments to providers, and this will aim to maximise the pass-through of funding to providers whilst ensuring that the service can respond to need and uncertainty.

6.3 Central School costs

The centrally held budgets for 2022-23 funded by the Central Schools Services Block of DSG have decreased by £0.033m. The services delivered by these

budgets are explained below along with the reasons for any changes to the budget for 2022-23.

- School Admissions - this budget is required to meet the costs of supporting and administering the authority's school admissions process including the 11 plus. A small increase of £0.008m has been applied to this budget to reflect forecast staff costs.
- School redundancy costs - this budget covers the continuing cost of premature retirement of teachers and staff that have arisen from closing schools. No further closures are expected for 2022-23 thus costs to be incurred reflect historic commitments and are expected to reduce by £0.005m.
- Licences and Subscriptions - the DfE purchases a single national licence for all state funded schools. Licences cover areas such as the Copyright Licence Agency, the Education Recording Agency, the Mechanical Copyright Protection Society, and a School Printed Music Licence. The 2022-23 budget has increased by £0.016m to reflect the costs announced by DfE in December 2021.
- Schools Forum - although this budget will not be fully utilised in 2021-22, it is expected that there will be a return to face to face meetings during 2022-23 thus there has been no change to the budget for 2022-23.
- Contingency – this reflects the 'headroom' of £0.018m within the Central School Services Block for 2022-23.
- Contributions to combined budgets – School Funding Regulations continue to allow contributions to support services that would otherwise fall outside the Schools Budget. These budgets combine with other council resources for the educational benefit of children. There must be no new commitments or increases in expenditure from that agreed in 2012-13, and DfE expect that these costs will unwind over time. For this reason, funding from DfE has been reduced by 20% for 2021-22. However, the net increase to the current cost element of the Central Schools Service Block can facilitate a partial off-set of the 20% reduction. It is proposed, therefore, that the reduction in contributions be limited to 10% which equates to a reduction of £0.070m. These proposed contributions are as follows:

		21-22 £m	22-23 £m	Reduction	
				£m	%
School Improvement	Continued support for School Improvement Staff with permanent contracts	0.264	0.238	-0.026	-10%
LSCB	Contribution towards governance process for child protection	0.024	0.022	-0.002	-10%
School Intervention	Consultant Headteacher role supporting Primary & Secondary education	0.109	0.098	-0.011	-10%
PFI (Support)	Contribution towards the asset management costs to support PFI schools	0.049	0.044	-0.005	-10%
PFI (CLC)	Contribution towards the building costs for closed City Learning Centres	0.055	0.049	-0.006	-10%
Looked after Children Education Services	The service reviews the educational progress of Looked After Children, provides training to staff and some direct support to pupils	0.112	0.101	-0.011	-10%
Business Rates	Funding for continuing costs for VA Schools	0.086	0.077	-0.009	-10%
Governors Forum	Contribution towards the cost of maintaining the Forum	0.002	0.002	-0.000	
Total		0.701	0.631	-0.070	-10%

- The PFI Affordability Gap budget is driven by the December RPI%. As this is not yet available, no change has been made to the 2022-23 budget at this time. The impact of the change in RPI% will be applied to the budget later in January 22 but as this is a Wirral Council funded budget, any change will have no impact on the DSG funding available to schools.
- The budget for retained duties of the former Education Services Grant (ESG) is unchanged for 2022-23. Overall, DSG contributes £1.232m towards the cost of services that were previously funded from ESG. In 2021-22 Forum agreed to de-delegate £0.502m on behalf of Maintained Primary, Secondary and Special Schools towards the full year costs of ESG General Duties. The table below identifies the services delivered and the funding source.

