



NORTH YORKSHIRE COUNCIL

2024/25 SCHOOL FUNDING A CONSULTATION PAPER

22 September 2023

Deadline for responses: Friday, 27 October 2023 (5.00pm)

1.0 Summary

1.1 This consultation paper sets out the latest position from the DfE and the North Yorkshire Council local authority with regard to school funding for 2024/2025. The consultation seeks the views of primary and secondary schools and academies in order to inform the following key decisions:

- The level of the minimum funding guarantee (MFG) protection. This determines the minimum funding change that a school will receive in terms of funding per pupil between the 2023/24 financial year and the 2024/25 financial year.
- The methodology to be used to deal with any funding surplus or shortfall on the 2024/25 schools' block Dedicated Schools Grant (DSG) after the calculation of school budgets.
- Changes to the notional Special Educational Needs (SEN) budget local funding formula calculation for 2024/25
- A transfer of 0.5% funding from the Schools Block DSG to the High Needs Block budget for the 2024/25 financial year

1.2 A separate consultation will be undertaken with special schools and academies on the level of the special school MFG for 2024/25. The DfE have prescribed that local authorities must set a MFG between 0% and 0.5% for the 2024/25 financial year.

1.3 The DfE issued their 2024/25 funding announcement and the associated detailed funding information required to model funding formula options for the next financial year in mid July 2023. The announcement indicated an overall funding increase of +2.7% per pupil compared to 2023/24. The second part of this consultation document provides an overview of both the national and local school funding position for the next financial year.

1.4 The views of schools and academies provided through this consultation will be fed back to the North Yorkshire Schools Forum on 23 November 2023. This consultation will begin on 22 September 2023 and will close on 27 October 2023.

2.0 North Yorkshire Council 2024/25 School Funding Consultation

2.1 The Local Authority has undertaken financial modelling on the DfE indicative National Funding Formula (NFF) funding allocations in respect of options for setting the MFG at either 0% or +0.5% for 2024/25. In addition to the level of the MFG, the school funding consultation also considers:

- The methodology which will be used in the event of any surplus or shortfall in funding on the Schools Block DSG after the calculation of school funding formula allocations using the NFF values, as determined by the DfE.
 - In the event of surplus funding being available, consideration is given to whether this should be distributed through the Age Weighted Pupil Unit (AWPU) funding or the Lump Sum funding.
 - In the event of a funding shortfall, the DfE allow local authorities to use a "capping and scaling" process where the funding requirement of school budgets is greater

than the available Schools Block DSG funding. The cap sets the level of gain up to which a school retains 100% of any funding gain. The scaling factor determines the level of scaling back of any gain over the cap limit e.g. where a cap limit of 3% is set and a scaling back level of 25% is set, a school with a base 5% funding gain would receive a capped and scaled gain of 4.5% (100% of any gain up to 3% and 75% of any gain over 3% i.e. $(3\% + (2\% \times 75\%)) = 4.5\%$).

Generally, the use of a lower gains capping percentage and a lower scaling back of gains percentage results in the recovery of funding impacting on a higher number of schools, but the level of the reduction on funding gains is lower. The use of a higher gains capping percentage and a higher scaling back of gains percentage results in the recovery of funding impacting on a lower number of schools but the level of funding reduction above the gains cap level is higher. The North Yorkshire Schools Forum have approved the use of up to £500k from the Schools Block DSG Reserve to off-set any funding shortfall; any funding shortfall amount above £500k will need to be managed through capping and scaling.

