**SCHOOLS FORUM MEETING – 16TH SEPTEMBER 2021**

**2022-23 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 2022-23 Operational Guide (July 2021).

**Main changes and reminders**

**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 entitlement, FSM6, Deprivation (IDACI), Lower prior Attainment, English as an Additional Language (EAL) and the Lump Sum.
* 2% increase to the floor, minimum per pupil funding levels and Deprivation (FSM).
* Confirmation that the Teachers pay award grant and Teacher’s pension grant have been rolled into the NFF.
* Sparsity Factor value increase by £10k and in line with the consultation road distances to be used as opposed to how the crow flies. Tapering to be introduced to distance measure.
* Data on pupil eligible for FSM6 to now be taken from the October 2020 census, not the January 2020 census.
* Lower Prior Attainment to be taken from 2019 results as 2020 assessments not undertaken due to COVID.
* School Business Rates to be paid to billing authorities by ESFA direct. Further details to follow.
* MFG to remain at between +0.5% and +2%
* Can transfer up to 0.5% from the Schools Block with Schools Forum approval.
* Budget allocations to be confirmed in December after October 2021 census.
* From 2023-24 Local Authorities will be required to bring their local formulae’s in line with the National Funding Formula with a view to moving to one formula.

**High Needs**

* Guidance for high needs funding arrangements for 2022-23 will be available later in the summer, however
* A minimum of an 8% increase in High Needs funding Block per head of their 2 -18 year old population with a gains cap set at 11%.

**Individual Factors**

**Overall NFF Values**

* These are shown in Appendix A at the bottom of this report.
* No changes to the existing factors both in terms of new factors or mandatory / optional status

**Redetermination of Schools Budgets**

As in previous years this is not permitted.

**Consultation**

Consultations on the Schools funding formula 2022-23 remain the same as in previous years but amended in line with the pandemic impact. Consultations include the Schools Forum, all mainstream schools regardless of whether they are academy or maintained and obtaining the necessary political approval.

Consultations should include any changes (factor values / MFG / Capping and Scaling, the impact of these including modelling and whether the changes would bring the local formula further or closer to the NFF.

**Voting**

The voting requirements on centrally retained expenditure and de-delegated expenditure items remain unchanged

**Timetable**

The timetable is shown at Appendix B below. This is broadly in line with previous years.

**Deficit Management**

Discussions will be taking place with a number of LA’s who find themselves in a deficit position. This will be a small number of LA’s in 2021-22 but will be expanded in later years.

**Early Years National Funding Formula**

Guidance to be issued in the autumn.

**Indicative allocations 2022-23**

The below table shows the indicative allocations for the DSG Blocks, excluding Early Years. The Schools Block excludes the Growth Factor allocation.

**DSG Funding Blocks 2022-23 provisional allocation**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Block** | **2022-23 (£)** | **2021-22 (£)** | **Change (£)** | **% change** |
| School Block | 118,435,116 | 113,964,285 | 4,470,831 | 3.9 |
| High Needs Block | 26,203,907 | 23,815,901 | 2,388,006 | 10.0 |
| CSSB | 1,308,814 | 1,296,275 | 12,539 | 1.0 |
| **TOTAL** | **145,947,837** | **139,076,461** | **6,871,376** | 4.9 |

The final allocations will not be confirmed until December 2021 when the outcome of the October 2021 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 which was reduced by 20% (£87k) to £347k has been protected at this amount for 2022-23.

**Recommendations**

It is recommended that Schools Forum:

* Note this report, and.
* That a further report is brought back to the Forum Meetings in November 2021 and January 2022 when modelling of the formula has taken place and the final allocations are announced in December 2021.

Contact Officer: David Kirven, Strategic Lead –Business Partnering.

