

# Schools Funding 2022/23

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# Funding settlement Over Recent Years

## Growth & Movement in Blocks over Recent Years

	2018/19	2019/20	2020/21	2021/22	Cumulative
	£000	£000	£000	£000	£000
Schools Block	4,100	3,800	8,900	6,400	23,200
Transfer to HNB	-2,900	-2,900	-2,200	-2,200	-2,200
Net Schools Block	1,200	900	6,700	4,200	21,000
High Needs Block	0	0	2,700	2,900	5,600
Transfer from Schools Block	2,900	2,900	2,200	2,200	0
Net HNB	2,900	2,900	4,900	5,100	5,600

**Fundamental Question: How do we prioritise that growth between mainstream budgets and support for SEND pupils?**

# Funding Settlement 2022/23

## The National Funding Formula (NFF) for Schools

### Nationally:

- Core school funding increased by £2.6bn in 2020-21 and is increasing by £4.8bn and £7.1bn in 2021-22 and 2022-23 respectively, compared to 2019-20. 2022-23 is the final year of a three-year funding commitment.
- Next year, school funding is increasing by 3.2% overall: increasing core factors of the formula by 3%, while ensuring that every school is allocated at least 2% more funding per pupil. (MFG: +0.5% to +2%). The minimum per pupil funding levels increase by 2% from £4,180 to £4,265 for primary schools and from £5,415 to £5,525 for secondary schools.

# Funding Settlement 2022/23

## The National Funding Formula (NFF) for Schools

### Locally:

Schools Block is set to grow by £7.3m, HNB by £3.3m. Assuming there is support for a continuation of a £2.2m transfer, school budgets will grow by £5.1m with more funding on top for any growth in pupil Nos.

	2021/22 (prior to recoupment)	2022/23 prior to recoupment)	Increase	% increase -decrease	Comments
	£	£	£	%	
Schools Block - (after £2.2m Transfer)	178,356,103	183,422,802	5,066,699	2.8%	increase
Central Schools Ongoing Block	1,326,361	1,361,173	34,812	2.6%	increase
Central Schools Historical Block	1,930,245	1,544,196	-386,049	-20.0%	decrease
High Needs Block	39,590,957	42,850,045	3,259,088	8.2%	increase
Early Years Block*	17,220,230	Not Available yet	TBA	TBA	
Total	221,203,666	229,178,216	7,974,550	3.6%	

# SEND Pressures

Q: How do we spend funding received through the High Needs Block of the DSG?

Ans: Fundamentally on 3 areas:

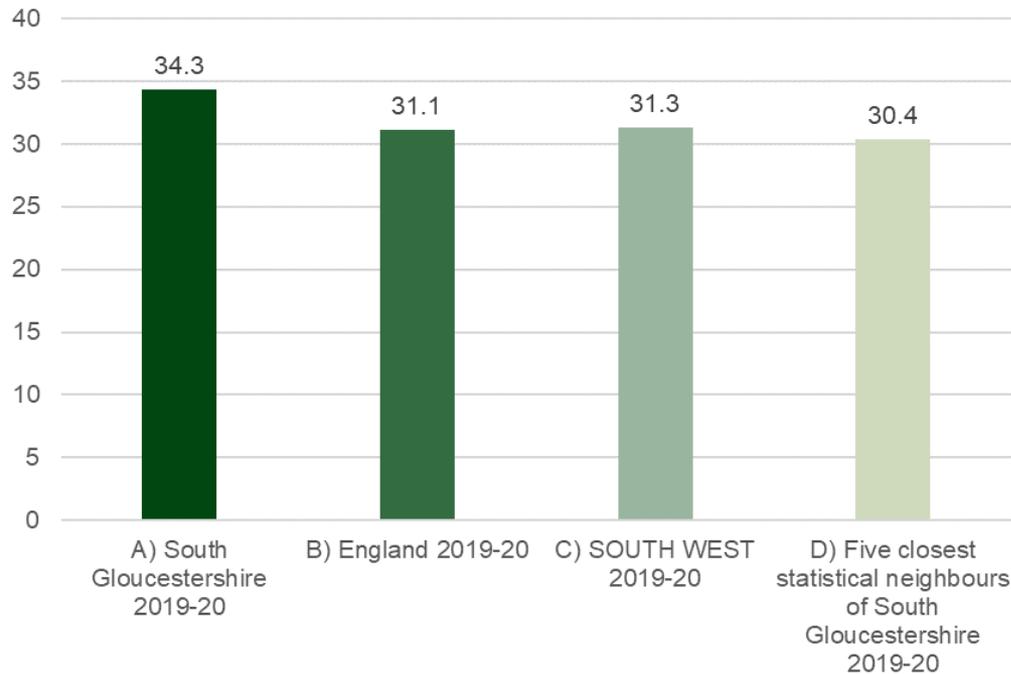
1. We give it to schools as EHCP top-ups
2. We give it to Special Schools, Resource Bases and PRUs
3. We pay for out of authority placements e.g. independent residential

**We can only spend less by reducing one or more of those 3 things above.**

# SEND Pressures

## Benchmarking:

This chart compares the proportion of children and young people with SEN statements or EHC plans. DfE 2019/20 data.

