

Consultation on the Schools Block Funding Formula

Funding Formula

We are required to consult with schools and academies on the method, principles and rules adopted for the funding formula to be applied to primary and secondary schools and academies. We are NOT consulting on the cash values for each factor, simply which factors we use and the criteria to use where there is a choice.

As you will be aware, for the past three years we have followed the National Funding Formula (NFF) method, principles and rules. We are recommending that we continue this. The NFF for 2022-23 is as detailed below:

<u>Factor</u>	<u>Criteria</u>	<u>Primary NFF value 22-23</u>	<u>Secondary NFF value 22-23</u>
Basic per Pupil	A set level of funding for each pupil. For 2022-23 this factor has been uplifted by 3% since the 2021-22 NFF	£3,217	£4,536 KS3 £5,112 KS4
Deprivation - FSM	Funding for pupils who are currently eligible for FSM.	£470	£470
Deprivation – FSM Ever 6	Funding for pupils who have been eligible for FSM at some point in the previous 6 years.	£590	£865
Deprivation – IDACI	Income Deprivation Affecting Children Index. Funding is based on the deprivation level assigned to each pupil's home post code, banded A to G. However funding is only allowed for bands A to F.	F £220 E £270 D £420 C £460 B £490 A £640	F £320 E £425 D £595 C £650 B £700 A £890
Low Prior Attainment	Primary – where pupils have not achieved the expected level of development at EYFSP. Secondary – where pupils have not achieved the expected standard in KS2 at either reading, writing or maths.	£1,130	£1,710
English as an Additional Language	Pupils identified with a first language other than English can be funded for up to the first three years of statutory schooling. We fund for the maximum period of three years.	£565	£1,530
Pupil Mobility	Provides funding for pupils who enter a school other than at the start of Autumn Term. A minimum threshold applies of 6% of pupil numbers. Not used in Halton due to extremely low number of schools affected.	£925	£1,330

Sparsity	Funding for small schools located in areas where pupils would have to travel a set minimum distance to the next nearest school. Not used in Halton.	Year Group size and distance tapers as per DfE	Year Group size and distance tapers as per DfE
Minimum Level of Per-pupil funding	A mandatory factor. <i>Combines all pupil-led factors and is not a stand-alone amount.</i>	£4,265	£5,525
Total Pupil-led factors	Each LA is required to allocate at least 80% of the delegated Schools Block funding through the above pupil-led factors.		
Lump Sum	An amount per school up to a maximum of £175,000. Can be different for primary and secondary schools.	£117,838.45	£117,838.45
Split Sites	No schools in Halton are eligible for funding under this factor.		
LA Rates	LA Rates	2021-22 value uplifted by 2.5%	2021-22 value uplifted by 2.5%
PFI contracts	A factor to support schools that have unavoidable premises costs due to being a PFI school. In Halton we use a per pupil rate.	£213.55	£213.55
Exceptional Premises	In Halton, this is for the joint use of leisure facilities by contractual agreement with one school.		£148,702
Minimum Funding Guarantee	The MFG can be set between +0.5% and +2.0%.		

Cash values

We are not required to consult on the cash values attributed to each factor, however we can share with you the NFF values as above. The final cash values used are dependent upon the pupil data and final grant allocation which will both be released mid-December.

The cash values for 2022-23 are also dependent upon the outcome of a separate consultation on a proposal to transfer an amount of Schools Block funding to the High Needs Block. It is expected that this separate consultation will be issued in early October.

The DfE have uplifted by 3% the NFF cash values for basic entitlement, FSM6, IDACI, LPA, EAL and the lump sum. The Funding Floor, MPPL and FSM factors have been uplifted by 2%. No uplift has been applied to premises factors, except for PFI which has increased by RPIX (3.17%).

Exceptional Circumstances factor

The Exceptional Circumstances factor has been used to provide funding to Ormiston Bolingbroke Academy for the Joint Use of Brookvale Recreation Centre. This is an historic agreement for which we gained permission to use this factor for 2016-17. The DfE allow the continuation of the factor for six years after agreement is given so we are now required to reapply for permission. The factor is now uplifted each year by the same RPIX percentage as applied to the PFI factor, set by the DfE for 2022-23 at 3.17%.

As per the terms of a general disapplication request, we are required to consult with the school affected by this factor and Schools Forum.

Minimum Funding Guarantee

The Minimum Funding Guarantee remains in place for 2022-23 and continues to have a permissible range of plus 0.5% to plus 2.0%. The MFG is calculated to a per pupil amount which cannot be less than the previous year's per pupil amount multiplied by the MFG factor. This means that a schools' per pupil amount must increase by a minimum of 0.5% to 2.0% compared to the previous year.

It is impossible to say what MFG level we will require, or can afford at this point in time. This can only be calculated when the final grant allocation and pupil data is received. The grant settlement is typically released just a few days before Christmas. As the Council requires most staff to take unpaid leave between Christmas and New Year, there is insufficient time to allow the calculations to be completed, options modelled, a new consultation paper prepared, issued and responses received and considered before Schools Forum in January and the statutory DfE submission deadline. Therefore, as in previous years, we are asking that you agree to Schools Forum approving the MFG level at the January meeting when the Schools Block indicative budgets will be presented. If we do not submit a proposed Schools Block funding formula to the DfE by the deadline of 21st January it is possible that the DfE will impose a funding formula on us. As in previous years, we will always strive to give the maximum MFG possible based upon the actual grant settlement.

Indicative Schools Block budgets

The attached spreadsheet issued by the DfE shows the impact of the updated 2022-23 NFF formula and cash values. This is based on your October 2020 census data and therefore is not the amount of funding you will receive.

Consultation questions

1. Do you agree that we continue to adopt the NFF method, principles and rules adopted for the funding formula to be applied to primary and secondary schools and academies?

Yes/No

If no, please explain what you would prefer to use:

2. Do you agree to the continuation of the Exceptional Premises Factor to meet the Joint Use costs at one school, as previously agreed in 2016-17.

Yes/No

3. Do you agree to Schools Forum determining the level of the Minimum Funding Guarantee at the January meeting?

Yes/No

If no, please explain how you think agreement should be reached within the timescales set by the DfE:

Please respond no later than **5pm on Friday 24th September 2021** to ensure your feedback can be fed back to Schools Forum and subsequently to the Executive Board of the Council.

Responses to be e-mailed to anne.jones@halton.gov.uk