

SCHOOLS FORUM MEETING – 13TH SEPTEMBER 2022

2023-24 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 2023-24 Operational Guide (July 2022).

Main changes and reminders

Schools Block

- Schools Block will remain ringfenced.
- DSG as a ringfenced grant, due to end 31 March 2023, consultations currently in progress.
- LA's will remain responsible for determining final allocations to schools in conjunction with the Schools Forum.
- **Local authorities must use all factors** (currently NELC does not use current FMS or mobility).
- Local authorities must move their 2023-24 formulas 10% closer to the NFF values unless already within 2.5%. Individually LA's have been advised on their minimum and maximum factor values they can use. (These are shown in appendix B at the end of the report)
- 1.9% overall and 1.9% per pupil increase from 2022-23 and 7.9% per pupil higher than in 2021-22.
- 2.4% increase on basic entitlement, Lower prior Attainment, English as an Additional Language (EAL)
- Additional support directed to disadvantaged pupils by increasing the FSM6, IDACI and the Lump Sum than a greater amount than the above other factors. These factors will increase by 4.3%.
- 9.8% of the schools NFF allocated based upon deprivation.
- Funding floor 0.5%, all schools should receive at least 0.5% more in per pupil led funding than in 2022-23.
- Confirmation that the Schools Supplementary Grant has been rolled into the NFF for 2023-24. This is reflected in the new NFF values for basic entitlement, FSM5 and the lump sum.
- Minimum funding levels £4,405 per primary pupil and £5,715 per secondary pupil. This includes the mainstreamed School Supplementary Grant of £119, £155 and £173 per primary, KS3 and KS4 respectively plus a further 0.5% increase.
- Lower Prior Attainment to be taken from 2019 results as 2020 and 2021 assessments not undertaken due to COVID.
- Flexibility over the use of the Sparsity Factor remains in place for 2023-24.
- School Business Rates now paid to billing authorities by ESFA direct.

- MFG to remain at between +0.0% and +0.5%
- Can transfer up to 0.5% from the Schools Block with Schools Forum approval
- LAC factor no longer exists (not used by NELC).
- Only EAL3 can be used no longer an option to choose 1 or 2 years. (NELC uses EAL3)
- Budget allocations to be confirmed in December after October 2022 census.

Other considerations

- Growth / Falling Rolls Fund
- School Improvement de-delegation
- Notional SEN budgets

High Needs

- Funding floor set at 5% to ensure all Local Authorities receive this as a minimum per head of the population compared to their baselines.
- Gains capped at 7% so authorities could see an increase up to 7% per head of the population compared to their baselines.

Central Services

- Historic funding elements will be subject to a 20% decrease as in previous years.
- Mechanism for protection remains in place

Final allocations of the schools. High needs and central services will be published in December 2022.

Individual Factors

Overall NFF Values

- These are shown in Appendix A at the bottom of this report.

Redetermination of Schools Budgets

As in previous years this is not permitted.

Consultation

Consultations on the Schools funding formula 2023-24 remain the same as in previous years. 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 C below. This is broadly in line with previous years.

Early Years National Funding Formula

Guidance to be issued in the autumn.

Indicative allocations 2023-24

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	2023-24 (£)	2022-23 (£)	Change (£)	% change
School Block	125,565,621	122,945,968	2,619,653	2.13
High Needs Block	29,178,634	27,174,106	2,004,528	7.38
CSSB	1,290,896	1,401,893	(110,997)	(7.92)
TOTAL	156,035,151	151,521,967	4,513,184	2.98

The final allocations will not be confirmed until December 2022 when the outcome of the October 2022 School Census is known.

Recommendations

It is recommended that Schools Forum:

- Note this report, and.
- That further reports are 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 2022.

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

13th September 2022

Appendix ANational Funding Formula Values & NELC Values 2023-24

<u>National Funding Formula Factor</u>	<u>NFF 2023-24 Values</u>	<u>NFF 2022-23 Values</u>	<u>% Change</u>	<u>NELC Value used 2022-23</u>
	<u>£</u>	<u>£</u>		<u>£</u>
AWPU – Primary	3,394	3,217	5.5	3,470
AWPU Secondary KS3	4,785	4,536	5.5	4,536
AWPU Secondary KS4	5,393	5,112	5.5	5,306
Primary Minimum per pupil funding	4,405,	4,265	3.3	4,265
Secondary Minimum per pupil funding -KS3	5,503	5,321	3.4	5,321
Secondary Minimum per pupil funding -KS4	6,033	5,831	3.5	5,831
Current FSM – primary & secondary	480	470	2.1	0
FMS6 FSM – primary	705	590	19.5	590
FMS6 FSM – secondary	1,030	865	19.1	865
IDACI Band A - Primary	670	640	4.7	640
IDACI Band B - Primary	510	490	4.1	490
IDACI Band C - Primary	480	460	4.3	460
IDACI Band D - Primary	440	420	4.8	420
IDACI Band E - Primary	280	270	3.7	270
IDACI Band F - Primary	230	220	4.5	220

