

Cabinet

Supplementary Information



Date: Tuesday, 24 January 2023

Time: 4.00 pm

Venue: The Council Chamber - City Hall, College Green, Bristol, BS1 5TR

9. Dedicated Schools Grant budget proposals 2023/24

(Pages 2 - 38)

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Date: Tuesday, 17 January 2023





Decision Pathway – Report Template

PURPOSE: Key decision

MEETING: Cabinet

DATE: 24 January 2023

| | | |
|---|---|--|
| TITLE | Dedicated Schools Grant (DSG) 2023/24 Budget Proposals | |
| Ward(s) | ALL | |
| Author: Angel Lai | Job title: Finance Manager – Education and Children’s & Families | |
| Cabinet lead: Cllr Craig Cheney and Cllr Asher Craig | Executive Director lead: Denise Murray, Director of Finance | |
| Decision maker: Mayor Decision forum: <i>Cabinet</i> | | |
| Purpose of Report: The Dedicated Schools Grant (DSG) is the ring-fenced grant from Government that provides Local Authorities with an allocation of funding for schools and services for pupils. This report outlines the four blocks of the DSG, sets out the proposed use of the DSG and how associated grants are to be applied during 2023/24. Bristol’s Schools Forum must be consulted on all aspects of the use of the Dedicated Schools Grant (DSG) and the School Funding Regulations limit the scope for how funding may be used. The Schools Forum has some responsibilities to determine a small number of specific budgets and the decisions on the amount of funding to distribute to schools and early years settings. The distribution mechanisms, the proposed spend on central services and the High Needs budget are matters to be determined by the Council. | | |
| Evidence Base: The deadline for confirming schools budget shares to mainstream maintained schools is 28 February 2023 and Local Authorities should ensure that they have procedures in place to meet the requirement, including gaining political approval. Full Council will consider the 2023/24 budget resolutions on Tuesday 21 February 2023, which allocates resources to schools and other educational settings in accordance with the National Funding Formula and other locally agreed factors for schools and early years settings. There is an expectation in the annual budget that the cost of schools and educational settings will be contained within the level of the DSG, but a specific reserve has been created to support a deficit until 2025/26 if spending continues at the levels currently estimated without further external funding and/or if recovery plan activities do not deliver cost reductions. Officers have presented papers to Schools Forum and have consulted with schools and settings on the distribution methodology for the for 2023/24 funding, addressing the financial issues facing Bristol schools, including academies and the pressure in the High Needs Block. This paper reflects the strategy that has been agreed with the Schools Forum in the context of the available funding and need for 2023/24. In December 2022, the final allocations of DSG from the ESFA took account of a net 438.17 more pupils in October 2022 (increase of 797.17 secondary @ £6,513.22, offset by reduction of 359 primary @ £4,946.84), compared to October 2021. The overall increase in the DSG for 2023/24 is £29.8m or 7%. The Growth Fund allocation of £2.2m for 2023/24 is an increase of £0.3m from the 2022/23 allocation of £1.9m and the confirmed funding for High Needs is £86.5m | | |

which is £8.0m or 10.2% increase from £78.5m allocation in 2022/23.

Officers must submit to the Education and Skills Funding Agency (ESFA) formula driven allocations for mainstream schools by 20 January 2023, which may be subject to ratification or amendment by Cabinet and Council. Schools Forum considered the issues at its meeting on 12 January 2023. Feedback from that meeting will be conveyed to Cabinet Members.

As outlined above, the council must publish funding rates for Early Years settings as well as publish allocations to maintained schools no later than 28 February 2023.

The key papers submitted to Schools Forum on 12 January 2023 are provided as appendices for reference:

- **Appendix A1: DSG Budget Monitor**, explaining the latest budget monitoring (at Period 8) position for 2022/23.
- **Appendix A2: DSG 2023/24** details the 2023/24 funding levels, discusses the use of the four DSG blocks in 2023/24, the transfer of funding from Schools Block to High Needs Block and the use of the Central Services Block for 2023/24. Further detail on the High Needs Block and Early Years is provided below. Use of the Schools Block is covered in more detail in Appendix A3.
- **High Needs Block**, the High Needs Block has received another substantial increase in funding (10.2%). This includes £3.3m which represents Bristol's portion of the additional £400m announced in the government's autumn statement. Even after allowing for this increase the High Needs block continues to be under pressure. The current level of spending in 2022/23 and extrapolated trends, indicates that the increased allocation will not cover spending at the same level as this year and does not provide sufficient funding for growth, additional needs or historic shortfalls. This is likely to result in a further deficit in the DSG.

The ESFA's Schools Revenue Funding Operational Guide allows the transfer of up to 0.5% in 2023/24 from the Schools Block to other blocks with Schools Forum approval and we are utilizing this flexibility. For the 2022/23 budget, £1.5m was transferred from the Schools Block to the High Needs Block, and this funding is being used to partly fund the Education Transformation Programme. The main aim of this programme is to address the findings of the OFSTED inspection, deliver the commitments in the Written Statement of Action and support a sustainable service.

The Schools Forum has agreed to the 0.5% transfer for 2023/24 (£1.627m). This funding will be ring-fenced to support the continuing High Needs transformation journey with clear and transparent reporting to Schools Forum on the use of this fund. The continuation of the High Needs transformation journey will be focused on the continuing improvement in SEND provision, with particular focus on sustainable school-led programmes and addressing the deficit in the High Needs Block. The DSG Deficit Management Plan is an iterative document which will continue to be updated throughout 2023/24 and beyond, presented to Schools Forum on a termly basis.

Cabinet should note that 2023/24 may be the last year that this flexibility will be allowed, as the DfE has consulted on the introduction of the Hard National Funding Formula (NFF) from 2023/24 which would remove local flexibility.

- **Early Years Block**, the government funding announcement contained details of the rates of funding that will be received, with 6p increase in the rate for 3 & 4 year olds (at £5.75) excluding 5p uplift designated for Teachers Pay and Pension Grant, and a 9p increase in the rate for 2 year olds (at £5.89). This means that the rate paid to providers will increase by 6p for 3 & 4 year olds to £4.94 and the rate for 2 year olds will increase to £5.86. Following consultation with the sector which took place began in mid-November 2022 and ended on 30th December 2022, the council is passing through the full increase received from the DfE. It is recognised that this increase does not reflect the cost increases being experienced by the sector, highlighted in the feedback received from the consultation. We will continue to use the existing methodology for the deprivation and

quality supplements and maintaining the EY SEN rate for 2023/24. The allocation and budget for Early Years is still indicative at this stage as the majority of funding will be based on census data from January 2023 and January 2024, and as such the actual amounts will be updated through the year.

- **Appendix A3: Schools Block** sets out how much funding is available. Following consultation with schools, and endorsement from the Schools Forum, it sets out how it should be distributed through the funding formula for mainstream schools. The funding allocations for mainstream schools are paid directly to them each month; the funding allocations for academies and free schools are recouped by the Education and Skills Funding Agency from the DSG before it is received by the Council. The paper also recommends the creation of a Growth Fund of £2.0m.
- The DSG allocation budget for 2023/24 is summarised in Table 1 below:

| Table 1: 2023/24 DSG allocations as at December 2022 | Balance brought forward from 2022/23 (forecast) | 2023/24 DSG Allocation | Movement between blocks | Final DSG budget 2023/24 | Estimated spend 2023/24 | Carry forward balance at end of 2023/24 |
|--|---|------------------------|-------------------------|--------------------------|-------------------------|---|
| | £m | £m | £m | £m | £m | £m |
| Schools Block | (0.557) | (325.478) | 1.627 | (323.851) | 323.851 | (0.557) |
| De-delegation | (0.504) | 0 | 0 | 0 | 0 | (0.504) |
| Central Services Block | 0.008 | (2.717) | 0 | (2.717) | 2.709 | 0 |
| High Needs Block | 44.533 | (86.504) | (1.627) | (88.131) | 106.752 | 63.154 |
| Early Years | (0.004) | (38.526) | 0 | (38.526) | 38.743 | 0.213 |
| Total | 43.475 | (453.226) | 0.000 | (453.226) | 472.056 | 62.306 |

Cabinet should note that from the Mainstream Schools Additional Grant 2023-24 (MSAG) of £1.6bn announced in the Autumn Statement, Bristol's indicative allocation is circa £10.749m. School Level allocation will be confirmed in Spring 2023 and has not been included in Table 1. Neither is the impact of High Needs mitigation proposals, which was presented to Schools Forum, and has been subject to a separate engagement and could potentially reduce the cost base by up to £12m over the five-year period. These mitigation proposals, alongside other improvement opportunities; are currently still in development with the DfE DBV (Department of Education Delivering Better Value for SEND) programme, therefore an in-year deficit position of circa £18.830m is forecasted in 2023/24. Further details of DBV programmes is available in January 2023 Schools' Forum's paper via this link: [January 2023 SF papers](#)

In considering the DSG net carry forward deficit reserve, Cabinet should also note that Local Authorities maintained schools balances forecast position illustrated in Table 2 below is not included within Table 1 above.

| Table 2: Bristol LA Maintained Schools 2022/23 forecast position | 2022/23 Opening balance as at 01.04.2022 (+ve: deficit) | 2022/23 in year forecast position | 2022/23 forecast closing balance as at 31.03.2023 | Total number of schools forecasting end of year cumulative deficit at 31.03.2023 |
|--|---|-----------------------------------|---|--|
| Nursery | £5,192,472 | £1,849,025 | £7,041,497 | 11 out of 12 |
| Primary | -£5,545,701 | £2,374,632 | -£3,171,069 | 5 out of 40 |
| PRU / Special | -£1,849,781 | £909,372 | -£940,409 | 2 out of 6 |
| Secondary | -£878,304 | £339,547 | -£538,757 | 0 out of 2 |
| Total sum: | -£3,081,314 | £5,472,576 | £2,391,262 | |

As illustrated in Table 2, the main challenges are within maintained nursery schools (MNS). In order to support

developing sustainable operating models for MNS, the Early Years Service (EY) is working with nursery headteachers and governors to utilise funding de-delegated with agreement of Schools Forum in May 2022 from the EYs DSG carry forward surplus (£0.90m). The funding has been used to provide additional finance support as well as provide leaders with strategic support to develop and work towards implementing plans to improve the schools' financial sustainability. This work, in addition to the increase in the MNS supplement will begin to impact positively on the financial position of MNS in 2023/24.

Appendix A4: DSG Management Plan Update, Local Authorities with an overall deficit on their DSG account at the end of a financial year must be able to present a plan to the DfE for managing their future DSG spend. The ESFA has designed a template to help local authorities manage their DSG which Bristol is using. Two iterations of the plan were presented and noted by the Schools Forum. This latest iteration reports a five year cumulative unmitigated deficit of £128.242m in 2027-28 and mitigated five year cumulative forecast deficit of £79.582m. The DMP and Mitigations identified are in the process of being assessed and further developed, along with the DfE DBV programme and could be subject to change following further consultation and due diligence and as such will not have a material impact in 2023/24. The mandatory Deficit Management Plan, along with DfE DBV programme which is in production, will set out how the deficit will be managed and reduced in the longer term. Further details of the DfE DBV programme was shared with the Schools Forum in January 2023 in a separate paper and a full management report with mitigation plans will be presented to Schools Forum at the end of March 2023. The latest DSG management plan submitted to Schools Forum can be accessed via this link: [September 2022 SF](#)

- **Statutory Instrument (SI) No. 12 of 2020:** The then Secretary of State for Housing, Communities and Local Government laid the statutory instrument (SI) no. 1212 before Parliament on 6 November 2020, and it came into force on 29 November 2020. The impact of the SI is to amend the current accounting regulations to allow all DSG deficits to be carried over in a separate dedicated account and therefore not at a charge to the Council's revenue account for the term of the override.
- The SI is time-limited and was due to end in March 2023, but has just been extended for a further three years to allow councils the short-term flexibility to implement changes to move High Needs to a sustainable position.
- There is no statutory undertaking to underwrite this deficit. If the period of the SI is not extended by government beyond 2026 or no additional funding is available to address the accumulated historic deficits, the Council would have to ensure there are adequate usable reserves to cover any DSG deficit when preparing the Council's accounts.