Estimated costs of ESG services	£m
Education Welfare	0.662
Asset Management	0.174
Statutory/Regulatory duties	1.137
Premature retirement/redundancy	0.228
Monitoring national curriculum	0.091
Total	2.292
Funded by:	£m
School budget retained duties	0.730
General duties (de-delegation)	0.502
Wirral Council funded	1.060
Total	2.292

6.4 De-delegated budgets

As in previous years the budgets held for Contingency, Special Staff (maternity, paternity, and trade union duties), the School Library Service, Insurance (Governors Aided), and Behaviour Support have been delegated to schools, and a decision will be required for any de-delegation from existing school budgets for these services. A decision will also be required for de-delegation of costs associated with former General Duties of the Education Services Grant and School Improvement.

6.5 High Needs Pupils

6.5.1 Additional Resources £3.137m increase

The budget for Units of Resource has been increased by £2.335m to reflect the on-going increase in applications for assessment. An increase has been applied for Out of Borough pupils (£0.249m) as well as Primary pupils (£1.239m) and Secondary pupils (£0.847m).

Additional resources of £0.377m have been made available for Personal Budgets to reflect the increase in volume and complexity of bespoke support packages.

For most children aged 0-5 attending a private or voluntary setting funding will be sourced from the Early Years Inclusive Practice Grant without recourse to a statement or EHCP, although there are exceptions to this. Funding of £0.225m has been made available to resource the exceptions.

Funding of £0.200m has been made available to support pupils not in school whilst a suitable place is being sought.

6.5.2 Top-Ups £2.215m increase

The established banding system will be used to allocate element 3 top up funding to each specialist provision. This budget has been increased by £1.240m in line with the increase in places across special school, base and 6th Form/FE provision as identified in the Individual Schools Budget section.

Of the £1.868m of additional supplementary funding that was announced on 16th December, half (£0.934m) has been included in the Top-Ups budget. The basis for distribution of this funding has not yet been determined but it is expected that it will be fully spent in 2022-23. The remaining £0.934m has been included in the growth that has been identified across the range of high needs activities.

A limited amount of funding is available for Exceptional Need, and is available to Special Schools, Alternative Provision, and Mainstream Resources Provision where an assessed pupil's needs indicate that enhanced staffing is necessary. The budget has been increased by £0.041m to reflect the forecast increase in staff costs.

6.5.3 Contingency £0.161m increase

This budget has been increased to reflect the additional support that is needed to generate the physical space needed for the increase in places.

6.5.4 Independent Special Schools £1.615m

The increase in the 2022-23 budget reflects the additional demand in places that was identified in Autumn 2021 and also growth in the contribution to looked-after-children education plans which has been forecast to increase.

7.0 3-YEAR FORECAST

Although not for consideration for the 2022-23 budget setting process, the 3-year forecast has been included to demonstrate the impact of demand and planned changes that are to be implemented to respond to this challenge.

7.1 Maintained Primary and Secondary Schools

7.1.1 For primary schools, pupil numbers are expected to fall in line with local birth-rate statistics for 2023-24, 2024-25 and 2025-26. This has been off-set with a forecast increase in school funding.

7.1.2 For secondary schools, pupil numbers are expected to increase for 2023-24, 2024-25 and 2025-26 in addition to a forecast increase in school funding.

7.2 Central Schools Services

7.2.1 The majority of these activities relate to administrative functions and as such the changes in the forecast years is minimal. The exception to this is the contribution to combined budgets where the funding and thus contribution will reduce by 20% per annum.

7.3 High Needs

7.3.1 The forecast has been informed by continuing demand and the High Needs strategy. The main influences from the High Needs strategy are as follows:

- Impact of volume and complexity for special school pupils transitioning from Primary to Secondary
- Increase in Wirral capacity to reduce reliance on Out of Borough and Independent School places
- Maximise/increase mainstream base provision
- Review of Wirral Hospital School and Home & Continuing Education Service
- Review of other funding streams
 - Exceptional Needs process
 - IPFAs

7.3.2 The impact of this has can be seen across the 3-year forecast where the costs are increasing across both the special and mainstream schools budgets to reflect increased places but with a partial off-set in additional resources and independent school places where the provision is reducing.

7.4 Early Years

7.4.1 Pupil numbers are expected to increase from 2023-24 following 3 consecutive years of reduction in line with local birth-rate statistics. In addition, an increase to the funding has been forecast.