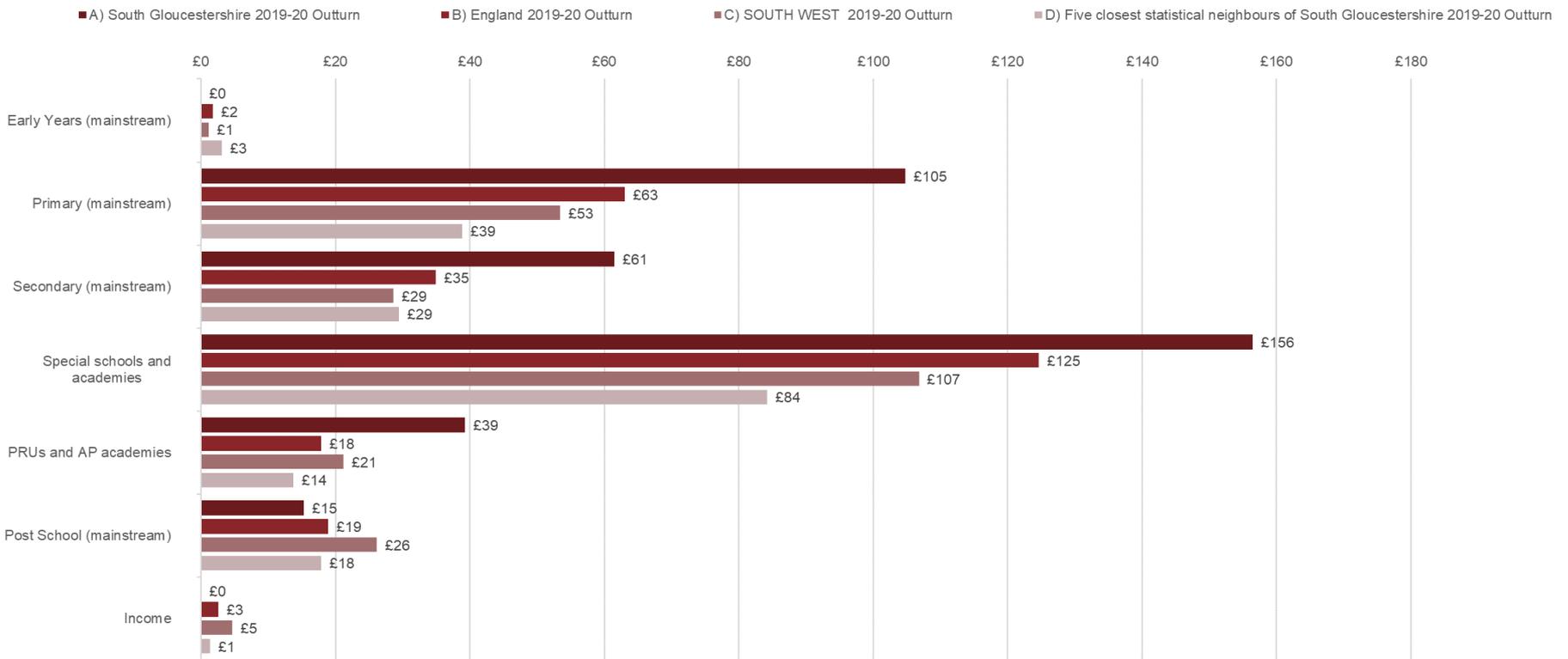


# SEND Pressures

## Top Up Funding for Mainstream Schools (DfE 2019/20 Data)

Reductions needed to get to nat. av: Prim: 40%, Sec: 43%, Spec: 20%, Pru: 54%. Ind/Priv: 21%

NB. Moving towards stat. neighbours and regional would require even greater reductions.