- The calculation of the notional SEN budget. The notional SEN budget is not a budget that is separate from a school's overall budget. It is an identified amount within a maintained school's delegated budget share or an academy's GAG. The budget is intended as a guide for a school's spending decisions and is neither a target, nor a constraint, on a school's duty to use its 'best endeavours' to secure special provision for its pupils with SEN. Although this is an indicative amount, the DfE identify that it is important that it is sufficient for the reasonable additional costs that may be incurred by schools.
- A request by the local authority to transfer 0.5% funding from the Schools Block DSG to the High Needs Block budget for the 2024-25 financial year. This request is based on the continued and increasing cost pressures on the High Needs Block in North Yorkshire which provides the funding for the SEND system across North Yorkshire; the High Needs accumulated budget deficit is forecast to be c£13m by March 2024. This deficit position is forecast to continue to escalate for future financial years if the present demand trend for high needs support continues, with a further £7.6m in-year deficit estimated for the 2024/25 financial year. This reflects the continuing upward trend related to the number of children and young people assessed as requiring an Education, Health and Care Plan. The transfer of 0.5% of the 2024-25 Schools Block funding is estimated to be £2.2m.

2.2 Appendix 1 of this document provides a schedule of the indicative implications at individual school level of the MFG protection levels of 0% and +0.5%. It needs to be noted that the modelling is based on the 2023/24 funded pupil numbers and data. The 2023-24 actual base funding levels include the mainstream school additional grant (MSAG) funding. It also needs to be noted that the DfE have updated the methodology for the Low Prior Attainment funding calculation for 2024/25 to use the 2022 attainment data as a proxy for the missing assessments in 2021. (This is a change from the 2023-24 methodology where 2019 data was used as the proxy for 2021). This change has been incorporated into the modelling undertaken and needs to be taken into account in comparing the forecast percentage funding change between 2023/24 and 2024/25 detailed in the modelling data. Due to the complexity of the data variables, the published data modelling only considers the MFG options. Schools are

required to provide an “in principle” view on other school funding considerations in relation to:

- the management of funding variances
- the notional SEN funding formula
- the 0.5% funding transfer from the School Block DSG to the High Needs budget.

This consultation requests mainstream schools and academies within North Yorkshire to provide their views on the following options:

1. Level of the 2024/25 Minimum Funding Guarantee (MFG)

| Option | MFG % |
|--------|-------|
| 1 | 0% |
| 2 | 0.5% |

2. The methodology to be used in the event of any surplus or shortfall in funding on the Schools Block DSG after the calculation of 2024/25 school budget allocations:

a. The allocation of any surplus funding available:

| Option | Preferred Methodology |
|--------|---|
| 1 | Any surplus funding distributed by Age Weighted Pupil Unit (AWPU) |
| 2 | Any surplus funding distributed by Lump Sum |

b. The use of capping and scaling to manage any funding shortfall above £500k:

| Option | Preferred Methodology |
|--------|---|
| 1 | A lower gains cap percentage and a lower scaling back of gains percentage |
| 2 | A higher gains cap percentage and a higher scaling back of gains percentage |

3. The proposed changes to the notional SEN budget calculation, as detailed below in section 6 of this consultation document.

4. The proposed transfer of 0.5% from the Schools Block DSG to the High Needs Block budget for the 2024/25 financial year.

The Equalities Impact Assessment related to the proposals contained within this consultation is provided in Appendix 2 to this document.

The proposals detailed above are included in the on-line response to this consultation that can be found at: <https://consult.northyorks.gov.uk/snapwebhost/s.asp?k=169519895788>

Your response needs to be submitted by: 5.00pm on Friday, 27 October 2023.

Sections 3 – 9 below of this document provide further detail of the DfE 2024/25 School Funding Policy developments and the associated funding implications for schools and academies within North Yorkshire for the 2024/25 financial year.

3.0 Background

3.1 In Autumn 2017, the Department for Education (DfE) announced national changes to the school funding formula that will eventually see all mainstream school budgets set using a national funding formula (NFF). The DfE have confirmed that this transition will continue for 2024/25.

