

<b>Committee:</b>	Schools Forum
<b>Meeting Date:</b>	30 <sup>th</sup> January 2023
<b>Title:</b>	Schools Block Funding Submission: 2023-24
<b>Author:</b>	Michael Quinton, Senior Accountant - CYP
<b>Decision making / consultative / information:</b>	Information
<b>Who can vote?</b>	Not applicable

### **What is the Forum being asked to decide?**

1. This is an information paper only and contains details of the final submission of schools' block budget to the Education, Skills and Funding Agency (ESFA) and some further updates around funding for 2023-24.

### **Reason for recommendation**

2. Previously the recommendation and agreed by Schools Forum at the last meeting (22.11.22) is for Suffolk to continue to follow the National Funding Formula (NFF).

### **Alternative options**

3. Suffolk could decide not to follow NFF and use different rates and factors, however Forum have agreed to follow the NFF.

### **Who will be affected by this decision?**

4. This paper is for information only.

### **Main body of the Report**

5. Updated October 22 census information and associated updates for the 2023-24 Dedicated Schools Grant (DSG) funding was received by the Local Authority on the 16<sup>th</sup> December 2022. 2023-24 allocations are shown in **table 1** below.

**Table 1**

December published 2022 allocations

Dedicated schools grant: 2023-24 allocations local authority summary	2023-24 schools block (£million)	2023-24 central school services block allocation (£million) + Growth & De- Delegation	2023-24 high needs block allocation (£million)	2023-24 early years block (£million)	2023-24 total DSG allocation (excluding rates) (£million)
Unit of Funding	Number of Pupils				
Primary	£4,821	54,829.00	£264,308,677		
Secondary	£6,119	38,867.00	£237,834,946		
Premises Factor			£4,645,094		
Growth Factor			£2,919,663		
<b>DfE allocation</b>		<b>£509,708,381</b>	<b>£5,480,429</b>	<b>£107,203,958</b>	<b>£40,963,808</b>
Growth Fund		-£1,980,000	£1,980,000	£0	£0
Provisional APT Allocation		£507,728,381			
0.5% Transfer to support HNB deficit		£0		£0	£0
APT Final allocation		<b>£507,728,381</b>			
Deduct Rates Rates		-£4,317,738			
High Needs Recoupment			-£24,570,000	£0	-£24,570,000
<b>Total to allocate (excluding rates)</b>		<b>£503,410,643</b>	<b>£7,460,429</b>	<b>£82,633,958</b>	<b>£40,963,808</b>
Estimated de-delegation		-£622,863	£622,863	£0	£0
<b>Total DSG Income</b>		<b>£502,787,780</b>	<b>£8,083,292</b>	<b>£82,633,958</b>	<b>£40,963,808</b>
					<b>£634,468,838</b>

6. Overall, £507.7m is available to distribute to schools through the schools' block (including the amount for rates). The overall % increase on 2022-23 for the total funding distributed to schools is 6.2% and this includes additional funding through the Mainstream Schools Additional Grant (MSAG). For Suffolk, the indicative allocation for this grant is £17.4m.
7. The MSAG will fund the primary and secondary maintained schools and academies. School-level allocations of the MSAG for the full 23-24 financial year will be published in May 2023.
8. Local authorities and academies will receive their payments for 23-24 in 2 tranches. Payments will be made in May 2023 for local authorities and June 23 for academies, to cover April 2023 to August 2023; and in October 2023 for local authorities, November 2023 for academies, to cover September 2023 to March 2024. The ESFA will allocate this funding
9. This additional funding in the form of a separate grant will be for 23-24 only. The funding will be incorporated into core budget allocations for 24-25. This will mean the funding being rolled into the schools national funding formula for 24-25.
10. The funding rates consist of the following 3 elements, which are based on factors already in the schools national funding formula:
  - a basic per-pupil rate (with different rates for primary, key stage 3 and key stage 4)
  - a lump sum paid to all schools, regardless of pupil numbers
  - a per-pupil rate for pupils who are recorded as having been eligible for free school meals at any point in the last six years (FSM6), with different rates for primary and secondary pupils

The base funding rates will be:

- a basic per-pupil rate of **£119** for primary pupils, including pupils in reception