Cabinet Member Recommendations:

The Cabinet is asked to recommend the following proposals to full Council:

To approve 2023/24 DSG budget:

1. Schools Block (detail in Appendix A3)

- a. the Schools Block budget be set at £323.851m for 2023/24, as per Table 1 above
- b. £1.627m of the overall Schools Block DSG is transferred to the High Needs Block and earmarked to support the Education Transformation Programme
- c. the basis for distributing the funding to mainstream schools be as set out and agreed by Schools Forum (Appendix A.3)
- d. the Growth Fund for established schools expanding in September 2023 be set at £2.0m (a component of the total Schools Block budget).

2. Central School Services Block (detail in Appendix A2)

- a. Following Schools Forum agreement, approve the Central School Services Block budget is set at £2.717m for 2023/24.

3. High Needs Block (detail in Appendix A2)

- a. Approve the High Needs Block budget be set at £88.131m for 2023/24 as per Appendix A2, after receiving transfers of £1.627m from Schools Block noting that this level of budget is estimated to lead to a cumulative deficit in the High Needs Block in the region of £62m by the end of March 2024.

4. Early Years Block (detail in Appendix A2)

- a. Approve the Early Years Block budget be set at £38.526m for 2023/24, noting that spend and DSG income will fluctuate, according to participation levels in each of the three school terms
- b. Approve the Funding for Early Years should be distributed in line with the arrangements explained in the report to Schools Forum (Appendix A2).

Cabinet to note the following:

5. Overall position - Note

- a. The 2023/24 DSG overall allocation of £453.226m, an uplift of £29.838m or 7.0% from the previous year.
- b. The Education Service will continue to work with the Schools Forum and the respective Task and Finish Groups (High Needs Task and Finish Group; Early Years Task and Finish Group) and via education transformation programmes such as the Belonging with SEND programme and DfE DBV Programme to explore sustainable mitigation options to bring the DSG budget to an affordable position over the medium term.
- c. Bristol Schools' Forum's (SF) feedback on 2023/24 DSG budget:
 - i. Whilst more funding is welcomed in the new financial year, Council are asked to note the substantial cost pressures in the sector and significant challenges in Early Years and High Needs.
 - ii. Continued concern from the SF regarding falling rolls in primary schools.
 - iii. Schools Block - moving towards hard National Funding Formulae (NFF) means further deviation from local priority factors such as AEN and a need seek a transition factor in implementing this approach.

Corporate Strategy alignment: Funding schools and educational provision appropriately is part of the Fair and Inclusive theme in the Corporate Strategy.

City Benefits: The financial strategy aims to use available funding for education to best effect, by distributing resource for early years providers, maintained schools, academies and free schools fairly and sustainably in partnership with Schools Forum.

Consultation Details:

- Consultation with schools on Schools Block activities for 2023/24, with respect to transfers, funding formula and de-delegated items took place in October/November 2022 and the results of this informed the Schools Forum discussions in November 2022 and January 2023. Further details on consultation outcome are available in Appendix 2 and Appendix 3.
- Early Years settings were consulted on the basis of the EYNFF in December 2022 and results were considered at Schools Forum on 12 January 2023 when agreeing the EYNFF rates and Early Years Block budgets for 2023/24.
- Key stakeholders, including parents and carers, have participated in an engagement exercise in October and November 2022 relating to the proposed mitigation themes identified within the updated DSG management plan shared with Schools Forum in September 2022. The online survey and detailed written responses will be used to shape and inform the proposals taken forward. Further detail will be shared with Schools Forum and stakeholders as plans are developed.

| | | | |
|--|---|---|--|
| Revenue Cost | £453.226m | Source of Revenue Funding | Dedicated Schools Grant 2023/24 |
| Capital Cost | £Nil | Source of Capital Funding | N/A |
| One off cost <input type="checkbox"/> | Ongoing cost <input checked="" type="checkbox"/> | Saving Proposal <input type="checkbox"/> | Income generation proposal <input type="checkbox"/> |

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice:

The plans for the DSG for 2023/24 acknowledge that demands upon the High Needs Block exceed the available funding and if spending is as forecasted, the in-year deficit on the High Needs part of the DSG would reach £18.6m by the end of March 2024 with an accumulated DSG deficit of circa £63m.

The education transformation journey is continuing, and the High Needs recovery plan including mitigations identified is currently in development alongside the DfE DBV programme, which could be subject to change following further consultation and due diligence and as such are not assumed to have a material impact in 2023/24. The mandatory Deficit Management Plan, along with DfE DBV Programme, which is in production, will set out how the deficit will be managed and reduced in the longer term. The opportunities for transferring resources between DSG blocks in the future may be non-existent after 2023/24 and hence the continuing funding of transformation programmes. The Growth fund has remained the same in 2023/24 and the central services funding for ceased historic activities has now stopped. The strategy will need to be kept under review and changes may be needed if the forecast deficit were to grow.

The proposals set out are based on the terms and conditions of the Dedicated Schools Grant and the guidance issued by the Department for Education and the Education and Skills Funding Agency.

Finance Manager: Angel Lai, 16 January 2023

2. Legal Advice:

The recommendations are lawful. As outlined within Appendix 2 and Appendix 3, the report confirms consultation has taken place with schools and early years settings and the Schools Forum in relation to the decisions to be taken in accordance with the requirements of the Schools Forums (England) Regulations 2012.

The responses to the consultation including the report from the Schools Forum must be taken into account by Cabinet when taking the decision. Cabinet should also be satisfied that proper consultation has taken place in that (i) proposals were consulted on are at a formative stage (ii) sufficient reasons have been given for the proposals and (iii) adequate time has been allowed for consideration and response.

Cabinet must also consider the Public Sector Equality duty which requires the decision maker to consider the need to promote equality for persons with “protected characteristics” and to have due regard to the need to i) eliminate discrimination, harassment, and victimisation; ii) advance equality of opportunity; and iii) foster good relations between persons who share a relevant protected characteristic and those who do not share it.

The Equalities Impact Assessment provides an analysis for this purpose and should be carefully considered by Cabinet in making decisions.

A decision can be made where there is a negative impact if it is clear that it is necessary, it is not possible to reduce or remove the negative impact by looking at alternatives and the means by which the aim of the decision is being implemented is both necessary and appropriate.

Section 11 of the Children Act 2004 requires Cabinet to ensure that when taking decisions affecting children they have regard to the need to safeguard and protect them and promote their welfare. The Equalities Impact Assessment provides an analysis of the impact on children and should be carefully considered by Cabinet in making decisions.

Legal Team Leader: Husinara Jones, Team Manager/Solicitor 16 January 2022

3. Implications on IT: No anticipated impact to IT Services

IT Team Leader: Alex Simpson 10/01/2023

4. HR Advice: As the proposals are set out in the Schools Forum report, there are no current HR implications for Bristol City Council employees. However, once the proposals have been agreed and implementation plans are in place we will need to revisit the plans and assess the impact of any changes to services that may affect our employees.

HR Partner: James Brereton 11/01/2023

| | | |
|--|---|--|
| EDM Sign-off |  | Abi Gbago Executive Director 16 th January 2023 |
| Cabinet Member sign-off | Cllr Craig Cheney / Cllr Asher Craig | 16/01/2023 |
| CLB Sign-off | CLB | 10/01/2023 |
| For Key Decisions - Mayor's Office sign-off | Mayor's Office | 16/01/2023 |

| | |
|---|------------|
| Appendix A – Further essential background / detail on the proposal | YES |
| Appendix A – Details of consultation carried out - internal and external | YES |
| Appendix C – Summary of any engagement with scrutiny | NO |
| Appendix D – Risk assessment | NO |
| Appendix E – Equalities impact assessment of proposal | YES |
| Appendix F – Eco-impact screening/ impact assessment of proposal | NO |
| Appendix G – Financial Advice | NO |
| Appendix H – Legal Advice | NO |
| Appendix I – Combined Background papers | NO |
| Appendix J – Exempt Information | NO |
| Appendix K – HR advice | NO |
| Appendix L – ICT | NO |

Bristol Schools Forum
DSG Budget Monitor 2022/23 Period 8 (P8)

| | |
|-------------------------|-----------------|
| Date of meeting: | 12 January 2023 |
| Time of meeting: | 5.00 pm |
| Venue: | Virtual meeting |

1 Purpose of report

- 1.1 This report provides information of the forecast financial position for the DSG overall as at Period 8 (P8 to end of November 2022 extrapolated).

2 Recommendation

- 2.1 **Schools Forum is invited to:**

a) note the in-year 2022/23 position for the overall DSG.

3 Background

- 3.1 The report updates Schools Forum on the position at P8 (to end of November extrapolated) 2022/23.

4 Budget monitoring 2022/23

- 4.1 The DSG ended the 2021/22 financial year with a cumulative deficit of £24.650m including deficit brought forward from the previous years of £10.004m.

Period 8 forecast is showing the in-year forecast deficit of £18.825m (v.s. £20.182m in P7), which when added to the brought forward balance will give a total forecast deficit of £43.475m to carry forward at the end of the year. This represents a favourable movement of £1.357m from P7 forecast position; mainly driven by reprofiling in planned overspend associated with improvement programmes in Early Years Block £0.217m; £0.5m reduction in ALP and £0.557m reduction in Growth funding.

The P8 position is set out in **Table 1** with more detail set out in **Appendix 2**.

Table 1: Forecast position on overall DSG for 2022/23 at P8 (to end of November 2022) extrapolated)

| <i>All figures £'000</i> | <i>End of year b/f Deficit</i> | <i>Transfers</i> | <i>b/f Deficit</i> | <i>DSG Funding 2022/23</i> | <i>Forecast Outturn P8 2022/23</i> | <i>In-year variance</i> | <i>Forecast Carry- forward P8 2022/23</i> |
|------------------------------|--|------------------|------------------------|------------------------------------|--|-----------------------------|---|
| Schools Block | (1,517) | 1,517 | 0 | 304,661 | 304,661 | 0 | (557) |
| De-delegation Schools | (504) | | (504) | 0 | (0) | 0 | (504) |
| Central Block | 8 | | 8 | 2,742 | 2,742 | 0 | 8 |
| Early Years | (472) | | (472) | 35,987 | 36,455 | 468 | (4) |
| High Needs Block | 27,876 | (1,517) | 26,358 | 78,466 | 96,641 | 18,175 | 44,533 |
| Education Transformation | (740) | | (740) | 1,531 | 2,271 | 740 | 0 |
| Funding | - | | - | (423,388) | (442,213) | 0 | 0 |
| Total | 24,650 | 0 | 24,650 | 0 | 18,825 | 18,825 | 43,475 |

4.2 **Schools Block (nil balance).** All of the formula funding for maintained mainstream schools and academies has been allocated. Scope for variation is in the growth fund, which has been revised down to £2.332m; from £2.889m budgeted spend based on latest NOR (October 2022 Census return).