4. 2024/2025 Schools Funding Policy

4.1 On the 17 July 2023, the DfE announced the proposed school funding arrangements for the 2024/25 financial year indicating, nationally, an overall increase 2.7% per pupil compared to 2023/24

4.2 The main updates to the NFF for 2024/25 are as follows:

- The core factors in the schools NFF (basic entitlement, low prior attainment (LPA), FSM6, income deprivation affecting children index (IDACI), English as an additional language (EAL), mobility, sparsity and the lump sum) will increase by 2.4%.
- A 1.6% increase to the free school meals (FSM) factor value
- Rolling the 2023-24 mainstream schools additional grant (MSAG) into the NFF by:
 - adding an amount representing what schools receive through the grant into their baselines
 - adding the value of the lump sum, basic per pupil rates and free school meals Ever 6 (FSM6) parts of the grant onto the respective factors in the NFF
 - uplifting the minimum per pupil values by the MSAG basic per-pupil values and an additional amount which represents the average amount of funding schools receive from the FSM6 and lump sum parts of the grants.
- The mandatory 2024/25 minimum per pupil funding levels (MPPL) will ensure that every primary school receives at least £4,655 per pupil, and every secondary school at least £6,050 per pupil. The funding values include £143, £186 and £208 per primary, KS3 and KS4 pupil respectively for the rolling in of the MSAG, plus a further 2.4% increase. The average amounts in respect of the supplement grant reflect the average level of funding these schools currently attract through the grant.
- The introduction of a new formulaic approach for the allocation of split site funding.
- Every school will be allocated at least 0.5% more pupil-led funding per pupil compared to its 2023-24 baseline.
- Local authorities are able to continue to set a Minimum Funding Guarantee (MFG) in local formulae, which in 2024-25 must be between +0% and +0.5%
- Following the cancellation or incompleteness of Key Stage 2 assessments in summer 2020 and summer 2021 due to coronavirus (COVID-19), local authorities are unable to use this data as part of setting a low prior attainment factor in local funding formulae.

Instead, local authorities will use 2019 assessment data as a proxy for the missing assessments in 2020, and 2022 attainment data as a proxy for the missing assessments in 2021. (This is a change from the 2023-24 methodology where 2019 data was used as the proxy for 2021)

- Local authorities continue to be able to transfer up to 0.5% of their Schools Block DSG to other blocks of the Dedicated Schools Grant (DSG), with school's forum approval. A disapplication request to the Secretary of State is required for transfers above 0.5%, or for any amount without school's forum approval.
- 4.3 The DfE require local authorities to keep under review the calculation of their schools' notional SEN budgets to ensure that they are both proportionate to the costs and prevalence of pupils on SEN Support and that they meet additional support costs up to £6,000 per pupil of those with more complex needs. The DfE guidance recommends that a review of the notional SEN budget calculation for 2024-25 is undertaken to ensure that the identified funding is sufficient for the reasonable additional costs that may be incurred by schools. The DfE require local authorities to subsequently review the notional SEN budget calculation on an annual basis.
- 4.5 The DfE have produced notional individual school allocations for 2024/25 reflecting the changes in the NFF. **It should be noted that the notional NFF allocations released in July 2023 are based on the October 2022 census. Final 2024/25 funding allocations, updated to the October 2023 census pupil number and other data changes, will not be available until December 2022.**
- 4.6 Further detail on the Government schools funding announcement for 2024/25 can be found at: [National funding formula for schools and high needs 2024 to 2025 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)
- 4.7 The DfE have provided additional grant through the Teachers Pay Additional Grant (TPAG) to support schools in meeting the costs of the 2023-24 teachers pay award of 6.5%. The additional grant is intended to fund the cost of the pay award above 3.5%. The TPAG will be paid as a separate grant for the period September 2023 to March 2024 and the 2024-25 financial year. The TPAG base funding rates for mainstream schools for the 2023-24 financial year are as follows:
- a basic per-pupil rate of £36 for primary pupils, including pupils in reception
 - a basic per-pupil rate of £50 for key stage 3 pupils
 - a basic per-pupil rate of £57 for key stage 4 pupils
 - a lump sum of £1,345
 - an FSM6 per-pupil rate of £31 per eligible primary pupil
 - an FSM6 per-pupil rate of £45 per eligible secondary pupil

The grant funding rates for the 2024-25 financial year will be paid at 12/7ths of the 2023-24 rates.