- a basic per-pupil rate of **£168** for key stage 3 pupils
  - a basic per-pupil rate of **£190** for key stage 4 pupils
  - a lump sum of **£4,510**
  - a FSM6 per-pupil rate of **£104** per eligible primary pupil
  - a FSM6 per-pupil rate of **£152** per eligible secondary pupil
11. All of the other schools' block factor updates were set out in the paper - Schools Block Funding Formula: 2023-24 presented on 22.11.22 and there have been no further changes or updates since.
12. Pupil premium per pupil rates in 2023-24 will increase by 5%. This will increase pupil premium funding to £2,865 million in 2023-24, an increase of £180 million from 2022-23.
- £70 increase for primary pupils (£1,385 to £1,455 per child)
  - £50 increase for secondary pupils (£985 to £1,035 per child)
  - £120 increase for looked-after children (£2,410 to £2,530)
13. This increase will ensure that this targeted funding continues to support the most disadvantaged children in our schools. More details on rates will be published early in 2023
14. **Annex A** shows the proposed final proforma that will be submitted to the ESFA on 21<sup>st</sup> January 2023. This will be subject to small alterations based on any new information relating to school budgets for the forthcoming years. Political ratification is also required before budgets are submitted to schools during February 2023. Officers plan that Suffolk LA schools will receive their budget information for 2023-24 on the 10<sup>th</sup> February. Academies will receive their budgets as determined by the ESFA.

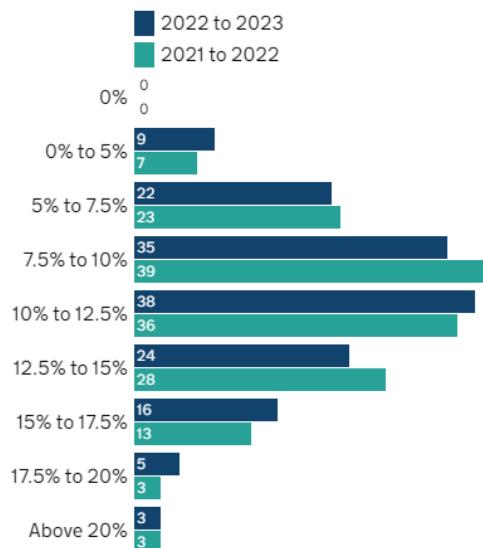
### **Update on the Notional SEN budget**

15. Mainstream maintained schools and academies are notified each year of a clearly identified but notional budget, within their overall budget allocation towards the costs of fulfilling their duty to use their 'best endeavours' to secure that special educational provision for their pupils with SEN.
16. The notional SEN budget is not a budget that is separate from a school's overall budget. It is an identified amount within a maintained school's delegated budget share or an academy's general annual grant. It is intended as a guide for a school's spending decisions, and is neither a target nor a constraint on a school's duty to use its 'best endeavours' to secure special provision for its pupils with SEN
17. It is important to note that the notional SEN budget is not intended to provide £6,000 for every pupil with SEN, as most such pupils' support will cost less than that. The notional SEN budget intended to provide a specific amount per pupil for those with lower additional support costs, even though the local authority may make reasonable assumptions about what those costs might be for the purpose of ensuring that their schools' notional SEN budget calculation is realistic.
18. Suffolk's Notional SEN funding is:

- Deprivation = 50% of Deprivation allocation
- Low Prior Attainment = 100% of Prior Attainment allocation
- Lump Sum = 7.81% of Lump Sum allocation (providing £10,000)

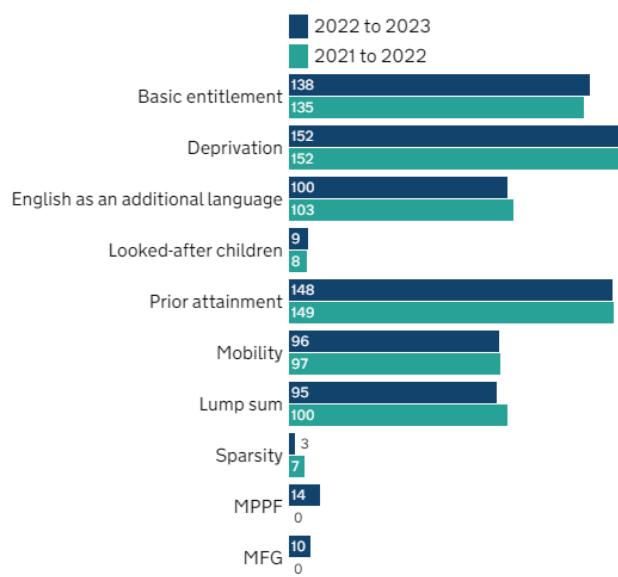
19. **Table 2** shows how, at overall local authority level, the notional SEN budget in 22-23 varies as a percentage of the total school's block formula allocation (before the application of MFG, capping and scaling). Some 119 (78%) local authorities are allocating between 5% and 15% of schools block funding as notional SEN. Suffolk's allocation is 11.2%
20. The overall percentage of formula allocation which is designated as the notional SEN budget across all local authorities is 11.3%, a slight increase from 11.1% in 21-22. The median notional SEN allocation is 10.8%. However, **table 2** also shows there is a wide variation across local authorities.