4.3 **De-delegated resources (Nil variance).** At this stage of the year it is anticipated that this will be in a balanced position. Any variance will be carried forwards to future years.

4.4 **School Central Services Block (Nil Variance).** It is expected that all of the services in this block will spend to budget.

4.5 **Early Years Block (£0.468m forecast overspend).** Early Years income and expenditure is based on participation throughout the academic year, so the reported position will change in subsequent reports.

Early Years is experiencing significant pressure in emerging SEN; the current overspend in this area is £0.579m; partially offset by savings in Central Team staffing (£0.03m) and adjustments in other factors (£0.2m) to align with latest allocation (November 2022). The Forum has approved to utilise £0.340m from carry forward fund for Early Years (£0.25m) and Nursery (£0.09m) improvement programmes; £0.123m is included within total overspend in Early Years.

4.6 **High Needs Block (£18.915m forecast overspend).** The High Needs block is forecasting an in-year overspend of £18.175m, extrapolated based on September 2022 panel outcome; or £18.915m including

£0.740m planned overspend on Transformation Programme to utilise previous years' carry forward funds. This means at the end of this financial year the cumulative overspend in High Needs Block will reach £44.533m when adding cumulative brought forward deficit balance of £25.618m; after partially offset by £1.517m underspend transferred from the Schools' Block which was agreed with the Schools' Forum in May 2022 meeting.

- 4.7 Top-up funding remains the single greatest pressure, with a significant in year forecast overspend of £15.751m in 2022/23. Current forecast is based on September 2022 panel outcome which may result further deviation from this present outturn.
- 4.8 High Needs recovery plan proposals has been developed alongside the DSG Management Plan and Department of Education Delivering Better Value for SEND Programme (DfE DBV programme) as part of the LA's priority to bring DSG spend to sustainable footing, further updates is available in a separate paper and is covered in Education Director's updates.

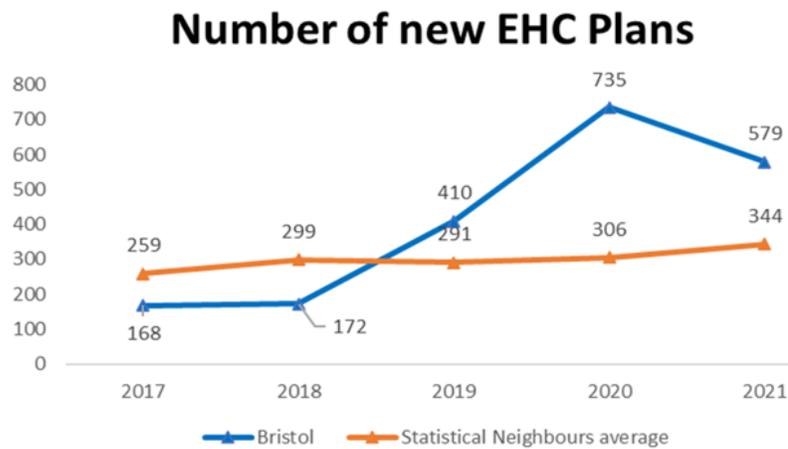
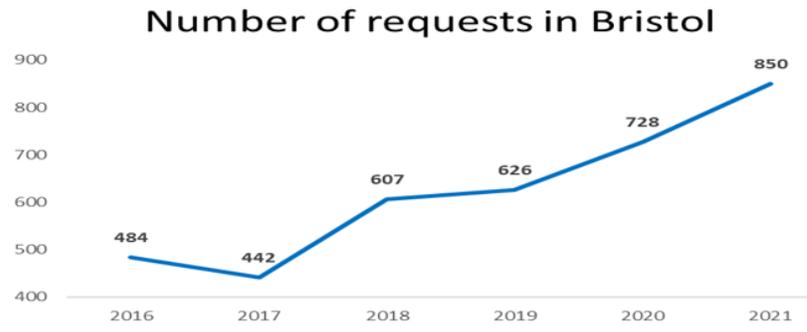
Graphs outline current trend of Children and Young People requiring EHC plans is available in **Appendix 1**.

- 4.9 **The Education Transformation Programme** commenced in 2020-21, now known as Belonging with SEND Programme, primarily concerned with SEN and consequently the High Needs Block, a separate report is provided to cover this (Agenda Item 7). Nationally High Needs continues to be challenging and in Bristol this has been exacerbated by work to clear the backlog of EHCP.
- 4.10 **Funding (Nil Variance)**. £423.388m is the latest DSG amount notified by the ESFA in November 2022.

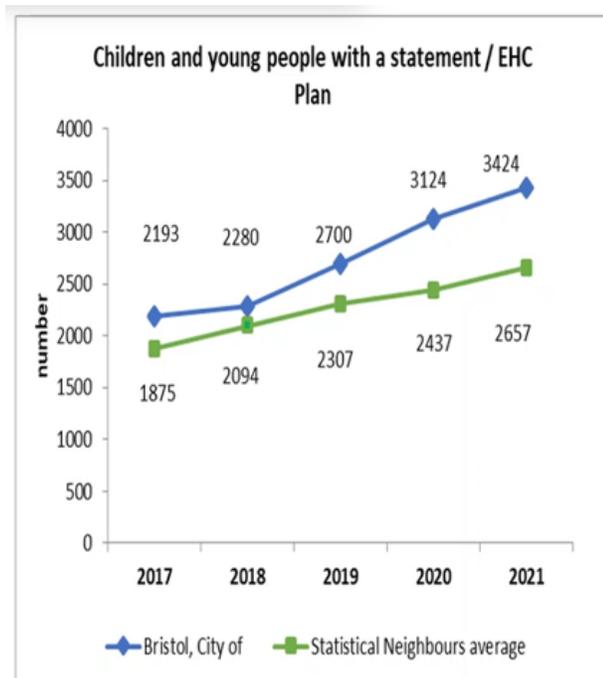
In summary the DSG is forecasting an in year overspend of £18.825m in P8 against annual funding of £423.388m (per ESFA announcement in November 2022). This is equivalent to a cumulative forecast overspend of £43.475m when including £24.650m deficit balance brought forward from previous years.

As statutory overwrite has been extended by DHCLG (Department of Housing, Communities and Local Government) for another three years, this gives the LA more time to deliver DGS management plan and mitigations with the aim to bring DSG annual spend back to a sustainable footing. Bristol has been actively engaging with DfE DBV programme (Delivering Better Value in SEND). Further details on DBV programme updates and High Needs Recovery plan with potential mitigation options is included within Education Director's update.

Appendix 1a: Increase in initial EHCNA requests in Bristol and Number of new EHC plans benchmarking with neighbouring cities:



Appendix 1b:



Appendix 2 - Forecast position for Overall DSG 2022/23 as at P8 (to end of November 2022 extrapolated)

| Bristol DSG Forecast Outturn position as at Period 8 (P8) 2022/23 | Brought forward 1.4.22 | Funding 2022/23 | P8 Forecast Outturn | In-year movement | Carry forward 31.3.23 |
|---|------------------------|-----------------|---------------------|------------------|-----------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Maintained Schools | | 80,377 | 80,377 | 0 | |
| Academy Recoupment | | 221,394 | 221,394 | 0 | |
| Growth Fund | | 2,889 | 2,332 | (557) | |
| Schools Block | 0 | 304,661 | 304,104 | (557) | (557) |
| De-delegation Services | (504) | 0 | 0 | (0) | (504) |
| Admissions | 6 | 557,581 | 558 | 0 | 6 |
| Centrally Retained | 1 | 2,185 | 2,185 | 0 | 1 |
| Schools Central Services | 8 | 2,742 | 2,742 | 0 | 8 |
| National Formula | | 27,811 | 27,716 | (95) | |
| 2 Year Old Funding | | 3,541 | 3,541 | 0 | |
| Pupil Premium (EYPP) | | 370 | 328 | (42) | |
| Additional Support Services | | 500 | 500 | 0 | |
| SEN Top up | | 1,600 | 2,179 | 579 | |
| Staffing | | 2,025 | 1,991 | (34) | |
| Disability Access Fund | | 140 | 78 | (62) | |
| EY & Nursery improvement work | | 0 | 123 | 123 | |
| Early Years Block | (472) | 35,987 | 36,455 | 468 | (5) |
| Commissioned Services | | 2,612 | 3,548 | 936 | |
| Core Place Funding | | 9,307 | 9,308 | 1 | |
| Staffing | | 1,202 | 1,265 | 63 | |
| Top Up | | 38,679 | 54,429 | 15,751 | |
| Placements | | 10,396 | 11,442 | 1,046 | |
| Pupil Support | | 936 | 1,299 | 363 | |
| HOPE Virtual School | | 236 | 250 | 14 | |
| Academy Recoupment | | 15,099 | 15,100 | 1 | |
| Education Transformation | | 1,531 | 2,271 | 740 | |
| High Needs Block | 25,619 | 79,997 | 98,912 | 18,915 | 44,533 |
| Funding | | 423,388 | 442,213 | | |
| Total | 24,650 | 0 | 18,825 | 18,825 | 43,475 |

Bristol Schools Forum
Dedicated Schools Grant (DSG) 2023/24

| | |
|-------------------------|-----------------|
| Date of meeting: | 12 January 2023 |
| Time of meeting: | 5.00 pm |
| Venue: | Virtual Meeting |

1 Purpose of report

- 1.1 To give an overview on the DSG for 2023/24 and seek ratification of the Schools Forum on the block allocations which were agreed in principle at the last meeting.
- 1.2 To seek agreement on the EYNFF, following consultation with settings.
- 1.3 The LA must seek Schools Forum approval for Central Services spend, except for the item relating to school licences which must be repaid to the DfE on behalf of all maintained schools and academies.

2 Recommendation

- 2.1 **Schools Forum is invited to:**
 - a) **note 2023/24 funding levels.**
 - b) **approve final transfers between blocks.**
 - c) **approve the EYNFF.**
 - d) **provide feedback, as appropriate, to Cabinet and Council, for their consideration in making final decisions on the Schools Budget for 2023/24.**
 - e) **agree Central School Services Block allocations**
 - LA Core Functions £1.171m (as per Appendix 1);
 - School Admissions £0.575m;
 - Schools Forum £0.023m;
 - Combined Services £0.477m (as per Appendix 2).

3 Background

- 3.1 Schools Forum considered the emerging position on the DSG for 2023/24 at its meetings in September and November 2022 and agreed any spare funding could be transferred to the High Needs Block from the Schools Block. This 0.5% fund will be ringfenced to support the continuation of the Education transformation journey and emphasis of the sustainability of the

High Needs Block. These recommendations were made following consultation with schools.

- 3.2 The final data and allocations from the Education and Skills Funding Agency (ESFA) were released on 16 December 2022 and the results of both events have informed this report.