- 4.8 In providing confirmation on the 13 July 2023 of the provision of additional funding to support schools in meeting the costs of the teachers' pay award, DfE also announced the provision of a hardship fund of up to £40m to support those schools facing the greatest financial challenges. Further information was provided on 18 August 2023 stating that the funding will be used to expand the DfE existing support available to academies facing the most difficult financial circumstances and to assist local authorities to expand the support they provide to maintained schools facing the most acute financial pressures. At this stage, no detail is available as to how the funding will be allocated and distributed to local authorities or how it might be accessed by eligible schools and/or academies.

5.0 2024/25 North Yorkshire School Funding – Indicative Position

5.1 The DfE provisional figures¹ for North Yorkshire indicate a £11.82m increase in schools funding equating to an overall cash increase and increase in funding per pupil of 2.76% compared to 2023/24.

5.2 The Government are allowing local authorities to locally set the MFG level between 0% and +0.5% per pupil. This is one of the mechanisms that determine the change in per pupil funding levels that a school can experience from year to year. The level of the MFG ensures a guaranteed level of change in per pupil funding levels at individual school level when compared to the previous financial year. In this respect, a higher MFG supports those schools where the NFF provides a lower percentage increase in funding per pupil than the guaranteed minimum when compared to funding levels in the previous financial year.

The school funding consultation seeks views as to whether a 0% or +0.5% MFG level should be implemented for 2024/25

5.3 Whilst the increased level of sparsity funding over recent years is welcomed, the financial challenges faced by small rural secondary schools in North Yorkshire continues to be a significant concern. The DfE have provided no commitment as to when the sparsity funding levels within the NFF will be reviewed for these establishments. As a continued interim measure, the North Yorkshire Schools Forum has approved the LA proposal to apply to the DfE to continue to provide the exceptional circumstance funding of £50,000 for 2024/25 for very small sparse secondary schools, which would otherwise be unable to attract sufficient funding to remain viable. Local authorities can only make an application for this where schools have:

- pupils in years 10 and 11
- 350 pupils or fewer
- a sparsity distance of 5 miles or more

5.4 The overall funding requirement for 2024-25 school budgets, and the associated affordability within the 2024-25 schools block DSG funding provision cannot be finalised until the actual 2024-25 schools block DSG allocation is received in December 2023. The final position can result in there being either a funding surplus or shortfall on the grant allocation; this position was exemplified in the 2023-24 financial year in North Yorkshire where there was a funding shortfall of £759k between the 2023-24 school budget funding requirement and the 2023-24 schools block DSG funding which was required to be funded from the Schools Block DSG General Reserve. The local authority needs to ensure that consideration is given to how any final funding surplus or shortfall is managed.

Funding surplus: consideration needs to be given as to how any funding surplus will be distributed. The proposed options are by an addition to the lump sum or to the age weighted pupil unit (AWPU) value. Schools are asked to provide an in-principle view on the allocation methodology to be used, if required.

Funding shortfall: The North Yorkshire Schools Forum have provided approval for the Schools Block DSG Reserve to be used to fund any funding shortfall up to £500k. Any funding shortfall

¹ the provisional figures are based on October 2022 pupil census data. Final funding allocations for 2024/25 will be updated for the October 2023 pupil census data

in excess of the £500k to be funded from reserves will need to be managed through the use of the DfE approved mechanism of capping and scaling funding gains on school budgets. The general principles of capping and scaling are as follows:

- The cap sets the level of gain up to which a school retains 100% of any funding gain. The scaling factor determines the level of scaling back of any gain over the cap limit e.g. where a cap limit of 3% is set and a scaling back level of 25% is set, a school with a base 5% funding gain would receive a capped and scaled gain of 4.5% (100% of any gain up to 3% and 75% of any gain over 3% i.e. $(3\% + (2\% \times 75\%)) = 4.5\%$).
- The funding levels of schools subject to Minimum Funding Guarantee (MFG) and Minimum Per Pupil Level (MPPL) funding levels are protected under a capping and scaling arrangement.
- The impact of the capping and scaling methodology is generally as follows:
 - A lower funding gains cap requires a lower scaling back percentage to achieve the required funding reduction. This results in the reduction being shared across a wider number of schools and there is a lower level of funding gains reduction across the schools impacted.
 - A higher funding gains cap requires a higher scaling back percentage to achieve the required reduction. This results in the reduction being shared across a lower number of schools (those schools with highest level of gain) and there is a higher level of gains reduction across the schools impacted.