8.0 USE OF RESERVES

At November 2021, it was reported that the DSG reserve is expected to end 2021-22 with a cumulative deficit of £1.998m. The impact on the DSG reserve of the budget setting process reflects a worsening position for 2022-23 and 2023-24 but then improving from 2024-25 onwards. The table below summarises this impact. The reserve balance across the 2022-23 budget year and 3 forecast years reflects the impact of increasing demand and the changes that are planned to meet demand whilst minimising the impact on expenditure. It is expected that the strategies that are to be adopted will deliver a positive reserve balance by the end of 2026-27.

	2022-23 Budget £m	2023-24 Forecast £m	2024-25 Forecast £m	2025-26 Forecast £m
Surplus/-deficit b/fwd.	-1.998	-2.288	-2.487	-1.948
Contribution to/-from reserves	-0.290	-0.199	0.539	1.202
Surplus/-deficit c/fwd.	-2.288	-2.487	-1.948	-0.746

9.0 BUDGET TIMETABLE

The Schools Budget and advice from Forum will be considered by the Policy and Resources Committee at its budget meeting on 15th February 2022.

10.0 RECOMMENDATIONS

10.1 That the views of Schools Forum are sought on the Schools Budget for 2022-23.

10.2 That in accordance with ESFA guidelines the Forum approves the reduced Contributions to Combined Budgets of £0.631m in 2022-23 for:

- School Improvement
- Local Safeguarding Children's Board
- School Intervention
- PFI Support
- PFI CLC
- Looked after Children Education Services
- Business Rates, and
- Governors Forum

10.3 That the Schools Budget and views of the Schools Forum be referred to the budget meeting of the Policy and Resources Committee on 15th February 2022.

Simone White
Director for Children, Families and Education

Appendix 1 - Schools Budget changes 2022-23

	£m	£m	£m
2021-22 Schools adjusted base budget			187.792
Add back Academy recoupment			113.713
2021-22 Gross Schools Budget			301.505
<u>Budget changes:</u>			
Individual Schools Budget			
Primary & Secondary:			
Net increase in pupils on roll	0.564		
Funding Formula elements	6.971	7.535	
High Needs:			
Special Schools places	0.821		
SEN Base places	0.270		
FE/6th Form places	0.210	1.301	
Hospital School	0.182	0.182	9.018
Early Years			
Early years demand		-2.204	
Early years rate change		0.743	-1.461
Central School Costs			
Admissions		0.008	
School Redundancy Costs		-0.005	
Licences & subscriptions		0.016	
Contingency		0.018	
Combined budgets reduced contribution		-0.070	
PFI Affordability Gap		0.000	-0.033
High Needs Pupils			
Additional Resources:			
Units of resource	2.335		
Personal Budgets	0.377		
Inclusive practice	0.225		
Interim Education	0.200	3.137	
Top-ups:			
Top-ups	1.240		
Supplementary	0.934		
Exceptional need	0.041	2.215	
Contingency		0.161	
Independent provision		1.615	7.128
Total Budget changes			14.652
2022-23 Gross Schools Budget			316.157
2022-23 Dedicated Schools Grant			-314.408
2022-23 Call on reserve			-0.290
2022-23 Net Schools Budget			1.459

Appendix 2 - A comparison of the 2021-22 and 2022-23 budgets and 3-year forecasts