4 DSG 2023/24

- 4.1 The funding in the DSG is primarily generated by pupil numbers from the October census. The 2022 censuses recorded 35,001 primary pupils, so the primary age population decreased by a further 359 (or 1.0%) from 35,360.0 in October 2021; showing a continuing decline in primary age population since 2019. (*which fell by 283 (or 0.78%) between October 2020 and October 2019*). Secondary age pupil numbers continue to increase, with October 2022 counting 21,376.17; an increase of 797.17 (3.9%) from October 2021. This also continues the trend from October 2020 (recorded an increase of 757 (3.95%) from Oct 2019). Funding per pupil has also increased (by 4.5% for primary and 5.6% for secondary) over the 2022-23 levels. The overall increase in the DSG is £29.838m or 7.0% giving a total DSG of £453.226m.
- 4.2 Table 1 shows the funding allocations in each block for 2023/24 compared to the final allocations for 2022/23.

| Table 1 - DSG blocks | 2022/23 DSG allocation as at Nov22 | DSG 2023/24 allocation** | Increase | Change |
|-------------------------------|---|---|-----------------|---------------|
| | £m | £m | £m | % |
| Schools Block** | 306.192 | 325.478 | 19.287 | +6.3% |
| Central School Services Block | 2.742 | 2.717 | (0.025) | -0.9% |
| High Needs Block | 78.466 | 86.504 | 8.038 | +10.2% |
| Early Years Block | 35.987 | 38.526 | 2.539 | +7.1% |
| Total | 423.388 | 453.226 | 29.838 | +7.0% |

**This does not include Mainstream Schools Additional Grant (MSAG) 2023-24 government announced on 16th December 2022 where indicative allocation to Bristol is £10.749m. The LA will update the Forum once School Level allocations is confirmed by ESFA in Spring 2023. Further details is available in Appendix 3 which will be incorporated into 2024/25 funding formulae.

- 4.3 **Central Services Block.** This block is funded in two parts, for ongoing and historic responsibilities. The funding for historic commitments has been reduced again by 20% (£0.119m) from £0.596m to £0.477m. It remains an aim of ESFA to withdraw this funding over time. The historic responsibilities' part supported two areas: contribution to Combined Services and Prudential Borrowing. The prudential borrowing element has not been required for some time, so the LA has maintained the contribution to combined services at £0.477m.
- 4.4 The 2023-24 allocation for historic responsibilities is £0.477m, so the LA needs to trim the contribution to combined services by £0.119m with no spare element to transfer to high needs or elsewhere.
- 4.5 **High Needs Block.** The High Needs Block has received another substantial increase in funding of £8.038m or 10.2% but this block continues to be under pressure. Current spending levels in 2022/23 indicating the increased allocation in 2023/24 will not cover current year forecast shortfalls and will not provide any additional funding for historic deficits.
- 4.6 High Needs Block (HNB) forecast in-year spend in 2022/23 is £18.175m over budget based on forecasted need.

Table 2 shows the HNB forecast position for 2022/23 and 2023/24 highlighting the ongoing deficit position. In this table the spend for 2023/24 has been projected as per the latest mitigated DSG Management Plan but there is a risk that this will change depending on the upward pressures of rising need and rising costs against planned mitigations in this block.

| | 2022/23 | 2023/24 |
|---|---------------|----------------|
| Table 2 - High Needs Block Forecast as at Period 8 (November 2022) | £m | £m |
| Latest Block Allocation | 78.466 | 86.504 |
| Transfer from CSSB | 0 | 0 |
| Transfer from Schools Block | 1.531 | 1.627 |
| Total Block Funding | 79.997 | 88.131 |
| Forecast Spend | 96.641 | 105.121 |
| Education Transformation spend | 2.271 | 1.627 |
| Total Spend | 98.912 | 106.752 |
| In year over/(under) spend | 18.175 | 18.621 |
| | | |
| Opening Balance b/f | 25.618 | 44.533 |
| Closing Balance c/f | 44.533 | 63.154 |

In spite of allocation of £8.0m additional funding in 2023/24, whilst welcomed this is still outstripped by increase in EHC plan currently at 17.3%. As a result, a forecasted deficit of £63m in 2023/24 DSG.

It should be noted that 2023/24 mitigations have not been included in the above Table. It has been further developed in conjunction with DBV Programme. (See Appendix A for further information) It is estimated that improved outcome could reduce £12.6m from our costs over 5 year period, and this will be further explored in 2023/24 and fully consulted before implementation.

- 4.7 For the 2023/24 budget £1.6m (0.5%) was transferred from the Schools Block to the High Needs Block with agreement from the Forum, and this funding will be ringfenced for supporting the Education transformation activities with the aim to address the findings of the OFSTED inspection and deliver the commitments in the Written Statement of Action in a sustainable manner.
- 4.8 Department of Housing, Communities and Local Government (DHCLG) has agreed an extension of Statutory override for further three years (now ends in March 2026) to allow HN mitigations / transformations to be implemented.
- 4.9 **Schools Block** Details on this block are covered in a separate paper on this agenda.
- 4.10 **Early Years Block.** The allocation is still indicative at this stage as the majority of the funding in this block is based on census data throughout the year, so the actual amount will be updated by ESFA once these later participation census figures are known.
- 4.11 The release of the block allocations also included the first indication of the hourly rates for 2023/24. For 3 & 4 year old the hourly rate will increase by 6p or 1% to £5.75 from £5.69 in 2022/23. The 2 year old rate will increase by 9p or 1.6% to £5.89. This will mean a likely real-term reduction in funding for both year groups as cost of living pressure outstrips increase in funding levels per pupil. These are the rates used to calculate funding to the LA, the rates paid to providers are outlined in section 5 of this report.
- 4.12 The Maintained Nursery School supplementary funding will increase to £3.80 per hour; this is equivalent to an indicative increase of £1.855m in funding based on part-time participation number of 1,154 for 15 hours per week 38 weeks per year.
- 4.13 The Teachers Pay and Pensions Grants (TPPG) will be moved from the Schools Block to the Early Years Block from 23/24 in line with the results from the DfE EYNFF Consultation outcomes. The EY Team confirm that no funding will be retained and the same payments to schools and academies will continue through the payment workbook.

4.14 **Overall position.** Table 3 shows the effect on the block funding position and outlines the 2022/23 Budget, it also shows the forecast carry forward amounts against each block.

Table 3: Forecast block budgets after movements between blocks and carry forward amounts.

| Table 3 - DSG Blocks | Balance brought forward from 2022/23 (forecast) £m | 2023/24 DSG allocation £m | Movement between blocks £m | Final DSG budget 2022/23 £m | Estimated spend 2023/24 £m | Carry forward balance at end of 2023/24 £m |
|-----------------------------|---|----------------------------------|-----------------------------------|------------------------------------|-----------------------------------|---|
| Schools block | (0.557) | (325.478) | 1.627 | (323.851) | 323.851 | (0.557) |
| De-delegation | (0.504) | | | (0) | 0 | (0.504) |
| Central Services Block | 0.008 | (2.717) | 0 | (2.717) | 2.709 | 0 |
| High Needs Block | 44.533 | (86.504) | (1.627) | (88.131) | 106.752 | 63.154 |
| Early Years | (0.004) | (38.526) | | (38.526) | 38.743 | 0.213 |
| Total | 43.475 | (453.226) | 0.000 | (453.226) | 472.056 | 62.306 |

Note: Estimated spend 2023/24 in CSSB is £0.008m less than DSG budget allocation to balance the legacy deficit in the Block back to zero; and Early Year's Estimated spend 2023/24 including £0.217m in EY & Nurseries Improvement Programmes.

5 EYNFF

The rates outlined in section 4.10 are those which generate funding to the LA. There have been no significant changes in the guidance regarding how local authorities must distribute funding to providers but there is still a requirement to consult with providers prior to setting rates. EY proactively began their provisional local consultation in mid November 2022 and final results are summarised in Table below:

Table 4: EYNFF Consultation (83 responses out of 347)

| Question | % Agree | % Disagree |
|---|----------------|-------------------|
| 2YO Base Rate – pass full 9p onto providers | 67 | 33 |
| 3 and 4YO Base rate – pass full 6p onto providers | 47 | 53 |
| 3p Retention of 2YO Base for 6 x extra places | 82 | 18 |
| Estimated payments (70% up front) | 88 | 12 |
| Deprivation supplement methodology | 93 | 7 |
| Quality supplement methodology (Lead Teachers) | 87 | 13 |
| EY SEN - maintain the current rate | 70 | 30 |

5.1 The 3 & 4 year olds funding rate will increase by 6p to £5.75 per hour (excluding 5p designated for Teachers Pay and Pension Grant), the base rate to providers will be increased by 6p to £4.94. We will also maintain the

same levels of supplements, SEN rates and the same proportion of central funding.

- 5.2 For 2 year olds the rate will increase by 9p to £5.89 per hour. It is intended that we will pass on this increase in full to providers meaning their rate increases from £5.77 to £5.86, with the same £0.03 retained for central administration.

6 Central School Services Block (CSSB)

- 6.1 The purpose of the CSSB is to provide funding for the statutory duties the LA hold for both maintained schools and academies. The CSSB brings together:
- funding previously allocated through the retained duties element of the Education Services Grant (ESG)
 - funding for ongoing central functions, such as admissions, previously top-sliced from the schools block
 - residual funding for historic commitments, previously top-sliced from the schools block
- 6.2 The LA must still seek Schools Forum approval for Central Services spend, apart from the item relating to school licences which must be repaid to the DfE on behalf of all maintained schools and academies.
- 6.3 **CSSB Budget proposals.** The CSSB allocation for 2023/24 is £2.717m. This total is composed of two distinct components: on-going functions (£2.240m) and historic commitments (£0.477m). The on-going functions element has increased by 4.4% or £0.094m to £2.239m, from £2.146m in 2022/23. Of the historic commitments, this funding is insufficient to support the contribution to combined services at the previous level, and as such leaves no element to transfer to high needs or elsewhere. Table 5 shows the funding and proposed 2023/24 budgets.