**Table 2**



21. **Table 3** shows the number of local authorities for which each factor is being used to determine schools' notional SEN budgets. In the 22-23 formulae, deprivation is the factor most commonly contributing to notional SEN with all 152 local authorities using it.

**Table 3**



## **Growth fund**

22. LAs are able to retain some of their school's block funding centrally to allocate to a growth fund. Schools Forum have previously agreed to a budget of £1.780m for growth. For reference, Suffolk's allocation for the growth fund in 2022-23 was £2.439m. The difference of £0.659m is included in the overall schools' budgets.
23. For 2023-24 Suffolk's allocation for growth (as set out in Table 1) is £2.919m. The balance of £0.939m is included in the overall schools' budgets. The growth fund is used to support:
- growth in pre-16 pupil numbers to meet basic need pressures
  - additional classes needed to meet the infant class size regulation
  - and meet the costs of new schools
24. The fund will remain at £1.780m for 23-24, however Schools Forum have been informed (7<sup>th</sup> October 2021 meeting) that this will need to be reviewed in readiness for 24-25 and onwards with new schools and further growth expected. An update will be provided during 2023.

## **Falling Rolls fund**

25. LAs are also able to retain funding centrally to support schools currently experiencing falling rolls. The purpose of this fund is to provide financial support to schools where there is a temporary fall in pupil numbers, but numbers are forecast to recover back to previous levels within 3 years. The funding is designed to support schools to avoid the need to take costly actions to reduce their capacity when demographic data shows capacity will recover in the near future.
26. The fund cannot be used to prop up unpopular or failing schools. Schools Forum agreed to Suffolk introducing a small falling rolls fund (30<sup>th</sup> June 2022 meeting) and based on the method agreed this would equate to approximately £0.200m being set aside and included in the new 'Growth and Falling Rolls Fund'. This would take the budget from £1.780m (Growth) to £1.980m to include the Falling Rolls element.

## Annex A (Still draft)

### Local Authority Funding Reform Proforma

LA Name:	Suffolk						
LA Number:	935						
Primary minimum per pupil funding level	Secondary (KS3 only) minimum per pupil funding level	Secondary (KS4 only) minimum per pupil funding level	Secondary minimum per pupil funding level				Disapplication number where alternative MPPF values are used
£4,405.00	£5,503.00	£6,033.00	£5,715.00				

**Pupil Led Factors**

1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Reception uplift	No	Pupil Units		0.00				
	Description	Amount per pupil	Pupil Units		Sub Total	Total	Proportion of total pre MFG funding (%)	Notional SEN (%)	
Key Stage 3 (Years 7-9)	Primary (Years R-6)	£3,375.09	54,876.50		£185,212,933	£379,783,764	36.53%		
	Key Stage 4 (Years 10-11)	£4,766.09	23,579.00		£112,379,553		22.17%		
		£5,374.09	15,294.00		£82,191,278		16.21%		
2) Deprivation	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	
	FSM	£480.00	£480.00	11,847.74	8,233.00	£9,638,755	£39,727,818	7.84%	50.00% 50.00%
	FSM6	£705.00	£1,030.00	12,239.74	9,453.00	£18,365,606			50.00% 50.00%
	IDACI Band F	£230.00	£335.00	5,627.22	3,707.85	£2,536,389			50.00% 50.00%
	IDACI Band E	£280.00	£445.00	4,397.89	3,058.12	£2,592,275			50.00% 50.00%
	IDACI Band D	£440.00	£620.00	2,067.39	1,476.81	£1,825,275			50.00% 50.00%
	IDACI Band C	£480.00	£680.00	3,088.00	2,101.79	£2,911,457			50.00% 50.00%
	IDACI Band B	£510.00	£730.00	837.54	530.71	£814,560			50.00% 50.00%
4) English as an Additional Language (EAL)	IDACI Band A	£670.00	£930.00	828.13	525.43	£1,043,499			50.00% 50.00%
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%) Secondary Notional SEN (%)
	EAL 3 Primary	£580.00		3,685.06		£2,137,335	£3,727,060	0.60%	
5) Mobility	EAL 3 Secondary		£1,565.00		563.70	£882,190			
	Pupils starting school outside of normal entry dates	£945.00	£1,360.00	616.45	91.91	£707,535		0.14%	
	Description	Weighting	Amount per pupil (primary or secondary respectively)	Percentage of eligible pupils	Eligible proportion of primary and secondary NOR respectively	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%) Secondary Notional SEN (%)
6) Low prior attainment	Primary low prior attainment		£1,155.00	29.27%	16,060.35	£18,549,705	£34,960,333	6.90%	100.00%
	Secondary low prior attainment (year 7)	54.47%		24.43%					
	Secondary low prior attainment (year 8)	64.53%		23.93%					
	Secondary low prior attainment (year 9)	64.53%		23.89%					
	Secondary low prior attainment (year 10)	64.53%		23.93%					
	Secondary low prior attainment (year 11)	63.59%		24.46%					100.00%