	2021-22 Budget £	2022-23 Budget £	2023-24 Forecast £	2024-25 Forecast £	2025-26 Forecast £
Individual Schools Budget					
Primary	96,052,551	119,524,024	121,018,075	122,228,255	124,672,820
Secondary	20,896,065	118,301,008	122,441,543	126,726,997	129,261,537
Special	12,590,592	13,484,146	14,223,541	14,675,526	15,129,530
Wirral Hospitals School	1,407,180	1,594,222	1,718,766	1,853,200	1,998,311
SEN Bases	969,731	1,992,000	2,342,000	2,642,000	2,942,000
Sixth Form/Further Education	36,000	1,500,000	1,620,000	1,740,000	1,860,000
Growth and Falling Rolls Fund	152,936	0	0	0	0
Individual Schools Budget Total	132,105,055	256,395,400	263,363,925	269,865,978	275,864,198
Early Years	21,644,246	20,183,630	20,392,947	21,171,339	22,522,649
Central School Costs					
Admissions	379,982	388,009	394,008	400,127	406,368
School Redundancy Costs	81,000	76,000	72,000	70,000	68,000
Licenses and subscriptions	243,751	259,856	272,849	286,492	300,816
Schools Forum	10,600	10,600	10,600	10,600	10,600
Contingency	7,600	25,434	40,727	47,193	48,009
Contribution to combined budgets	700,500	630,450	504,360	403,488	322,790
PFI Affordability Gap	1,459,500	1,459,500	1,459,500	1,459,500	1,459,500
Retained duties Central (ex-ESG)	730,000	730,000	730,000	730,000	730,000
Costs delegated to schools					
Library Service	185,100	0	0	0	0
Insurances	25,100	0	0	0	0
School Specific contingencies	31,100	0	0	0	0
Special Staff Costs	696,000	0	0	0	0
Behaviour Support	58,000	0	0	0	0
School Improvement	62,300	0	0	0	0
Retained duties de-delegated (es-ESG)	501,900	0	0	0	0
High Needs Pupils					
Additional resources	6,078,300	9,215,491	8,961,028	8,751,999	8,591,948
SEN Top-ups	14,722,146	16,936,469	17,030,532	17,917,498	18,905,754
High Needs contingency	400,000	561,104	598,624	598,624	598,624
Independent Special Schools	5,120,000	6,734,980	6,710,000	6,510,000	6,310,000
Home Tuition Service	422,730	422,730	422,730	422,730	422,730
Support for SEN	2,069,253	2,069,253	2,069,253	2,069,253	2,069,253
Special School Transport	58,200	58,200	58,200	58,200	58,200
Non-delegated school costs Total	34,043,062	39,578,076	39,334,411	39,735,704	40,302,592
Total Costs	187,792,363	316,157,106	323,091,283	330,773,021	338,689,438
Funding					
Dedicated Schools Grant	-189,015,997	-314,407,717	-321,432,576	-329,852,177	-338,432,384
Contribution to/-from reserve	2,683,134	-289,889	-199,207	538,656	1,202,446
Funding total	-186,332,863	-314,697,006	-321,631,783	-329,313,521	-337,229,938
Grand total	1,459,500	1,459,500	1,459,500	1,459,500	1,459,500

WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM 18th JANUARY 2022

REPORT OF THE DIRECTOR FOR CHILDREN, FAMILIES AND EDUCATION

De-Delegation of School Budgets

1. EXECUTIVE SUMMARY

This report seeks a decision by Forum representatives of maintained schools on the possible de-delegation of a number of services to schools, where there is a preference to continue a central service.

2. BACKGROUND

In 2013-14 following DfE regulations a number of services were delegated to schools that were previously provided centrally by the LA. There are some of these service areas where Schools Forum members, in their relevant phase, are able to decide, on behalf of their schools, that funding should be de-delegated and taken out of formula budgets before schools receive them. These amounts would then continue to be held centrally to fund specific services for schools. Regulations provide for different decisions being made for each phase. The members eligible to vote are shown on the attached table.

3. BUDGETS FOR DE-DELEGATION

- Contingency

The budget for exceptional/unforeseen costs that it would be unreasonable for governing bodies to meet. There is no change to the per pupil rate of £2.15 for Secondary schools nor a change in the rate of £1.13 for Primary schools respectively.

- Special Staff Costs

Teacher maternity, paternity and trade union facility costs for both teaching and non-teaching staff. The special staff costs budget is forecast to overspend as detailed in the Budget Monitoring Report Q3 2021-22. Due to the increased costs this year there is an increase of £3.60 per pupil for both primary and secondary budgets for 2022-23 financial year.