Table 5: Composition of Central School Service Block Allocations:

| Type of funding | Component | DSG Allocation 2022/23 £'000 | 2022/23 budget £'000 | DSG Allocation 2023/24 £'000 | Proposed 2023/24 budget £'000 | % change from 2022/23 budget |
|-----------------|---|---------------------------------|-------------------------|---------------------------------|----------------------------------|------------------------------|
| Formulaic | LA Core functions | 1,139 | 1,139 | 1,175 | 1,171 | +2.8 |
| Formulaic | School Admissions | 557 | 557 | 575 | 575 | +3.2 |
| Formulaic | School Licences | 312 | 312 | 348 | 348 | +11.5 |
| Formulaic | Schools Forum | 23 | 23 | 23 | 23 | - |
| Formulaic | Pay & Pension – Centrally employed teachers | 115 | 115 | 119 | 115 | - |
| Historic | Combined Services | 596 | 596 | 477 | 477 | -20.0 |

| | | | | | | |
|--|----------------------|--------------|--------------|--------------|--------------|-------------|
| Historic | Prudential Borrowing | 0 | 0 | 0 | 0 | - |
| Total | | 2,742 | 2,742 | 2,717 | 2,709 | -0.9 |
| Note: proposed 2023/24 budget is £0.008m less than DSG allocation to balance the £0.008m legacy deficit back to zero in CSSB. | | | | | | |

- 6.4 **LA Core Functions £1.171m.** Appendix 1 sets out the functions and services that may be included in the LA Core functions budget. The relevant costs for Bristol have been included against these line items. For 2023/24 it is proposed to inflate each item by 2.8% to reflect inflationary pressure across all spending items.
- 6.5 **Admissions £0.575m.** The only change to this budget is that arising from the increase in CSSB generally, due to pupil number and rate increases.
- 6.6 **School Licences £0.348m.** The DfE requires the Authority to pay licences on behalf of all maintained schools, academies and free schools in Bristol, to avoid the administration of delegating funding to and recovering the money from each school. The amount for 2023/24 has been advised as £0.348m. There is no requirement for Schools Forum to specifically approve this line of the budget.
- 6.7 **Schools Forum £23k.** This funding is used to support the writing of papers, clerking and hosting the meetings. It is proposed that this allocation remain at the 2021/22 level.
- 6.8 **Pay and Pensions – Centrally Employed Teachers.** The last budget increase was in 2021-22, where allocation has been uplifted by the 5.8% growth in the on-going services element of the CSSB which is financially unrealistic given the cost of living pressure.
- 6.9 **Combined Budgets. Appendix 2** details the analysis of the £0.477m for Combined Services, which Schools Forum has agreed in the past and it is proposed for agreement again for 2023/24. However, many of these costs are increasing and 20% reduction in funding has been distributed equally across all functions.

Appendix 1 – CSSB LA Core Functions:

| Category | Component permitted to be funded from central DSG, subject to Schools Forum agreement | BCC proposal | Amount 2023/24 £'000 | Amount 2022/23 £'000 |
|---|--|--|----------------------|----------------------|
| Statutory & Regulatory | <ul style="list-style-type: none"> Director of children's services and personal staff for director (Sch 2, 15a) Planning for the education service as a whole (Sch 2, 15b) | Central budgets for education planning that are not already charged to Combined Budgets or elsewhere in the DSG. | 107 | 104 |
| Statutory & Regulatory | <ul style="list-style-type: none"> Revenue budget preparation, preparation of information on income and expenditure relating to education, and external audit relating to education (Sch 2, 22) Authorisation and monitoring of expenditure not met from schools' budget shares (Sch 2, 15c) Formulation and review of local authority schools funding formula (Sch 2, 15d) | Accounting and finance staff directly supporting education budget setting and funding for all schools. | 269 | 262 |
| Statutory & Regulatory | <ul style="list-style-type: none"> Internal audit and other tasks related to the authority's chief finance officer's responsibilities under Section 151 of LGA 1972 except duties specifically related to maintained schools (Sch 2, 15e) | Estimated cost of internal audit time. | 28 | 27 |
| Statutory & Regulatory | <ul style="list-style-type: none"> Consultation costs relating to non-staffing issues (Sch 2, 19) Plans involving collaboration with other LA services or public or voluntary bodies (Sch 2, 15f) | Estimated cost of public consultation on service development (eg High Needs) and collaborative working. | 88 | 84 |
| Statutory & Regulatory | <ul style="list-style-type: none"> Standing Advisory Committees for Religious Education (SACREs) (Sch 2, 17) | Current budget for SACRE. | 13 | 10 |
| Statutory & Regulatory | <ul style="list-style-type: none"> Provision of information to or at the request of the Crown other than relating specifically to maintained schools (Sch 2, 21) | Legal Services staff support. | 65 | 64 |
| Education Welfare | <ul style="list-style-type: none"> Functions in relation to the exclusion of pupils from schools, excluding any provision of education to excluded pupils (Sch 2, 20) School attendance (Sch 2, 16) Responsibilities regarding the employment of children (Sch 2, 18) | Current budget for Education Welfare. | 420 | 410 |
| Asset Management | <ul style="list-style-type: none"> Management of the LA's capital programme including preparation and review of an asset management plan, and negotiation and management of private finance transactions (Sch 2, 14a) General landlord duties for all buildings owned by the local authority, including those leased to academies (Sch 2, 14b) | Current budget for education property management and capital programme monitoring. | 181 | 178 |
| TOTAL STATUTORY / REGULATORY FUNCTIONS OF LA | | | 1,171 | 1,139 |

Appendix 2 – CSSB Combined Services Budget:

| Service | Total 2023/24 £'000 | Total 2022/23 £'000 |
|----------------------------------|---------------------------|---------------------------|
| Director of Education and Skills | 96 | 119 |
| Equalities | 36 | 45 |
| Governor Support | 17 | 21 |
| HR | 20 | 25 |
| Primary Services | 142 | 178 |
| Pupil Census | 28 | 35 |
| School Place Planning | 72 | 90 |
| Secondary Services | 66 | 83 |
| Grand Total | 477 | 596 |

Appendix 3 Mainstream Schools Additional Grant 2023-24:

The 2022 Autumn Statement announced that the core schools budget will increase by £2 billion in the 2023 to 2024 financial year, over and above totals announced at the Spending Review 2021.

In the 2023 to 2024 financial year, mainstream schools will be allocated additional funding through the mainstream schools additional grant (MSAG) 2023 to 2024.

The MSAG will allocate funding to state-funded mainstream schools only. The MSAG will fund the following providers, for the 5 to 16-year-old age range:

- primary and secondary maintained schools
- primary and secondary academies and free schools
- all-through maintained schools
- all-through academies
- city technology colleges

This is in addition to schools' allocations through the schools national funding formula. Indicative allocation for Bristol is £10.749m, final School Level allocation will be confirmed in Spring 2023. Funding for maintained mainstream schools will be paid to local authorities and passported to individual schools at the published rates. Funding due to mainstream academies will be paid directly to mainstream academies by ESFA.

Local authorities and academies will receive their payments for 2023 to 2024 in 2 tranches. Payments will be made in May 2023 for local authorities, and June 2023 for academies, to cover April 2023 to August 2023; and in October 2023 for local authorities, and November 2023 for academies, to cover September 2023 to March 2024.

In addition to the MSAG, local authorities have been allocated £400 million additional high needs funding for 2023 to 2024, on top of their high needs national funding formula allocations. This element (Bristol uplift of £3m) has been included within High Needs amount as part of 2023-24 DSG funding announcement published in December 2022.

Further information is available via link: [Mainstream schools additional grant 2023 to 2024: methodology - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/mainstream-schools-additional-grant-2023-to-2024-methodology)

| APPENDIX A | | | | | | | |
|---|---|-----------------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| Draft indicative Mitigations Proposals (subject to change) | | | | | | | |
| Note : Figures are indicatives annual expenditure reduction could be subject to change following consultation and further due diligence | | | | | | | |
| CM ref | Schemes | Indicative Completion Dates | A | B | C | D | E |
| | | | 23/24 | 24/25 | 25/26 | 26/27 | 27/28 |
| | | | £0 | £0 | £0 | £0 | £0 |
| A1 | Specialist Provision Create 330 specialist places in special and mainstream schools to meet current and future projected demand | Sep-24 | 0 | 2,458,342 | 4,214,300 | 4,214,300 | 4,214,300 |
| A2 | Capital Investment in existing specialist settings To expand and modernise existing special school provision to create an additional 108 specialist places (contributes 450 places committed through Mayoral Pledge). | Sep-24 | 1,403,000 | 1,403,000 | 1,403,000 | 1,403,000 | 1,403,000 |
| A3 | Expansion of Supported Living (Project Rainbow) To build a 12-bed education residential centre to support preparation for adulthood | Sep-24 | 0 | 576,000 | 576,000 | 576,000 | 576,000 |
| | TOTAL | | £1,403,000 | £4,437,342 | £6,193,300 | £6,193,300 | £6,193,300 |
| B1 | Review of HNB Element 3 Non-Statutory 'top-up' Funding To conduct a review of existing Non-Statutory Top-Up process where schools can apply for funding to support additional needs without having to request an Education, Health & Care Needs Assessment. | Dec-22 | 1,693,002 | 2,031,603 | 2,370,203 | 2,708,804 | 2,708,804 |
| B2 | Needs Matrix for Non-Statutory Top Up Funding Application The new process will use a web-portal and be more transparent and equitable about how non-statutory top-up funding is calculated and allocated. There is potential to extend the Matrix to statutory funding. | | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | | £1,693,002 | £2,031,603 | £2,370,203 | £2,708,804 | £2,708,804 |
| C4 | Belonging with SEND Programme. Using the funding allocated by Bristol Schools Forum, the programme aims to reduce the number of exclusions in Bristol and improve attendance and attainment of children with SEN. The programme will do this by supporting schools/settings to deliver sustainable evidence-based interventions, improve skills and knowledge, and pilot the use of specialist equipment. | Sep-23 | 0 | 0 | 0 | 0 | 0 |
| C5 | Workforce Development Plan and Delivery. The Bristol Local Area to have a well-trained workforce, able to identify and respond to need at the earliest point. | | 232,178 | 234,802 | 237,330 | 237,330 | 237,330 |
| C6 | School Improvement offer for SEND. To develop the School Improvement offer for schools (utilising recent redeployed staff) to focus on improving provision at the school-based stages of the Code of Practice. | | 0 | 378,000 | 378,000 | 378,000 | 378,000 |
| | TOTAL | | £232,178 | £612,802 | £615,330 | £615,330 | £615,330 |
| D2 | Therapies Framework. The aim is to ensure therapies mainly associated with Education, Health & Care Plans are appropriate and reach quality assurance standards. Implementation of a Preferred Provider List model is estimated to deliver a 10% reduction in spend per year over 5 years when compared to the previous procurement approach | Sep-22 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| D3 | ALP Commissioning Framework. ALP Commissioning Framework To ensure that children and young people's needs are met by receiving Alternative Learning Provision which has been quality assured and is commissioned through a framework. The new contract is able to limit price increases from providers | | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | | £300,000 | £300,000 | £300,000 | £300,000 | £300,000 |
| E1 | Statutory Top-Up Standardisation. To review the statutory funding system in line with other local authorities and implement a standardised banding and process which ensures statutory funding aligns with need. | | 0 | 2,113,947 | 2,852,598 | 3,591,249 | 3,591,249 |
| | TOTAL | | £0 | £2,113,947 | £2,852,598 | £3,591,249 | £3,591,249 |
| F1 | Review of 18 to 25 Education, Health & Care Plan Top Up Funding. To review funding to ensure it is in line with statutory requirements. | Sep-24 | 0 | 1,495,558 | 1,794,669 | 2,093,781 | 2,093,781 |
| F2 | Review Post-16 Out of Authority. To review out of authority post-16 provision to inform and develop more cost-effective local options. | | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | | £0 | £1,495,558 | £1,794,669 | £2,093,781 | £2,093,781 |
| G2 | Reduction in use of ALP. As a result of the ALP Improvement Plan and service improvement activity, the aim is to see a reduction in the use of ALP over time. | | 215,000 | 215,000 | 215,000 | 215,000 | 215,000 |
| | TOTAL | | £215,000 | £215,000 | £215,000 | £215,000 | £215,000 |
| | TOTAL MITIGATIONS | | £3,843,180 | £11,206,252 | £14,341,100 | £15,717,463 | £15,717,463 |
| | Less Programme Optimuim Bias (20%) | | -£768,636 | -£2,241,250 | -£2,868,220 | -£3,143,493 | -£3,143,493 |
| | RISK ADJUSTED DRAFT MITIGATIONS | | £3,074,544 | £8,965,001 | £11,472,880 | £12,573,970 | £12,573,970 |

Bristol Schools Forum
Schools Block 2023/24

| | |
|-------------------------|-----------------|
| Date of meeting: | 12 January 2023 |
| Time of meeting: | 5:00 pm |
| Venue: | Zoom |

1. Purpose of report

- 1.1 To inform and seek agreement of the Schools Forum on the final application of the funding formula for mainstream schools and academies for 2023/24, prior to final decision by Cabinet and submission of the Authority Proforma Tool (APT) to the Education and Skills Funding Agency.