IDACI Band A - Secondary	930	890	4.5	890
IDACI Band B - Secondary	730	700	4.3	700
IDACI Band C - Secondary	680	650	4.6	650
IDACI Band D - Secondary	620	595	4.2	595
IDACI Band E - Secondary	445	425	4.7	425
IDACI Band F - Secondary	335	320	4.7	320
Low prior attainment - primary	1,155	1,130	2.2	1,130
Low prior attainment – secondary	1,750	1,710	2.3	1,710
EAL3 – primary	580	565	2.7	565
EAL3 - secondary	1,565	1,530	2.3	1,530
Primary Mobility	945	925	2.1	0
Secondary mobility	1,360	1,330	2.2	0
Lump sum – primary & secondary	128,000	121,300	5.5	121,300
Sparsity - primary	56,300	0-55,000		29,000
Sparsity - secondary	81,900	0-80,000		67,000

Appendix B**North East Lincolnshire minimum and maximum factor values**

Factor	2023 to 2024 national funding formula (NFF) including area cost adjustment (ACA)	2023 to 2024 authority proforma tool (APT) minimum	2023 to 2024 APT maximum
Primary basic entitlement	£3,394.00	£3,309.15	£3,621.70
KS3 basic entitlement	£4,785.00	£4,665.38	£4,904.63
KS4 basic entitlement	£5,393.00	£5,258.18	£5,567.60
Primary FSM	£480.00	£57.00	£492.00
Secondary FSM	£480.00	£57.00	£492.00
Primary FSM6	£705.00	£687.38	£722.63
Secondary FSM6	£1,030.00	£1,004.25	£1,055.75
Primary IDACI F	£230.00	£224.25	£235.75
Primary IDACI E	£280.00	£273.00	£287.00
Primary IDACI D	£440.00	£429.00	£451.00
Primary IDACI C	£480.00	£468.00	£492.00
Primary IDACI B	£510.00	£497.25	£522.75
Primary IDACI A	£670.00	£653.25	£686.75
Secondary IDACI F	£335.00	£326.63	£343.38
Secondary IDACI E	£445.00	£433.88	£456.13
Secondary IDACI D	£620.00	£604.50	£635.50
Secondary IDACI C	£680.00	£663.00	£697.00
Secondary IDACI B	£730.00	£711.75	£748.25
Secondary IDACI A	£930.00	£906.75	£953.25
Primary EAL3	£580.00	£565.50	£594.50
Secondary EAL3	£1,565.00	£1,525.88	£1,604.13
Primary LPA	£1,155.00	£1,126.13	£1,183.88
Secondary LPA	£1,750.00	£1,706.25	£1,793.75
Primary mobility	£945.00	£112.50	£968.63
Secondary mobility	£1,360.00	£163.00	£1,394.00
Primary lump sum	£128,000.00	£124,800.00	£131,200.00
Secondary lump sum	£128,000.00	£124,800.00	£131,200.00
Primary sparsity	£56,300.00	£32,900.00	£57,707.50
Secondary sparsity	£81,900.00	£70,200.00	£83,947.50
Middle-school sparsity	£81,900.00	£9,900.00	£83,947.50
All-through sparsity	£81,900.00	£9,900.00	£83,947.50

Appendix C**Schools Funding Formula 2023-24 Timetable**

<u>Date</u>	<u>Action</u>
6 October 2022	School Census Day
10 October 2022	Disapplication from MFG requests
28 October 2022	Evidence submission date for termination of employment costs protection
Mid November 2022	Closing date for High Needs PLACE Change workbooks
18 November 2022	Disapplication from MFG requests
November 2022	School Census database closes
December 2022	Final APT issued to local authorities, containing October 2022 census-based pupil data and factors
December 4 2022	Publication of 2023 to 2024 DSG schools block (prior to academies recoupment), central school services block, initial early years block allocations and updated high needs block allocations for 2023 to 2024
Mid January 2023	Schools Forum and political approval required for the final 2023-24 funding formula
20 January 2023	Deadline for submission of final 2023-24 APT to ESFA
3 February 2023	2 nd deadline for evidence submission date for termination of employment costs protection
28 February 2023	Deadline for confirmation of school's budget shares to mainstream maintained schools.
By 31 March 2023	Deadline for confirmation of school's budget shares by the ESFA to mainstream academy schools.
Summer 2023	EY Block updated for January 2023 EY pupil numbers