With regard to Trade Union Facility Time, guidance confirms that representatives are entitled to reasonable paid time off during working hours to undertake Trade Union duties and relevant training. Wirral, like many LAs has a local agreement in place. The budget for facility time includes non-teacher representation. Where funding is not de-delegated schools manage their own budget and make their own facility time arrangements. The rate for 2022-23 has increased by 7p to £3.60 per pupil, assumes an estimated 2% pay award for 2022-23 financial year.

- **School Library Service**
The provision of learning resources to schools, such as books, artefacts, posters, and DVDs. The School Library Service per pupil rate remains unchanged this year at £8.78 per Primary school pupil.
- **Insurance**
The cost of governor's liability insurance for Aided schools.
- **Behaviour Support**
The cost of a small team working with Wirral's Primary, Secondary and special schools. There is no change to the per SEN PA rate of £29.04 for Secondary schools nor for the £17.35 rate for Primary schools respectively.
- **School Improvement**
School Improvement was included as a de-delegated service from September 2017 following the withdrawal of ESG. The budget supports the improvement / intervention programme with schools. The Pupil Rate remains unchanged for 2022-23.
- **Former ESG General Duties**
These are the cost of education services previously funded from Education Services Grant (ESG) to support maintained schools, including asset management (landlord) responsibilities, some premature retirement costs, and statutory / regulatory costs around, finance, LMS and internal audit.

4. DECISIONS TAKEN IN 2021-22

In the January 2021 meeting members of the forum made the following decisions: -

- The Primary Forum Representatives agreed de-delegate all the budget areas. However, School Improvement and Behaviour Support were only agreed for 5/12th until further information was provided in May 2021 Forum, when it was agreed to charge the further 7/12th costs to schools.
- The Primary Forum Representatives agreed a contribution to former ESG costs for General Duties of £369,416.
- The Secondary Forum Representatives agreed de-delegate all the budget areas. However, School Improvement and Behaviour Support were only agreed for 5/12th until further information was provided in May 2021 Forum, when it was agreed to charge the further 7/12th costs to schools.
- The Secondary Forum Representatives agreed a contribution to former ESG costs for General Duties of £58,470.
- The Special School Forum Representatives agreed a contribution to former ESG costs for General Duties of £72,114.

5. SUMMARY OF BUDGETS FOR DE-DELEGATION

The tables below identify the budget for primary and secondary schools, how the budget is allocated through the formula and the amount per pupil to be deducted if it is de-delegated.

Primary Budget	Amount Delegated £	Method of Delegation	Amount per Pupil £	Average per School (300 Pupils) £
Contingency	23,534	Pupil	1.13	339
Special Staff Costs (Maternity/Paternity)	574,931	Pupil	27.51	8,253
Special Staff Costs (Trade Union)	75,305	Pupil	3.60	1,080
School Library Service	185,100	Pupil	8.78	2,634
Insurance	25,100	Pupil	1.19	357
Behaviour Support	63,610	SEN PA **	17.35	*1,301
School Improvement	121,673	Pupil	5.83	1,749
Total	1,069,253	(*25% LPA pupils/**4,528)		15,713

Secondary Budget	Amount Delegated £	Method of Delegation	Amount per Pupil £	Average per School (1,000 Pupils) £
Contingency	7,566	Pupil	2.15	2,150
Special Staff Costs (Maternity/Paternity)	121,572	Pupil	34.43	34,430
Special Staff Costs (Trade Union)	12,722	Pupil	3.60	3,600
Behaviour Support	75,690	SEN PA **	29.04	*9,002
School Improvement	27,927	Pupil	7.92	7,920
Total	245,477	(*31% LPA pupils / **3,219)		57,102

Ex Education Service Grant (ESG) – General Duties

Primary and Secondary Budget	Amount	Method	Amount per Pupil £	Primary Average per School (300 Pupils) £	Secondary Average per School (1,000 Pupils) £
ESG General Duties	423,860	Pupil-Maintained Schools only	17.35	5,205	17,350
ESG General Duties– Special School Contribution	76,140				
Total	500,000				