2. Recommendations

Schools Forum is invited to:

- 2.1 Approve the proposed arrangements for the 2023/24 mainstream funding formula, including the amount set aside for the Growth Fund
- 2.2 Provide feedback, as appropriate, to Cabinet and Council, for their consideration in making final decisions on the Schools Budget for 2023/24.

3. Funding available

- 3.1 The DSG overview paper elsewhere on this agenda explains the overall strategy for schools finance for 2023/24. This indicates that the allocated funding for Schools Block in 2023/24 is £325.5m.
- 3.2 At the meeting held November 2022, Schools Forum agreed to the transfer of 0.5% of the Schools Block to the High Needs Block, and expressed approval for the Minimum Funding Guarantee (MFG) to be set at +0.0%. The lump sum was to be preserved at £126,627 and any remaining funding directed to the Additional Education Needs (AEN) factors.
- 3.3 In addition Schools Forum approved a £2.0m top-slice of Schools Block to create the Growth Fund for 2023/24.
- 3.4 **Table 1** sets out how it is proposed that this funding be calculated and applied.

Table 1: Proposed Schools Block Budget 2023/24

| Funding | £'000 (allocations) | Cost – spending plan | £'000 |
|---|--------------------------------|--|----------------|
| Pupil led DSG funding | £312.4m | Transfer of 0.5% to HNB | £1.627m |
| Premises led DSG funding | £10.9m | Growth Fund | £2.0m |
| Growth funding | £2.2m | Balance remaining for Mainstream Schools formula | £321.8m |
| | | | |
| DSG Schools Block Total Allocation** | £325.5m | Schools Block Total | £325.5m |

**This does not include Mainstream Schools Additional Grant (MSAG) 2023-24 government announced on 16th December 2022 where indicative allocation to Bristol is £10.749m. The LA will update the Forum once School Level allocations is confirmed by ESFA in Spring 2023.

- 3.5 The component elements of the calculation have been refreshed, upon release of the October 2022 census data. Each of the components is explained below.
- 3.6 **Pupil led DSG funding £312.4m.** This is the sum allocated to the LA based on the number of pupils recorded in the October 2022 census. Primary age pupils attract unit funding of £4,946.84, which is an increase on 2022-23's £4,733.44. Secondary age pupils attract unit funding of £6,513.22, up from £6,168.48. The allocation to Bristol is based on a recorded 35,001 primary age pupils, down from last year's 35,360. Secondary is based upon 21,376.17 pupils, up from last year's 20,579.0
- 3.7 **Premises led funding £10.9m.** This is the element of the Schools Block DSG that recognises costs not defined by NFF values such as PFI spend, split sites and NNDR.
- 3.8 **Growth Funding £2.2m.** This element of the DSG Schools Block settlement is calculated by the ESFA based on the observed differences between the October 2021 and October 2022 school censuses. Growth is measured at the level of middle layer super output areas (MSOAs). This allocation is intended to meet the cost of both the growth fund and the additional cost of those pupils in growing schools not yet present in the school census, but can be insufficient as it is based on the historic change and not the anticipated change it is required to fund.
- 3.9 **Schools Block Total £325.5m.** This is the sum of the proposed allocations above. This does NOT include the Mainstream Schools Additional Grant (MSAG) circa £10.749m where School Level allocations will be confirmed by ESFA in Spring 2023.
- 3.10 **Transfer 0.5% of Schools Block to High Needs Block £1.627m** Schools Forum agreed to the transfer of 0.5% of the Schools Block to the High Needs Block at its

meeting in November 2022. 0.5% is the maximum the DfE allows to be agreed locally.

- 3.11 **Growth Fund allocation £2.0m** This funding is the top-slice of the Schools Block taken in order to fund growth expansions in existing schools for the following academic year, separate to the growth commitment in “new and growing” schools” which is funded within the formula mechanism. The commitment for 2023/24 is estimated at £1.2m, leaving £0.8m for new commitments that may arise during the admissions round.
- 3.12 **Balance remaining for Mainstream Schools formula £321.8m** This is the remainder of the Schools Block allocation available for the mainstream funding formula, including the mandated elements of the formula.
- 3.13 **Teacher Pay and Teacher Pensions Employer Contributions Grant funding**
The funding formerly provided to mainstream schools via the Teachers Pay Grant (TPG) and Teacher Pensions Employer Contributions Grants (TPECG) was incorporated into the Schools Block of the DSG from 2021/22.
- 3.14 For 2021/22, the ESFA inflated the 2020/21 Post MFG Budget of all mainstream schools subject to the funding formula by an amount representing the funding schools receive through the TPG, the TPECG and supplementary fund in respect of their reception to year 11 pupils. This had the effect of raising each school’s baseline funding levels, which the 21/22 formula had to provide against. The ESFA ensured funding these increased baselines by imposing higher Minimum Per Pupil Funding levels and a positive MFG with no capping.
- 3.15 For 2023/24 this methodology continues, with the funding previously paid separately for TPG and TPECG incorporated into each school’s baseline position. These baselines and the mandated increases in funding for schools are provided for again via the increased minimum per pupil funding levels and positive MFG.
- 3.16 **Schools Block Total £325.5m.** This is the total of the elements above. It worth noting that this does not include the Mainstream Schools Additional Grant (MSAG) circa £10.749m where School Level allocations will be confirmed by ESFA in Spring 2023.

4. Growth Fund

- 4.1 The growth funding into the Schools Block is £2.0m, and this intended to support both the “new and growing” schools funded via the APT and create a growth fund to support existing schools that have been expanded.
- 4.2 Officers have estimated the requirement in “new and growing schools” to be for 140 FTE pupils (pro rata 7/12 of academic year), and this cost is built into the school funding formula.
- 4.3 Officers have also considered the existing commitments on the Growth Fund and projected these forward for a potential cost in 2023/24. The known commitment is

estimated to be approximately £1.2m, and includes the effect of existing growth moving from KS3 into KS4.

- 4.4 In addition to the existing known commitments it is possible further expansion may be needed, as the primary age bulge continues to move into secondary schooling. The Growth Fund of £2.0m leaves approximately £0.8m over the estimated known commitment to support any additional growth commitments that may arise.

5. Funding formula

- 5.1 Schools Forum agreed the principles for the operation of the mainstream formula at its meeting in November 2022, including:

- Appropriate allocations are made for NNDR/rates
- A Minimum Funding Guarantee of +0.0%
- The Additional Educational Needs (AEN) factor values to be a function of the available funding
- The lump sum is preserved at £126,627 for both Primary and Secondary
- An allocation of £2.0m is set for the Growth Fund

- 5.2 The Schools Block formula presented has been modelled within the above constraints, using the 2022/23 formula unit values as the starting point.

- 5.3 The basic entitlement uses the AWPU rates from the 2023/24 formula. The total funding distributed by these factors is £222.083m (69% of the pre-MFG total). The per-pupil rates for 2023/24 are as follows:

- Primary £3,317
- KS3 (years 7-9) £4,677
- KS4 (years 10-11) £5,271

- 5.4 The £126,627 lump sum for all settings distributes £16.1m (5% of the pre-MFG total).

- 5.5 After applying the above, remaining unallocated funding allowed the increase of the AEN factors unit funding by 2% above 2022-23 levels. This means that £69.099m (22% of pre-MFG total) is distributed through these factors.

- 5.6 The Minimum per Pupil funding levels were made a mandatory item in 2020/21 and remain mandatory in the formula, the rates have been dictated by the NFF. For 2023/24 the Primary rate is £4,405, whilst is £5,715 for secondary school pupils.

- 5.7 25 primary schools and 1 secondary school will receive an uplift to meet this minimum per-pupil funding costing £3.2m (1% of pre-MFG funding). For comparison, in 2022/23 30 primary schools and 3 secondary schools required uplifting to the minimum per pupil funding levels, at a cost of £4.6m (1.5% of preMFG funding).

- 5.8 After all the above factors MFG (Minimum Funding Guarantee) is then applied. The MFG increases the funding to 7 schools to uplift them to this guarantee, costing £0.09m.
- 5.9 Overall, 105 of the 126 schools are set to receive an increase in cash funding in 2023/24, whilst 21 out of the 126 schools will receive less funding than in 2022/23. Of the 105 receiving increases, 72 also have increased numbers on roll, 4 have static NOR, whilst 29 have reduced NOR. In all 21 schools receiving a reduction in funding this is being driven by a reduction in pupil numbers on roll that more than offsets per-pupil funding gains in the formula.
- 5.10 In total, 50 schools have a reduced NOR in 2023-24, whilst four are static and 72 have increased NOR.
- 5.11 Forum should note that the formula is subject to final approval from ESFA so figures in the report and appendices are therefore still indicative at this stage.
- 5.12 The detail of the unit values, the allocations against factors and individual school budget shares are shown in the appendices.
- Appendix A shows the formula unit values
 - Appendix B shows the distribution of the funding across the relevant factors
 - Appendix C shows the school budget shares and changes from 2022/23.

6. Future funding arrangements

- 6.1 2023/24 is the first firm year of transition to a hard funding formula, and it's clear that the intention of the ESFA is to continue on this transition in 2024/25 and following years, although no end or target date has yet been set.
- 6.2 Elements of funding in scope yet to transition include split site policy, falling rolls support and growth funding methodology, and it can be expected that local formula factor unit values will further converge towards NFF absolute values in coming years. Guidance issued on 3rd November indicates that Split Site eligibility criteria will be mandated for 2024/25 and suggests that some BCC schools currently receipt of split site funding will no longer be eligible under the proposed NFF criteria.
- 6.3 Bristol's Schools Block is funded at a level above that needed to implement a hard NFF in full. Whilst it is not clear whether that once any hard NFF is in operation if Bristol schools will be protected at this higher funding level by any future MFG or other floor mechanism, it seems likely that NFF minimum per pupil funding levels will grow to a point to provide floor protections to Bristol schools.

Equality Impact Assessment [version 2.9]



| | |
|---|---|
| Title: Dedicated Schools Grant Budget 2023-24 | |
| <input type="checkbox"/> Policy <input type="checkbox"/> Strategy <input type="checkbox"/> Function <input type="checkbox"/> Service <input checked="" type="checkbox"/> Other [please state] Budget | <input checked="" type="checkbox"/> New <input type="checkbox"/> Already exists / review <input type="checkbox"/> Changing |
| Directorate: People | Lead Officer name: Richard Hanks |
| Service Area: Education and Skills | Lead Officer role: Interim Director |

Step 1: What do we want to do?

The purpose of an Equality Impact Assessment is to assist decision makers in understanding the impact of proposals as part of their duties under the Equality Act 2010. Detailed guidance to support completion can be found here [Equality Impact Assessments \(EqIA\) \(sharepoint.com\)](#).