The school funding consultation seeks views on the mechanism to be used to manage any surplus funding or funding shortfall in excess of £500k after the calculation of school budgets for the 2024/25 financial year.

- 5.5 Appendix 1 of this document provides a schedule of the indicative implications at individual school level of the MFG protection levels of 0% and +0.5%. It needs to be noted that the modelling is based on the 2023/24 funded pupil numbers and data and the actual 2024/25 funding allocations will be based on the October 2023 pupil census information. In order to provide “like for like” comparison, the 2023/24 baseline data for individual schools includes the 2023/24 mainstream school additional grant funding. Schools also need to note that the indicative 2024/25 funding levels reflect the change in the methodology for the Low Prior Attainment (LPA) funding to use the 2022 attainment data as a proxy for the missing assessments in 2021.
- 5.6 The 2024/25 minimum per pupil funding level amounts of £4,655 for primary schools and £6,050 for secondary schools take precedence over the MFG calculation so irrespective of the MFG level, schools will receive at least the minimum per pupil funding level amount. (Please note the minimum per pupil funding level is not the Age Weighted Pupil Unit (AWPU) value used in the funding formula).

6.0 Notional SEN Budget

- 6.1 The **Children and Families Act 2014** secures the general presumption in law that children and young people with SEN should be educated in mainstream education settings. The **SEND code of practice**, which is statutory guidance to which schools must have regard, sets out mainstream schools’ current legal duties in relation to their pupils with SEN. Those duties include that

schools must use their best endeavours to secure that the special educational provision called for by a pupil’s special educational needs is made.

- 6.2 Mainstream maintained schools and academies are notified each year of a clearly identified but notional SEN budget, within their overall budget allocation. Schools should use this SEN budget towards the costs of fulfilling their duty to use their ‘best endeavours’ to secure that special educational provision for their pupils with SEN is made. Local authorities are responsible for calculating the amount of the notional SEN budget using funds from the schools’ block DSG with reference to the local mainstream schools funding formula factors. The notional SEN budget is not a budget that is separate from a school’s overall budget. It is an identified amount within a maintained school’s delegated budget share or an academy’s GAG. The budget is intended as a guide for a school’s spending decisions and is neither a target, nor a constraint, on a school’s duty to use its ‘best endeavours’ to secure special provision for its pupils with SEN. It should be noted that the notional SEN budget is not intended to provide £6,000 for every pupil with SEN, as in many instances pupils’ support will cost less than this amount.
- 6.3 The DfE recommend that local authorities undertake a check of the notional SEN budget calculation for 2024-2025 to ensure that it is in line with the latest DfE guidance and that an annual review is then carried out subsequently. DfE have also indicated that a validation check may be undertaken to ensure that the notional SEN budget funding provision for a local authority broadly reflects the funding requirement for the budget based on the numbers of pupils identified as having additional SEN support requirements within the authority.
- 6.4 A comparison has been undertaken of the average notional SEN budget per pupil (based on overall mainstream school pupil population) for the current 2023/24 North Yorkshire local school funding formula to the average notional SEN budget per pupil (based on overall mainstream pupil population) for other local authorities nationally and that of other similar local authorities. The results are detailed in the table below:

| | Notional SEN Budget - Average Funding Per Pupil | | |
|---------------------------------------|--|--------------------|-------------------|
| | North Yorkshire | LA National | Similar LA |
| Notional Average SEN Budget Per Pupil | £417.80 | £654.06 | £572.27 |