6. RECOMMENDATIONS

1. The Primary Forum Representatives agree to de-delegate each of the following budgets for the financial year 2022-23: -
 - a. Contingency
 - b. Special Staff Costs, including TU Facilities Time
 - c. School Library Service
 - d. Insurance
 - e. School Improvement
 - f. Behaviour support

2. The Primary Forum Representatives agree a contribution to former Education Services Grant costs of £365,940.

3. The Secondary Forum Representatives agree to de-delegate each of the following budgets for the financial year 2022-23: -
 - a. Contingency
 - b. Special Staff Costs, including TU Facilities Time
 - c. School Improvement
 - d. Behaviour support

4. The Secondary Forum Representatives agree a contribution to former Education Services Grant costs of £57,920

5. The Special School Forum Representatives agree a contribution to former Education Services Grant costs of £76,140.

Simone White

Forum Members eligible to Vote

Group	Name	Category of Membership	School/establishment
Primary School Representatives	Andy Ramsden	Primary Headteacher (Birkenhead S)	Oxton St Saviours
	Sue Ralph	Primary Headteacher (Birkenhead N)	St Michael & All Angels
	John McDonald	Primary Headteacher (Wallasey)	St Alban's Primary
	Emma Johnson	Primary Headteacher (Deeside)	Greasby Junior
	To be confirmed	Primary Headteacher (Beb/Brom)	
	Charlotte Scott	Primary Governor	St George's Primary
	Roy Wood	Primary Governor	Hillside Primary
	Julie Merry	Primary Governor	Overchurch Infants/Cathcart
	Tony Norbury	Primary Governor	Prenton Primary
Secondary School Representatives	Simon Goodwin	Secondary Headteacher	South Wirral High
Special School Representatives	Margaret Morris	Special Headteacher	Elleray Park
	John Weise	Special Governor	Hayfield Primary

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WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM 18th January 2022

REPORT OF THE DIRECTOR OF CHILDREN, FAMILIES AND EDUCATION

School Balances and Indicative Deficits Balances

1. EXECUTIVE SUMMARY

This report is a regular report presented to Schools Forum describing the current and projected financial position for schools together with action that is being taken. The position remains challenging.

2. BACKGROUND

There are ongoing cost pressures within schools arising from general increases in goods & services, additional costs in respect of continuing Covid issues and incremental rises for staff. Increases in employers national Insurance costs from April 2023 of 1.25% have been built into future years costs.

Additional funding has been included in the Dedicated Schools Grant (DSG) for 2021-22 and there will be further funding increases in 2022-23 financial year. Projections at period 6 monitoring tend to be more pessimistic until confirmation of funding and expected costs are provided.

3. Indicative Balances

Indicative school balances have been updated after monitoring at period 6 and are detailed below. They indicate that the school balances will continue to fall year on year, but the effect of the additional funding and the unexpected increase in balances at 31st March 2021 has slowed this down.

In March 2022, the expected balances are £11.4m, which is better than the position reported in September (£9.8m). This is due to more information being provided by the ESFA on 2022-23 funding which has provided better estimates for budget allocations in 2022-23. This has provided more certainty for mainstream schools in future years, however, there are still concerns around special schools and maintained nursery school budgets.

Table 1 – Position at Period 6 Monitoring

	Actual Balances at 31st Mar 2021	Expected Balances at 31st Mar 2022	Expected Balances at 31st Mar 2023
Nursery	289,322	165,820	-33,143
Primary	11,141,744	9,745,692	7,513,315
Secondary	-115,295	122,687	218,884
Special	1,934,152	1,407,744	-126,926
Total	£13,480,523	£11,441,944	£7,572,130

1. Individual School Deficits

Although the overall balances increased in March 2021 the number of schools in deficit has remained static. There are currently 6 schools with licenced deficits and agreed budget plans. In addition, there are 5 schools with a Notice of Concern. However, this has reduced the number of schools with expected deficits in future years.