This assessment should be started at the beginning of the process by someone with a good knowledge of the proposal and service area, and sufficient influence over the proposal. It is good practice to take a team approach to completing the equality impact assessment. Please contact the [Equality and Inclusion Team](#) early for advice and feedback.

1.1 What are the aims and objectives/purpose of this proposal?

Briefly explain the purpose of the proposal and why it is needed. Describe who it is aimed at and the intended aims / outcomes. Where known also summarise the key actions you plan to undertake. Please use [plain English](#), avoiding jargon and acronyms. Equality Impact Assessments are viewed by a wide range of people including decision-makers and the wider public.

Purpose:
 To note the in year 2022/23 position for the overall Dedicated Schools Grant and to set the Dedicated Schools Grant for 2023/2024 to create a fair and consistent distribution of funding that is closely aligned to need and is essential to supporting opportunity for all children, irrespective of their background, ability and need.

The Dedicated Schools Grant is the main source of revenue funding for state-funded 5 to 16 schools in England. DSG is paid to local authorities, minus deductions ('recoupment') for academies and subject to certain other adjustments. The Grant comprises of four blocks:

- The Schools Block
- Schools Central Services Block
- The High Needs Block
- The Early Years Block

The Dedicated Schools Grant (DSG) is a ring-fenced grant of which the majority is used to fund individual school budgets in maintained schools, academies and free schools. It also funds early years nursery free entitlement places for two, three and four year olds as well as provision for pupils with high needs including those with Special Educational Needs and or Disabilities (SEND) Education Health and Care Plans (EHCPs) in special schools and specialist provision in and out of Bristol.

Our Goals:

- Enable all children and young people to achieve their potential through having access to the right resources and provision needed to meet their needs and the right support for their education settings.
- Improve outcomes for Bristol's children and young people with SEND as well as those identified with high needs including educational aspirations, engagement and progress in learning, in line with those who do not have SEND or high needs.
- Make sure all children and young people attend the right education setting that can meet their needs, where they receive a full time/ appropriate education offer that ensures they are safeguarded and their

welfare is promoted.

- Reduce persistent absence and increase attendance for children and young people in receipt of SEN Support and those with EHCPs.
- Reduce / eliminate the need for permanent exclusions and reduce multiple suspensions for children and young people in receipt of SEN Support and those with EHCPs.
- Ensure each young person progresses post-16 to suitable education, training or employment and is fully prepared for adulthood.

1.2 Who will the proposal have the potential to affect?

| | | |
|---|---|--|
| <input type="checkbox"/> Bristol City Council workforce | <input checked="" type="checkbox"/> Service users | <input type="checkbox"/> The wider community |
| <input type="checkbox"/> Commissioned services | <input checked="" type="checkbox"/> City partners / Stakeholder organisations | |
| Additional comments: | | |

1.3 Will the proposal have an equality impact?

Could the proposal affect access levels of representation or participation in a service, or does it have the potential to change e.g. quality of life: health, education, or standard of living etc.?

If 'No' explain why you are sure there will be no equality impact, then skip steps 2-4 and request review by Equality and Inclusion Team.

If 'Yes' complete the rest of this assessment, or if you plan to complete the assessment at a later stage please state this clearly here and request review by the Equality and Inclusion Team.

| | | |
|---|-----------------------------|-----------------|
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | [please select] |
|---|-----------------------------|-----------------|

Step 2: What information do we have?

2.1 What data or evidence is there which tells us who is, or could be affected?

Please use this section to demonstrate an understanding of who could be affected by the proposal. Include general population data where appropriate, and information about people who will be affected with particular reference to protected and other relevant characteristics: <https://www.bristol.gov.uk/people-communities/measuring-equalities-success>.

Use one row for each evidence source and say which characteristic(s) it relates to. You can include a mix of qualitative and quantitative data e.g. from national or local research, available data or previous consultations and engagement activities.

Outline whether there is any over or under representation of equality groups within relevant services - don't forget to benchmark to the local population where appropriate. Links to available data and reports are here [Data, statistics and intelligence \(sharepoint.com\)](#). See also: [Bristol Open Data \(Quality of Life, Census etc.\)](#); [Joint Strategic Needs Assessment \(JSNA\)](#); [Ward Statistical Profiles](#).

For workforce / management of change proposals you will need to look at the diversity of the affected teams using available evidence such as [HR Analytics: Power BI Reports \(sharepoint.com\)](#) which shows the diversity profile of council teams and service areas. Identify any over or under-representation compared with Bristol economically active citizens for different characteristics. Additional sources of useful workforce evidence include the [Employee Staff Survey Report](#) and [Stress Risk Assessment Form](#)

| Data / Evidence Source [Include a reference where known] | Summary of what this tells us |
|---|---|
| Joint Strategic Needs Assessment | The Joint Strategic Needs Assessment reports on the |

| | |
|---|--|
| Joint Strategic Needs Assessment (JSNA) (bristol.gov.uk) | <p>health and wellbeing needs of the people of Bristol. It brings together detailed information on local health and wellbeing needs and looks ahead at emerging challenges and projected future needs. The JSNA is used to provide a comprehensive picture of the health and wellbeing needs of Bristol (now and in the future); inform decisions about how we design, commission and deliver services, and also about how the urban environment is planned and managed; improve and protect health and wellbeing outcomes across the city while reducing health inequalities; and provide partner organisations with information on the changing health and wellbeing needs of Bristol, at a local level, to support better service delivery.</p> |
| <p>SEN2 Education, health and care plans, Reporting Year 2022 – Explore education statistics – GOV.UK (explore-education-statistics.service.gov.uk)</p> | <p>This is an annual statutory return which provides data on children and young people with an education, health and care (EHC) plan maintained by the local authority.</p> |
| <p>Local Area education performance (Early Years, School Age mainstream and specialist provision) Early years foundation stage profile results: 2018 to 2019 - GOV.UK (www.gov.uk) Key stage 2 attainment 2022: national headlines - GOV.UK (www.gov.uk) Key stage 4 performance 2022 - GOV.UK (www.gov.uk)</p> | <p>National statistics published by the DfE on attainment outcomes for local authorities for early years foundation stage and at the end of Key stage 2 and Key stage 4. Includes a breakdown by characteristics including SEN provision.</p> |
| <p>Attendance and absence data Statistics: pupil absence - GOV.UK (www.gov.uk)</p> | <p>DfE Statistics on overall authorised and unauthorised pupil absences by school type, including persistent absentees and pupil characteristics</p> |
| <p>Population of Bristol https://www.bristol.gov.uk/statistics-census-information/the-population-of-bristol</p> | <p>Updated annually. The report brings together statistics on the current estimated population of Bristol, recent trends in population, future projections and looks at the key characteristics of the people living in Bristol.</p> |
| <p>Additional comments: Summary points</p> <p>Numbers of children and young people with SEN in Bristol schools</p> <p>As at October 2022, there were 63,344 children on roll in Bristol schools.</p> <ul style="list-style-type: none"> • 11,892 (18.7%) pupils with special educational needs (SEN) • 9,284 (14.6%) are receiving SEN support • 2,608 (4.1%) have an Education, Health and Care Plan (EHCP) <p>5,025 pupils with SEN support are at a primary school (14.1% of all primary pupils) and 3,488 are at secondary schools (incl. All-throughs) in Bristol (15.4% of secondary pupils).</p> <ul style="list-style-type: none"> • 1,280 pupils with an EHCP are attending a special school (99% of all pupils in special schools), 643 are at secondary school, (incl. All-throughs) which is 2.8% of all pupils in secondary school and 648 are at primary schools (1.8% of all pupils at primary). 6 pupils with an EHCP are attending nursery and 32 a pupil referral unit. • The most prevalent primary needs by SEN in Bristol are: Social, Emotional and Mental Health; Speech, Language and Communication Needs; Specific Learning Difficulty; Moderate Learning Difficulty; Autistic Spectrum Disorder. | |

2.2 Do you currently monitor relevant activity by the following protected characteristics?

- | | | |
|---|--|--|
| <input checked="" type="checkbox"/> Age | <input checked="" type="checkbox"/> Disability | <input type="checkbox"/> Gender Reassignment |
| <input type="checkbox"/> Marriage and Civil Partnership | <input type="checkbox"/> Pregnancy/Maternity | <input checked="" type="checkbox"/> Race |
| <input type="checkbox"/> Religion or Belief | <input checked="" type="checkbox"/> Sex | <input type="checkbox"/> Sexual Orientation |

2.3 Are there any gaps in the evidence base?

Where there are gaps in the evidence, or you don't have enough information about some equality groups, include an equality action to find out in section 4.2 below. This doesn't mean that you can't complete the assessment without the information, but you need to follow up the action and if necessary, review the assessment later. If you are unable to fill in the gaps, then state this clearly with a justification.

For workforce related proposals all relevant characteristics may not be included in HR diversity reporting (e.g. pregnancy/maternity). For smaller teams diversity data may be redacted. A high proportion of not known/not disclosed may require an action to address under-reporting.

There are gaps in performance and attendance data due to the impact of Covid on school continuity and exams. Bristol City Council commissioned a SEND data independent review¹ in 2019 with a number of recommendations to improve data collection which have/are being implemented.

2.4 How have you involved communities and groups that could be affected?

You will nearly always need to involve and consult with internal and external stakeholders during your assessment. The extent of the engagement will depend on the nature of the proposal or change. This should usually include individuals and groups representing different relevant protected characteristics. Please include details of any completed engagement and consultation and how representative this had been of Bristol's diverse communities. See <https://www.bristol.gov.uk/people-communities/equalities-groups>.

Include the main findings of any engagement and consultation in Section 2.1 above.

If you are managing a workforce change process or restructure please refer to [Managing change or restructure \(sharepoint.com\)](#) for advice on consulting with employees etc. Relevant stakeholders for engagement about workforce changes may include e.g. staff-led groups and trades unions as well as affected staff.

We consulted all schools in October 2022 on the proposals to transfer funding between blocks, on the principles of the funding formula for mainstream schools and the arrangements for some central budgets for maintained mainstream schools.

We have completed consultation with all Early Years settings in relation to the funding in this area. It is proposed to pass on all increases in the base rate to providers for 2 year olds (£0.06 per hour) and 3 and 4 year olds (£0.09 per hour).

Where it is in the local authority remit we will explore opportunities to target funding to those groups which the evidence demonstrates face barriers to their educational achievement. However, the move to a national funding formula is reducing the scope we have locally to influence the funding formula. We believe that all pupils will benefit from a fairer distribution of funding. Where decisions may have a disproportionate impact on some children and young people because of the protected characteristics, appropriate engagement and consultation will ensure the views of service users, and groups that represent them are taken into account and help build a consensus around the case if any for change and that our statutory duties are complied with.

All responses to the DSG Budget Consultation have been analysed and summarised in relevant Schools Forum reports that are published on the Bristol City Council website.

2.5 How will engagement with stakeholders continue?

Explain how you will continue to engage with stakeholders throughout the course of planning and delivery. Please describe where more engagement and consultation is required and set out how you intend to undertake it. Include

any targeted work to seek the views of under-represented groups. If you do not intend to undertake it, please set out your justification. You can ask the Equality and Inclusion Team for help in targeting particular groups.

Schools Forum will continue to engage in the budget developments through the main meetings and finance sub-group.