- 6.5 The notional SEN budget funding level for North Yorkshire needs to be considered against the background of the numbers of pupils assessed as having additional SEN support requirements within North Yorkshire being broadly similar to national levels. On this basis, the current North Yorkshire notional SEN budget calculation is unlikely to meet the requirements of the DfE validation check as the funding levels identified within the overall schools delegated budget are insufficient to meet the indicative funding requirements of the pupils assessed as having additional SEN support requirements. The level of funding generated by the 2023/24 notional SEN budget is £31.0m; the indicative funding requirement within North Yorkshire for the notional SEN budget is estimated to be £45.6m – a funding shortfall of £14.6m. If the North Yorkshire notional SEN budget funding level reflected the national average pupil funding level, an additional £17.6m of funding would be identified within school budgets to support pupils

assessed as having additional SEN support requirements. The notional SEN budget average funding requirement within North Yorkshire, based on 2023/24 data, is estimated to be £613 per mainstream pupil.

6.6 Modelling has been undertaken to update the North Yorkshire notional SEN budget funding formula to:

- Better reflect the current notional SEN budget funding requirements within North Yorkshire at an overall level (£45.6m) and by sector - primary schools (£24.8m) and secondary schools (£20.8m)
- Align to the national LA average and other similar LA average notional SEN budget funding per mainstream pupil
- Align to the national LA and other similar LA use of funding formula factors and funding formula factor weightings
- Comply with the DfE validation check that a LA's total notional SEN budget provides schools with a certain amount per pupil identified as on SEN support, having deducted £6,000 per pupil with an EHC plan.
- Reflect the initial analysis undertaken, which identifies virtually no correlation in North Yorkshire schools between the levels of overall identified SEN (pupils identified as SEN Support or pupils with an EHCP) and school size or levels of deprivation.
- Reflect the context and diversity of the North Yorkshire operating context

6.7 The table below provide details of the proposed notional SEN budget funding calculation to be implemented for the 2024/25 financial year:

| Formula Factor | 2024/25 Proposed North Yorkshire Use & Weighting | <i>2023/24 North Yorkshire Use & Weighting (For information)</i> | <i>2023/24 LA National Average Use & Weighting (For information)</i> |
|----------------------------------|---|--|--|
| Primary Basic Entitlement (AWPU) | 5.20% | <i>0.39%</i> | <i>3.32%</i> |
| KS3 Basic Entitlement (AWPU) | 3.50% | <i>0.48%</i> | <i>3.13%</i> |
| KS4 Basic Entitlement (AWPU) | 3.50% | <i>0.48%</i> | <i>3.11%</i> |
| FSM | 0.00% (P) 0.00% (S) | <i>17.10% (P)</i> <i>23.30% (S)</i> | <i>25.30% (P)</i> <i>25.50% (S)</i> |
| FSM6 | 30.00% (P) 30.00% (S) | <i>17.10% (P)</i> <i>23.30% (S)</i> | <i>37.20% (P)</i> <i>36.60% (S)</i> |
| IDACI | 20.00% (P) 20.00% (S) | <i>5.00% (P)</i> <i>7.20% (S)</i> | <i>35.87% (P)</i> <i>35.67% (S)</i> |
| EAL | 0.00% (P) 0.00% (S) | <i>0.00% (P)</i> <i>0.00% (S)</i> | <i>15.53% (P)</i> <i>15.55% (S)</i> |
| Mobility | 30.00% (P) 30.00% (S) | <i>32.00% (P)</i> <i>59.00% (S)</i> | <i>13.00% (P)</i> <i>13.00% (S)</i> |
| Prior Attainment | 100.00% (P) 100.00% (S) | <i>100.00% (P)</i> <i>100.00% (S)</i> | <i>85.00% (P)</i> <i>85.00% (S)</i> |
| Lump Sum | 5.20% (P) 3.50% (S) | <i>0.00% (P)</i> <i>0.00% (S)</i> | <i>1.80% (P)</i> <i>1.70% (S)</i> |
| Sparsity | 0.00% (P) | <i>0.00% (P)</i> | <i>0.00% (P)</i> |