16th September 2021

**Appendix A**

**National Funding Formula Values & NELC Values 2022-23**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **National Funding Formula Factor** | **NFF 2022-23 Values** | **NFF 2021-22 Values** | **% Change** | **Initial NELC Value used 2022-23** | **NELC Value used 2021-22** | **% Change** |
|  | **£** | **£** |  | **£** | **£** |  |
|  |  |  |  |  |  |  |
| AWPU – Primary | 3,217 | 3,123 | 3.0 |  | 3,390 |  |
| AWPU Secondary KS3 | 4,536 | 4,404 | 3.0 |  | 4,475 |  |
| AWPU Secondary KS4 | 5,112 | 4,963 | 3.0 |  | 5,173 |  |
| Primary Minimum per pupil funding | 4,265 | 4,180 | 2.0 | 4,265 | 4,180 |  |
| Secondary Minimum per pupil funding -KS3 | 5,525 | 5,215 | 5.9 | 5,525 | 5,215 |  |
| Secondary Minimum per pupil funding -KS4 | 5,525 | 5,715 | (3.4) | 5,525 | 5,715 |  |
| Current FSM – primary & secondary | 470 | 460 | 2.2 |  | 0 |  |
| FMS6 FSM – primary | 590 | 575 | 2.6 | 590 | 575 | 2.6 |
| FMS6 FSM – secondary | 865 | 840 | 3.0 | 865 | 840 | 3.0 |
| IDACI Band A - Primary | 640 | 620 | 3.2 | 640 | 620 | 3.2 |
| IDACI Band B - Primary | 490 | 475 | 3.2 | 490 | 475 | 3.2 |
| IDACI Band C - Primary | 460 | 445 | 3.4 | 460 | 445 | 3.4 |
| IDACI Band D - Primary | 420 | 410 | 2.4 | 420 | 410 | 2.4 |
| IDACI Band E - Primary | 270 | 260 | 3.8 | 270 | 260 | 3.8 |
| IDACI Band F - Primary | 220 | 215 | 2.3 | 220 | 215 | 2.3 |
| IDACI Band A - Secondary | 890 | 865 | 2.9 | 890 | 865 | 2.9 |
| IDACI Band B - Secondary | 700 | 680 | 2.9 | 700 | 680 | 2.9 |
| IDACI Band C - Secondary | 650 | 630 | 3.2 | 650 | 630 | 3.2 |
| IDACI Band D - Secondary | 595 | 580 | 2.6 | 595 | 580 | 2.6 |
| IDACI Band E - Secondary | 425 | 415 | 2.4 | 425 | 415 | 2.4 |
| IDACI Band F - Secondary | 320 | 310 | 3.2 | 320 | 310 | 3.2 |
| Low prior attainment - primary | 1,130 | 1,095 | 3.2 | 1,130 | 1,095 | 3.2 |
| Low prior attainment – secondary | 1,710 | 1,660 | 3.0 | 1,710 | 1,660 | 3.0 |
| EAL3 – primary | 565 | 550 | 2.7 | 565 | 550 | 2.7 |
| EAL3 - secondary | 1,530 | 1,485 | 3.0 | 1,530 | 1,485 | 3.0 |
| Primary Mobility | 925 | 900 | 2.8 | 0 | 0 | N/A |
| Secondary mobility | 1,330 | 1,290 | 3.1 | 0 | 0 | N/A |
| Lump sum – primary & secondary | 121,300 | 117,800 | 3.0 | 121,300 | 117,800 | 3.0 |
| Sparsity - primary | 0 -55,000 | 0- 45,000 |  |  | 26,000 |  |
| Sparsity - secondary | 0 – 80,000 | 0-70,000 |  |  | N/A |  |
| Primary: Secondary ratio DfE expectation |  |  |  |  | 1:1.29 |  |

**Appendix B**

**Schools Funding Formula 2022-23 Timetable**

|  |  |
| --- | --- |
| **Date** | **Action** |
| 7th October 2021 | School Census Day |
| Mid November | Closing date for High Needs PLACE Change workbooks |
| November 2021 | School Census database closes |
| December 2021 | Final APT issued to LA’s containing October 2021 school census data. |
| December 2021 | Publication of 2022-23 DSG block final allocations together with initial EY block allocations |
| Mid January | Schools Forum and political approval required for the final 2022-23 funding formula |
| 21st January 2022 | Deadline for submission of final 2022-23 APT to ESFA |
| 28TH February 2022 | Deadline for confirmation of school’s budget shares to mainstream maintained schools. |
| By 31st March 2022 | Deadline for confirmation of school’s budget shares by the ESFA to mainstream academy schools. |
| Summer 2022 | EY Block updated for January 2022 EY pupil numbers |