

SCHOOLS FORUM

6th December 2022

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Mainstream Schools NFF 2023-2024

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 2023-2024 B&NES Schools Funding Consultation – Autumn 2022 for mainstream schools that was completed on 3rd November 2022, the forum is asked to comment on schools' responses and to decide on planned actions for the NFF for 2023-2024.

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 2023-2024

Report

The consultation document was issued to schools on the 28th September 2022 in order to communicate proposed formula changes for 2023-2024 and covered the following 2 main topics.

- A. Proposed changes to the school's formula for 2023-2024 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 2023-2024 and LA's moving to a 'direct' 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 2023-24, in order to calculate the distribution of funding available for mainstream schools.

The government launched a consultation on 7th June 2022 to 9th September 2022 about the detail of implementing a Direct NFF and sought views on their approach. This was the second stage of their consultation on implementing a hard NFF following feedback from the first consultation in June 2021.

The aim is to tighten the NFF rules from 2023-24 so that schools' allocations through local

formulae move closer to the schools NFF distribution, ensuring a smooth transition towards a direct formula which will not require schools' forum approval and will deliver a more consistent funding system.

The B&NES Autumn 2022 consultation document set out the DFE confirmed technical changes in the NFF announced in July 2022 which the DFE plans to reflect in school funding regulations and the LA proposed changes in the local authority school's formula for 2023-24 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 two areas **A and B**.

A. Proposed changes to the school's formula for 2023-24 NFF

If you look at **Appendix 4.1** you will see all the schools' responses to 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. Should the schools block allocation for 2023-24 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
2. Should LA Officers increase funding values for the allowable LA premises factor for split sites by the same value as the increase in overall mainstream school funding? This is currently 2.4% in the funding formula for 2023-24, but may change with guidance received following the budget announcement. The current values for 2022-23 are £44,584 lump sum and £16.72p per pupil. One secondary school qualifies for the lump sum plus per pupil funding and 4 primary schools receive per pupil funding only for detached playing fields. Please see the separate forum paper with regard to the introduction of the DFE's split site criteria to allocate funding to split site schools through a split sites factor from 2024 to 2025 as part of their transition to a 'direct' national funding formula (NFF). This means that local authorities will no longer be responsible for determining the approach to split site schools in their area from 2024 to 2025.
3. 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 2023-24 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, 2021-22 and 2022-23, following consultation, which the school's forum agreed. The resources that transferred in 2022-23 were approximately £614k.

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 2023-24 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 2023-2024. The requested transfer would amount to an estimated £646k.

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.

Additional short consultation to continue the exceptional premises factor for 2023-24 onwards

A 2023-24 additional B&NES schools funding short consultation regarding the application by the LA to continue to have an exceptional premises factor in the LA's NFF was sent out to schools in October 2022.

29 of the 79 mainstream schools (36.71%) all responded to say **they agree** that the LA should make an application for the exceptional premises factor in the LA's NFF for 2023-24 onwards. Officers made the application to the DFE on 10th November 2022 and are in continued dialogue with the DFE and await the outcome of the application.