Other Factors								
Factor	Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)	Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)	
7) Lump Sum	£128,000.00	£128,000.00			£38,272,000	7.55%	7.81%	7.81%
8) Sparsity factor	£56,300.00	£81,900.00	£81,900.00	£81,900.00	£3,552,585	0.70%		
Rows 45 to 48 are populated with the NFF methodology, please leave this as is if you wish to follow the NFF. As per the Operational Guidance, the distance thresholds can be increased or the year group size thresholds decreased and the distance threshold taper is optional. An alternative method of allocation to the NFF's average year group size taper can be chosen: the continuous taper (Tapered) or fixed sum (Fixed). Examples of each are provided in the Operational Guidance.								
Primary distance threshold (miles)	2.00	Primary pupil number average year group threshold	21.40	Apply primary distance taper	Yes	NFF, tapered or fixed sparsity primary lump sum?	NFF	
Secondary distance threshold (miles)	3.00	Secondary pupil number average year group threshold	120.00	Apply secondary distance taper	Yes	NFF, tapered or fixed sparsity secondary lump sum?	NFF	
Middle schools distance threshold (miles)	2.00	Middle school pupil number average year group threshold	69.20	Apply middle school distance taper	Yes	NFF, tapered or fixed sparsity middle school lump sum?	NFF	
All-through schools distance threshold (miles)	2.00	All-through pupil number average year group threshold	62.50	Apply all-through distance taper	Yes	NFF, tapered or fixed sparsity all-through lump sum?	NFF	
9) Fringe Payments				£0	0.00%			
10) Split Sites				£222,000	0.04%			
11) Rates				£4,317,737	0.85%			
12) PFI funding				£0	0.00%			
13 ) Exceptional circumstances (can only be used with prior agreement of ESFA)								
Circumstance					Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)	
Additional lump sum for schools amalgamated during FY22-23					£0	0.00%	7.81%	7.81%
Additional sparsity lump sum for small schools					£0	0.00%		
Rent					£114,644	0.02%		
Exceptional Circumstance4					£0	0.00%		
Exceptional Circumstance5					£0	0.00%		
Exceptional Circumstance6					£0	0.00%		
Exceptional Circumstance7					£0	0.00%		

Total Funding for Schools Block Formula (excluding minimum per pupil funding level and MFG Funding Total)	£504,677,941	99.54%	
14) Additional funding to meet minimum per pupil funding level	£2,320,594	0.46%	
Total Funding for Schools Block Formula (excluding MFG Funding Total)	£506,998,535	100.00%	
15) Minimum Funding Guarantee	0.50%	£729,845	
Where a value less than 0% or greater than 0.5% has been entered please provide the disapplication reference number authorising the value			
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)		No	
Capping Factor (%)		Scaling Factor (%)	
Total deduction if capping and scaling factors are applied		£0	
MFG Net Total Funding (MFG + deduction from capping and scaling)	£729,845	0.14%	
Total Funding for Schools Block Formula	£507,728,381		£57,814,242
High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £6,000 has been approved)			
Additional funding from the high needs budget		£600,000.00	
Growth fund (if applicable)		£1,780,000.00	
Falling rolls fund (if applicable)		£200,000.00	
Other Adjustment to 22-23 Budget Shares		£0	
Total Funding For Schools Block Formula (including growth and falling rolls funding)	£509,708,381		
% Distributed through Basic Entitlement		74.91%	
% Pupil Led Funding		90.37%	
Primary: Secondary Ratio	1:	1.26	
23-24 NFF NNDR allocation	£4,317,737		
Total Funding For Schools Block Formula (including growth and falling rolls funding) after deduction of 23-24 NFF NNDR allocation	£505,390,643		