

SCHOOLS FORUM

16th November 2021

4

Mainstream Schools Funding 2022-2023

Lead Officer	Richard Morgan
Contact details	e-mail SchoolsStrategic_FinanceTeam@BATHNES.GOV.UK
Forum asked to decide / steer / be informed	Decide and to recommend
Time Needed	15 Minutes

Introduction

Following the 2022-2023 B&NES Schools Funding Consultation – Autumn 2021 with mainstream schools that was completed on 4th November 2021, the forum is asked to comment on schools' responses and to decide on planned actions for 2022-2023

Recommendation

The Forum is asked to

- 1) Comment on the responses to the consultation and recommend to the cabinet member the preference the forum would like to take with regard to the details of the formula.
- 2) Decide on the request to support the continued 0.5% contribution from the Schools Block to the High Needs Block for 2022-2023

Report

The consultation document was issued to schools on the 28th September 2021 in order to communicate proposed formula changes for 2022-2023 and covered the following 2 main topics.

- A. Proposed changes to the school's formula for 2022-2023 that will be used to fund all mainstream schools and academies
- B. Continuation of utilisation of school block resources to support High Needs

Set out below for each of these topics is the decision-making powers and the required actions by the Schools Forum.

The Formula for 2022-2023 and moving to a 'hard' NFF

As in previous years, each local authority will continue in consultation with maintained schools and academies, to set a local schools funding formula in 2022-23, in order to calculate the distribution of funding available for mainstream schools. While local authorities will continue to have discretion over the design of the majority of the funding formulae, B&NES made the decision in 2020-21 to move fully to the NFF methodology.

The government launched a consultation on 8th July 2021 to 30th September 2021 about the longer-term funding of schools and sought views on the approach to moving to a direct 'hard' NFF and how they can most effectively transition towards this completed NFF in the

years ahead. This was the first stage of their consultation on a hard NFF and the government plans to publish a second stage consultation with more detailed proposals, following feedback from the first consultation.

The aim is to tighten the NFF rules from 2023-24 so that schools' allocations through local formulae move closer to the NFF distribution, ensuring a smooth transition towards a hard formula and delivering a more consistent funding system.

The B&NES Autumn 2021 consultation document set out the DFE confirmed technical changes in the NFF announced in July 2021 which the DFE plans to reflect in school funding regulations and the LA proposed changes in the local authority school's formula for 2022-23 that will be used to fund all B&NES mainstream schools. It also discussed the continuation of the utilisation of school block resources to support the high needs block.

The consultation responses can be viewed at **Appendix 4.1**

The Forum is asked to recommend a course of action to the Cabinet Member for Children and Young People for the following areas.

A. Proposed changes to the Schools formula for 2022-23 NFF

If you look at **Appendix 4.1** you will see all the schools that responded to the consultation voted the same way to all the questions in the consultation and some have shared their opinions.

The school's forum is asked to steer LA officers with regard to the detail of the formula as follows:

1. The forum agrees to recommend to the cabinet member a Minimum funding Guarantee of 2% per pupil
2. Should the schools block allocation for 2022-23 allocated by the DFE not be sufficient to support the NFF in full, does the forum agree with the schools that responded to the consultation that LA Officers scale back the allowable NFF factor values by a relevant percentage to balance the schools funding formula allocations to the resources available
3. Should LA Officers increase funding values for the allowable LA premises factor for split sites by 3% in the funding formula for 2022-23? The current values for 2021-22 are £43,285 lump sum and £16.23p per pupil. One secondary school qualifies for the lump sum plus per pupil funding and 4 primary schools receive per pupil funding only.
4. If the forum agrees to question 1 and 2 above, should LA Officers scale back the allowable LA premises factor value for split site by the relevant percentage to balance the schools funding formula allocations to the resources available if required?

B. Utilising Schools Block funding for High Needs

For 2022-2023 Local authorities will continue to be able to transfer up to 0.5% of their school's block funding into the high needs block with school's forum approval. Transfers above 0.5%, or any amount without school's forum approval will require Secretary of State Approval even if ministers agreed the same amount in the past two years.

As you should be aware the LA consulted on the transfer of 0.5% from the school's block to the High Needs Block in 2018-19, 2019-20, 2020-21 and 2021-22 following consultation, which the school's forum agreed. The resources that transferred in 2021-22 were approximately £577k.

The LA consulted with schools to ask if they agree to extend the current arrangement to transfer 0.5% of the school's block to the high need block for 2022-23 and 100% of the schools that responded to the consultation agreed to this proposal.

The consultation responses can be viewed at **Appendix 4.1**

The Forum is asked to decide whether to approve a 0.5% transfer of school's block funding to the High Need Budget for 2022-2023. The requested transfer would amount to an estimated £600k.

If the Forum turns down the proposal to transfer any funding from the school's block to the high needs block the LA can request Secretary of State Approval under the Financing of Schools Regulations.