**SCHOOLS FORUM MEETING – 7TH OCTOBER 2020**

**2021-22 Schools** **Funding Formula Arrangements**

**Introduction**

The purpose of this report is to advise School Forum members on the main points arising from the Schools Revenue Funding Operational Guide (September 2020) 2021-22. This information was obtained through a webinar session in mid September 2020.

**Main changes**

**Schools Block**

* Schools Block will remain ringfenced
* Status of DSG confirmed as a ringfenced grant, no obligation for Council’s general fund to meet deficits
* 3% increase on basic rate
* Minimum per pupil levels remain mandatory and will be
  + Primary - £4,180
  + KS 3 - £5,215
  + KS 4 - £5,715
* Teachers pay award grant and Teachers pension grant will be allocated through the NFF.
* IDACI bands will be updated for 2019 data.
* Sparsity Factor value increase to £45k for primary and £70k secondary
* MFG to be between +0.5% and +2%
* Can transfer up to 0.5% from the Schools Block with Schools Forum approval. However, this will be after Teachers Pay and Pension Grant.
* Budget allocations to be confirmed in December after October census

**High Needs**

* 8% increase in High Needs funding Block cap 12%
* Budget allocations to be confirmed in December after October census

**Individual Factors**

**AWPU**

* Rise of £180 (Primary) and £265 (KS 3 & 4) to reflect the Teachers Pay / Pension grant

**Prior Attainment**

* No data assessment undertaken, 2019 data will be used.

**LAC**

* Consideration being given as to whether this factor should be retained.

**Mobility**

* This will be applied to the NFF allocation through a formulaic basis, the threshold is 6%. The funding will only be applied to pupils where this amount is exceeded

**Sparsity**

* Sparsity Factor value increase to £45k for primary and £70k secondary
* Can be lump sum or tapered

**Lump Sum**

* NFF value £117,800
* LA’s can choose to allocate up to £175k

**Rates**

* Funding as per previous years.

**MFG**

* MFG to be between +0.5% and +2%
* Must be consulted on
* Teachers Pay / Pension protected

**Capping & Scaling**

* If used needs Schools Forum approval

**Indicative allocations 2021-22**

The below table shows the indicative allocations for the DSG Blocks, excluding Early Years. The Schools Block excludes the Growth Factor allocation but has been adjusted to reflect the Pay / Pension grant in 2020-21.

**DSG Funding Blocks 2021-22 provisional allocation**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Block** | **2021-22 (£)** | **2020-21 (£)** | **Change (£)** | **% change** |
| School Block | 113,964,285 | 110,612,315 | 3,351,970 | 3.03 |
| High Needs Block | 23,815,901 | 21,237,438 | 2,578,463 | 12.14 |
| CSSB | 1,296,275 | 1,407,411 | -111,136 | -7.90 |
| **TOTAL** | **139,076,461** | **133,257,164** | **5,819,297** | 4.37 |

The final allocations will not be confirmed until December 2020 when the outcome of the School Census is known.

In respect of the Central Services Schools Block then the historic commitments amount of £434k in respect of contributions to teachers pension costs has been reduced by 20% (£87k). The absorption of this pressure within the DSG needs to be considered but will need to be contained within the overall DSG envelope.

**Recommendations**

It is recommended that Schools Forum:

* Note this report, and.
* That a further report is brought back as further information becomes available

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7th October 2020