Based on table 1 the number of schools who may have a deficit budget as at March 2023 if no action is taken is 21, each school with an average deficit of £162k (£200k in March 2021). The position continues to worsen in the special schools.

Table 2 – expected deficits in March 2023 compared to Actuals in March 2021

	Number of schools	Actual no. of Schools in deficit as at Mar 2021	% schools with a deficit Mar 2021	Expected no. of schools in deficit as at Mar 2023	% schools with a deficit Mar 2023
Nursery	3	1	33%	1	33%
Primary	77	6	8%	13	17%
Secondary	4	2	50%	2	50%
Special	11	2	18%	5	45%
	96	11	11%	21	22%

2. Action Taken to Date

- The Notice of Concern process has been reviewed and it is expected that 5 schools will be in this category.
- LMS and HR continue to work with schools to balance budgets and plan any reduction in staff numbers or hours. Where schools are reviewing staffing levels this is, in a number of cases, leading to a consideration of redundancies.
- There are briefings and discussions with Headteachers and school finance staff.
- LMS Bursars continue to support Headteachers and governors with more detailed projections.
- 5 schools are currently in the process of a DfE School Resource Management Assessment, which will provide schools with support and advice to reduce cost pressures and manage resources.

3. Future Action

- Continue to review of financial plans at period 9 to ensure that, where possible, schools budgets are sustainable going forward.
- Ensure budgets and projections are based on latest possible known information, and where this is not possible that assumptions are clear and reasonable.
- LMS Bursars to support Schools to take action before they move into a deficit position, as it is much more difficult to make saving once in that position.
- Schools requesting a licenced deficit are required to demonstrate how the budget will come back into balance within 3 years (4 years in exceptional circumstances).
- Where agreement cannot be reached a Notice of Concern will be issued, requiring an immediate action plan to be agreed by governors.
- Consider the effect of the additional funding on school balances for the financial year 2022-23.

- Consider the potential impact of the MFG being set at +1.25% in 2022-23.

RECOMMENDATIONS

Forum Notes the report

Simone White
Director of Children, Families and Education

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WIRRAL SCHOOLS FORUM – 18th January 2022 WORK PLAN

Meeting Date	March 2022 Provisional meeting	14 th June 2022	September 2022	November 2022	January 2023
Virtual / Physical					
Budget		Provisional outturn 2021-22 Schools Budget 2022-23 School Balances update Growth & Falling Rolls Fund	Elect chair & vice chair Budget monitoring 21-22 Q2 School Balances Update	Budget Monitoring 21-22 Update	Budget Monitoring 21-22 Q3 Schools Budget 22-23 De-delegation of budgets School Balances update
Consultation		2023-24 School Funding Arrangements if new info out	2022-23 National Funding Formula for Schools, High Needs and Early Years	National Funding Formula Update for 2022-23	
DfE Regs & guidelines		Schools Forum Membership If updated <ul style="list-style-type: none"> • DfE Operational Guide • School Finance Regs • Scheme for Financing Schools 	Schools Forum Membership If updated <ul style="list-style-type: none"> • DfE Operational Guide • School Finance Regs • Scheme for Financing Schools 	Schools Forum Membership If updated <ul style="list-style-type: none"> • DfE Operational Guide • School Finance Regs • Scheme for Financing Schools 	Schools Forum Membership If updated <ul style="list-style-type: none"> • DfE Operational Guide • School Finance Regs • Scheme for Financing Schools
Working Groups		High Needs Early Years	High Needs Early Years	School Formula High Needs	High needs Early Years
Other		LACES /LAC PP Update Home Tuition Update	School Admissions Special School Places	De-delegated services <ul style="list-style-type: none"> • Contingency, Spcl Staff Costs, Insurance • Library Service • School Improvement • Behaviour Support Edsential Update	Wirral Traded Services Update Sensory Support Service Update Energy update Wirral Alternative Provision Update

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