| | | | |
|--|------------------|------------------|------------------|
| | 0.00% (S) | <i>0.00% (S)</i> | <i>0.00% (S)</i> |
| Exceptional Circumstance | 0.00% | <i>0.00%</i> | <i>0.00%</i> |
| MPPL | 0.00% | <i>0.00%</i> | <i>3.80%</i> |
| MFG | 0.00% | <i>0.00%</i> | <i>1.70%</i> |
| Notional SEN Budget Funding Per Mainstream Pupil (based on 2023/24 funding rates) | £613.72 | | |

(P) – Primary (S) - Secondary

The school funding consultation seeks views on the proposed change to the notional SEN budget funding calculation for the 2024/25 financial year.

7.0 High Needs Funding

- 7.1 The High Needs Block provisional funding allocation for 2024-25 amounts to £81.69m for North Yorkshire; an indicative increase of £3.83m compared to the 2023-24 financial year. Whilst the increase in High Needs funding is welcome, the funding increase needs to be considered against the position of continued financial pressures on the High Needs budget, with an estimated cumulative budget deficit of c£13m by 31st March 2024. The deficit position is forecast to continue to escalate for future financial years if the present demand trend for high needs support continues. The in-year deficit on the High Needs Block for 2024-25 is estimated to be £7.6m based on assumptions on the continued trend for an increase in the number of children and young people assessed as requiring a funded Education, Health and Care Plan (EHCP), inflationary pressures, the mix of placements across different types of education provision, and the likely increase in High Needs Block funding notified by the Department for Education.
- 7.2 In 2020-21, the DfE introduced the ‘safety valve’ intervention programme for those local authorities with the very highest percentage Dedicated Schools Grant (DSG) deficits, to support these authorities to address the financial deficits. This support included providing the authorities with additional funding over time to contribute to their historic deficits, contingent on delivery of the reforms. The DfE expanded the ‘safety valve’ intervention programme to other local authorities during 2021-22 and it was extended further in 2022-23, with the programme being reshaped as “Delivering Better Value (DBV) in SEND Support Programme”. The programme continues to target those local authorities with the most substantial DSG deficits, on an iterative basis. North Yorkshire has been identified as one of 55 local authorities to receive intervention through the DBV programme. The programme will see North Yorkshire receive support, in the form of project management and change management capacity to develop a three year transformational programme, with the DfE providing grants directly to North Yorkshire to enable the local authority to implement and embed reforms, with ongoing support and challenge by DfE officials.
- 7.3 Given the significance of the levels of concern, at both local authority level and national DfE level, in relation to the High Needs budget deficit position within North Yorkshire, the local authority feels that the transfer of 0.5% from the Schools Block DSG to the High Needs Budget for the 2024/25 financial year must be considered as part of the overall financial recovery plan strategy for the High Needs Budget.

The school funding consultation seeks views on the proposed transfer of 0.5% of funding from the Schools Block DSG to the High Needs Budget for the 2024/25 financial year.

8.0 The Equalities Impact Assessment related to the proposals contained within this consultation is provided in Appendix 2 to this document.

9.0 Next Steps

9.1 The proposals detailed above are included in the on-line response to this consultation which can be found at: <https://consult.northyorks.gov.uk/snapwebhost/s.asp?k=169519895788>

Your response needs to be submitted by: 5.00pm on Friday, 27 October 2023

9.2 The results of this consultation will be presented to members of the North Yorkshire Schools Forum for recommendations to be considered at its meeting on 23 November 2023. Schools will be notified of the provisional outcome of this by mid-December. The final decision will be made by the Council's Executive in January 2024; any decision will take into account recommendations from Schools Forum.

9.3 The DfE release the data needed to calculate next year's budget in mid-December. We aim to publish primary and secondary school budgets by mid-February.

Accompanying Appendices

Appendix 1a-b: Schedule of the indicative implications at individual school level of MFG protection level options

Appendix 2: Equalities Impact Assessment