Two Schools Forum Steering Groups have been established to support the development and implementation of the DSG Management Plan. The Groups are focused on the Early Years Block and the High Needs Block.

We have completed an engagement process regarding the proposed mitigations, as part of the developing DSG Management Plan and the implementation of the Delivering Better Value programme.

Step 3: Who might the proposal impact?

Analysis of impacts must be rigorous. Please demonstrate your analysis of any impacts of the proposal in this section, referring to evidence you have gathered above and the characteristics protected by the Equality Act 2010. Also include details of existing issues for particular groups that you are aware of and are seeking to address or mitigate through this proposal. See detailed guidance documents for advice on identifying potential impacts etc. [Equality Impact Assessments \(EqIA\) \(sharepoint.com\)](https://sharepoint.com)

3.1 Does the proposal have any potentially adverse impacts on people based on their protected or other relevant characteristics?

Consider sub-categories (different kinds of disability, ethnic background etc.) and how people with combined characteristics (e.g. young women) might have particular needs or experience particular kinds of disadvantage.

Where mitigations indicate a follow-on action, include this in the 'Action Plan' Section 4.2 below.

GENERAL COMMENTS (highlight any potential issues that might impact all or many groups)

Through the Local Authority's statutory role and duties, consideration is given to any adverse impact on children and young people, based on their protected characteristics. These duties include:

- Determination of the budgets for distribution to schools and early years settings, and allocation of the High Needs Block – all in the context of the National Funding Formula for each block.
- Commissioning of school places, personal education packages, alternative learning provision and post 16 education for children and young people we are responsible for.
- Responsibility for ensuring there are sufficient education places and the right types of education settings in our area.
- Arranging education for permanently excluded pupils, children and young people with EHCPs and Children in Care and others who, because of illness or other reasons, are unable to attend mainstream settings.
- Ensuring the Local Authority, schools and other partners are focused on safeguarding and promoting the welfare of children and young people with SEND up to age 25.
- Promoting and driving high standards in education across all types of educational provision.
- Establishing financial provision for children and young people with EHCPs
- Ensuring compliance with statutory duties associated with SEND legislation, safeguarding and Looked After Children/ Care Leavers.

PROTECTED CHARACTERISTICS

| | |
|--------------------------|--|
| Age: Young People | Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Potential impacts: | Whilst rates for 2 year olds and 3 & 4 years olds will be somewhat increased, this will not compensate for the inflationary pressures providers are experiencing. It is likely that more providers will find operating sustainably to be challenging and recruitment and retention of staff weakening. This will potentially lead to a reduction in sufficiency of places and reduce the quality of education. |
| Mitigations: | Work is ongoing to ensure that Maintained Nursery Schools operate on a financially |

| | |
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| | sustainable model. The increase in funding will support these measures and secure high-quality education in the most deprived areas of the city. A recruitment and retention task group is looking at a range of options to promote working in the early years sector. |
| Age: Older People | Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| Potential impacts: | |
| Mitigations: | |
| Disability | Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Potential impacts: | The High Needs budget is being set on the basis of existing policies and existing rates to settings, with forecast levels of demand. The budget proposals, as they stand, represent no change on existing practice or funding rates, but the programme will seek to understand and address areas where outcomes for Disabled children and young people are not good. |
| Mitigations: | Any changes to policies or rates will emerge from the work of the DSG Mitigation Plan and the Delivering Better Value Programme and will take account of impacts through stakeholder engagement, consultation and equality impact assessments. |
| Sex | Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| Potential impacts: | |
| Mitigations: | |
| Sexual orientation | Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| Potential impacts: | |
| Mitigations: | |
| Pregnancy / Maternity | Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| Potential impacts: | |
| Mitigations: | |
| Gender reassignment | Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| Potential impacts: | |
| Mitigations: | |
| Race | Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Potential impacts: | <ul style="list-style-type: none"> • The population of Bristol has become increasingly diverse, and some local communities have changed significantly. There are now at least 45 religions, at least 180 countries of birth and at least 91 main languages spoken. The proportion of the overall Black, Asian and minoritised ethnic population has increased from 16% (2011) to 18.9% (2021) • Whilst we do not think that the overall budget setting should have a disproportionate impact on Race we are aware of existing disparities for Black, Asian and minority ethnic pupils. The 2017 Runnymede Report “Bristol - a city divided?” found ethnic minorities in Bristol experience greater disadvantage than in England and Wales as a whole in education and this is particularly so for Black African people. Black African young people are persistently disadvantaged in education compared to their White peers and addressing educational inequalities requires attention to the unrepresentativeness of the curriculum, lack of diversity in teaching staff and school leadership and poor engagement with parents. • Although Bristol has low rates of permanent exclusion it has one of the highest rates for fixed term exclusions of any local authority in England, and a disproportionately high percentage of school pupils from Black, Asian and minority ethnic backgrounds have had one or more fixed term exclusion, compared to other English core cities and nationally. Nationally Gypsy and Roma, and Traveller of Irish Heritage pupils have the highest school exclusion rates (both permanent and temporary) however Mixed White and Black Caribbean, and Black Caribbean pupils also have high exclusion rates, and both are nearly three times as likely to be permanently excluded as White British pupils. • There is an urgent need to recruit more Black Asian and ethnic minority teachers and teaching staff in Bristol. A 2018 BBC report⁴ found that of the 1,300 teachers in Bristol, only 26 were Black, equating to less than two per cent. Local stakeholder engagement suggests schools may indirectly discriminate against Black, Asian and |

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|--|--|
| | <p>minority ethnic pupils due to lack of cultural competence. Rules about appearance may penalise pupils who dress differently or have different hairstyles. Conduct rules may not take into account the diversity of culture around language and ways of demonstrating inter-generational respect.</p> <ul style="list-style-type: none"> • Other research indicates Black and Mixed ethnicity pupils in England (especially boys) are frequently associated by school staff with criminality, violence and hyper-sexuality e.g. groups of friends and siblings labelled as a 'gang'5. Youth workers and education professionals in Bristol have told us that Black pupils may struggle to understand their own cultural identity. Just as there is a disproportionately high 'stop and search' rate of ethnic minority young people by police, Black, Asian and minority ethnic school children may face additional discrimination because of their visibility. |
| Mitigations: | There is limited scope to address systemic inequality in this budget setting however all known existing disparities should be acknowledged and considered as part of ongoing service design and commissioning. |
| Religion or Belief | Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| Potential impacts: | |
| Mitigations: | |
| Marriage & civil partnership | Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| Potential impacts: | |
| Mitigations: | |
| OTHER RELEVANT CHARACTERISTICS | |
| Socio-Economic (deprivation) | Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Potential impacts: | <ul style="list-style-type: none"> • 27.9% of pupils are classed as disadvantaged in Bristol • 26.3% pupils receive Free School Meals • Overall 70.7% of Early Years learners achieve a good level of development in Bristol. However there are big disparities by area with e.g. 53.9% in Hartcliffe and Withywood, and 91.3% in Cotham • Hartcliffe and Withywood has the highest rate of school pupils with SEN in Bristol (234.5 per 1,000) and Cotham has the lowest (95.6 per 1,000) |
| Mitigations: | In setting this Budget we are acutely aware of existing disparities for pupils living in areas of deprivation and low income households. Whilst there is limited scope to address systemic issues in this budget setting we have considered socio-economic inequality as far as possible and will continue to do so as part of ongoing service design and commissioning. There is a deprivation measure (based on IDACI) applied to the supplements provided to Early Years settings. |
| Carers | Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| Potential impacts: | As above any negative impact on Early Years settings may restrict the range of provision available which would have a disproportionate impact on carers |
| Mitigations: | As above |
| Other groups [Please add additional rows below to detail the impact for other relevant groups as appropriate e.g. Asylums and Refugees; Looked after Children / Care Leavers; Homelessness] | |
| Potential impacts: | |
| Mitigations: | |

3.2 Does the proposal create any benefits for people based on their protected or other relevant characteristics?

Outline any potential benefits of the proposal and how they can be maximised. Identify how the proposal will support our Public Sector Equality Duty to:

- ✓ Eliminate unlawful discrimination for a protected group
- ✓ Advance equality of opportunity between people who share a protected characteristic and those who don't

- ✓ Foster good relations between people who share a protected characteristic and those who don't

The Maintained Nursery School supplementary funding has increased for 2023/24 by £1.5M. This is as a result of the implementation of a base funding floor of £3.80 per universal hour (previously £0.98 per hour). This increase will support Maintained Nursery Schools working with some of the most vulnerable young people in areas of high deprivation across the city.

The transfer of £1.6m from Schools Block to High Needs Block has been agreed in principle, after consultation with all schools and a formal decision by Schools Forum. This provides more funding to support transformation of Education Services to improve the quality and sustainability of funding to support pupils with protected characteristics in the High Needs Block. Decision to be formalised in January's Schools Forum meeting.

Step 4: Impact

4.1 How has the equality impact assessment informed or changed the proposal?

What are the main conclusions of this assessment? Use this section to provide an overview of your findings. This summary can be included in decision pathway reports etc.

If you have identified any significant negative impacts which cannot be mitigated, provide a justification showing how the proposal is proportionate, necessary, and appropriate despite this.

Summary of significant negative impacts and how they can be mitigated or justified:

No significant negative impact identified from the overall budget setting. Although increases in base rates and overall block unlikely to meet the increasing demand and inflationary costs experienced by schools and settings.

Summary of positive impacts / opportunities to promote the Public Sector Equality Duty:

The EQiA has helped shaped the whole approach to setting the DSG for 2023/24, particularly for the High Needs budget.

4.2 Action Plan

Use this section to set out any actions you have identified to improve data, mitigate issues, or maximise opportunities etc. If an action is to meet the needs of a particular protected group please specify this.

| Improvement / action required | Responsible Officer | Timescale |
|--|---------------------|-----------|
| We have thoroughly reconsidered the equalities impacts and consultation duties associated with service planning and budget setting. | Angel Lai | Completed |
| We will update this equality impact assessment with any potential impacts identified through analysis of local and national data set, and emerging issues. | Richard Hanks | Ongoing |
| Additional EQiA, specifically related to the new DSG Management Plan and Delivering Better Value implementation plan is currently in development and will be provided, alongside the plan, to Schools Forum in March 2023. | Richard Hanks | Ongoing |

4.3 How will the impact of your proposal and actions be measured?

How will you know if you have been successful? Once the activity has been implemented this equality impact assessment should be periodically reviewed to make sure your changes have been effective your approach is still appropriate.

Ongoing review through the statutory function of Schools Forum, which meets bi-monthly. This is a key stakeholder forum for the Local Authority.

Step 5: Review

The Equality and Inclusion Team need at least five working days to comment and feedback on your EqIA. EqIAs should only be marked as reviewed when they provide sufficient information for decision-makers on the equalities impact of the proposal. Please seek feedback and review from the Equality and Inclusion Team before requesting sign off from your Director¹.

| | |
|--|--|
| Equality and Inclusion Team Review: <i>Reviewed by Equality and Inclusion Team</i> | Director Sign-Off: Richard Hanks |
| Date: 12/1/2023 | Date: 03.01.2023 |

¹ Review by the Equality and Inclusion Team confirms there is sufficient analysis for decision makers to consider the likely equality impacts at this stage. This is not an endorsement or approval of the proposal.