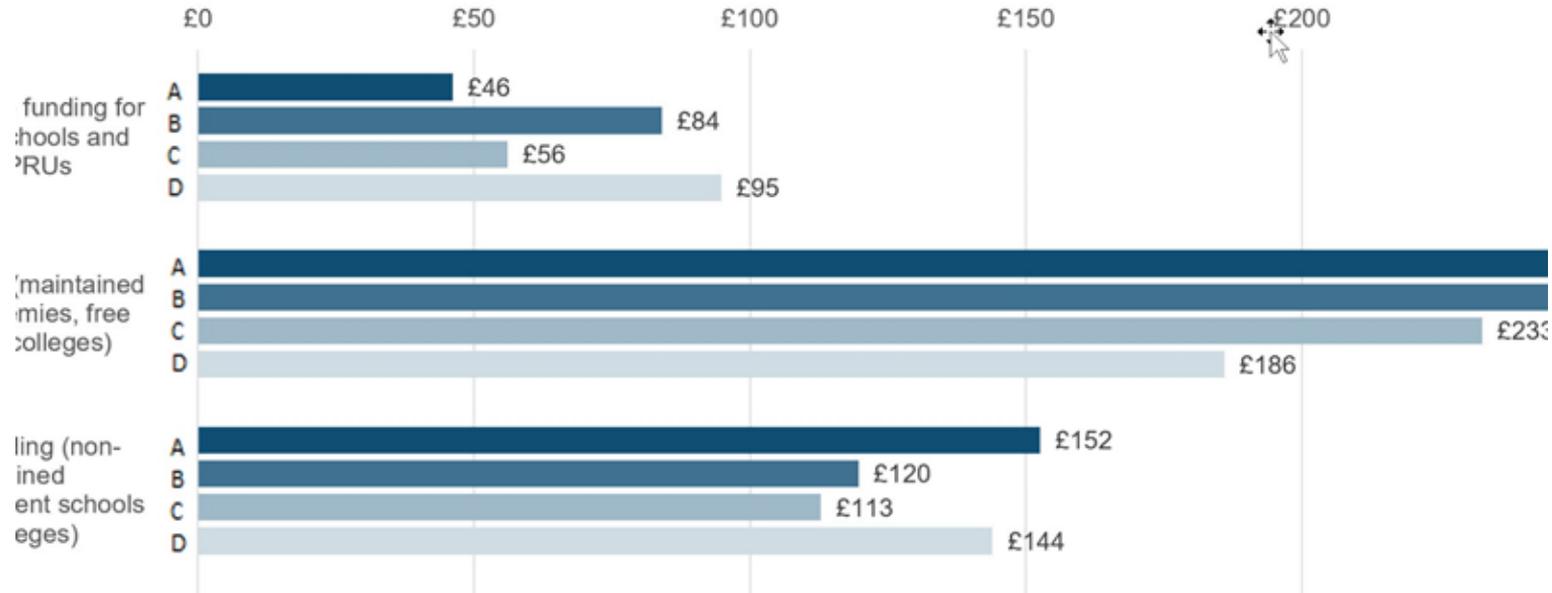
# SEND Pressures

## Independent and Out of Authority Placements:

A) South Gloucestershire 2019-20 Outturn

B) England 2019-20 Outturn

C) SOUTH WEST 2019-20 Outturn



	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Independent and Non-Maintained Before Recovery Actions: £	6,011	6,737	6,945	7,450	8,033	8,150
Demand numbers (@ outturn each year) After Recovery Actions: No.	115	117	111	122	126	125
Independent and Non-Maintained After Recovery Actions:£	6,011	6,737	6,945	7,450	7,619	7,322
	52	58	63	61	64	65

# Consultation Approach

## Two Consultation Approach:

### 1. **School Wide** Consultation regarding the £2.2m transfer as it affects formula funding:

- £1m - Cluster Funding
- £0.7m to be available to support South Gloucestershire schools to avoid out of authority placements
- £0.2m to support SEND pupils in the Early Years sector
- £0.3m to part fund uplift to Special School and Resource Base rates, which don't benefit from the Schools Block increases.

**School by School Impact has been modelled and provided separately. This is now subsumed into the Safety Valve discussions so process is a little unclear.**

### 2. **School Forum Consultation on the above plus Banding and Top-Up Proposals (Regulations state HNB consultation is with Schools Forum)**

# The options available

## **£2.2m Transfer Options:**

**Option 1:** A transfer of £3m, which is the maximum that can be transferred but still allows all schools to receive the minimum per pupil amounts or at least a 0.5% per pupil increase

**Option 2:** a £2.2m transfer that continues the same level of transfer that had been secured for 2020/21 and allows the initiatives identified below to continue.

**Option 3:** a £0.917m transfer, which is the maximum that can be transferred that does not require approval from the Secretary of State.

## **Banding and Top-Up options:**

will try to shift the previously shown above benchmark levels of our top-ups in a manageable way.

# Banding and Top-Up Changes – Principles

1. **Manageable:** We will move towards the England Averages rather than to them:

**Prim and Sec:** 25% rather than 40%/43%

**Spec:** 14% rather than 20%

**Prus:** 17% rather than 54%

**Ind/Priv:** 10% rather than 21%

AND

We will do it over 3 Years rather than in 1 year

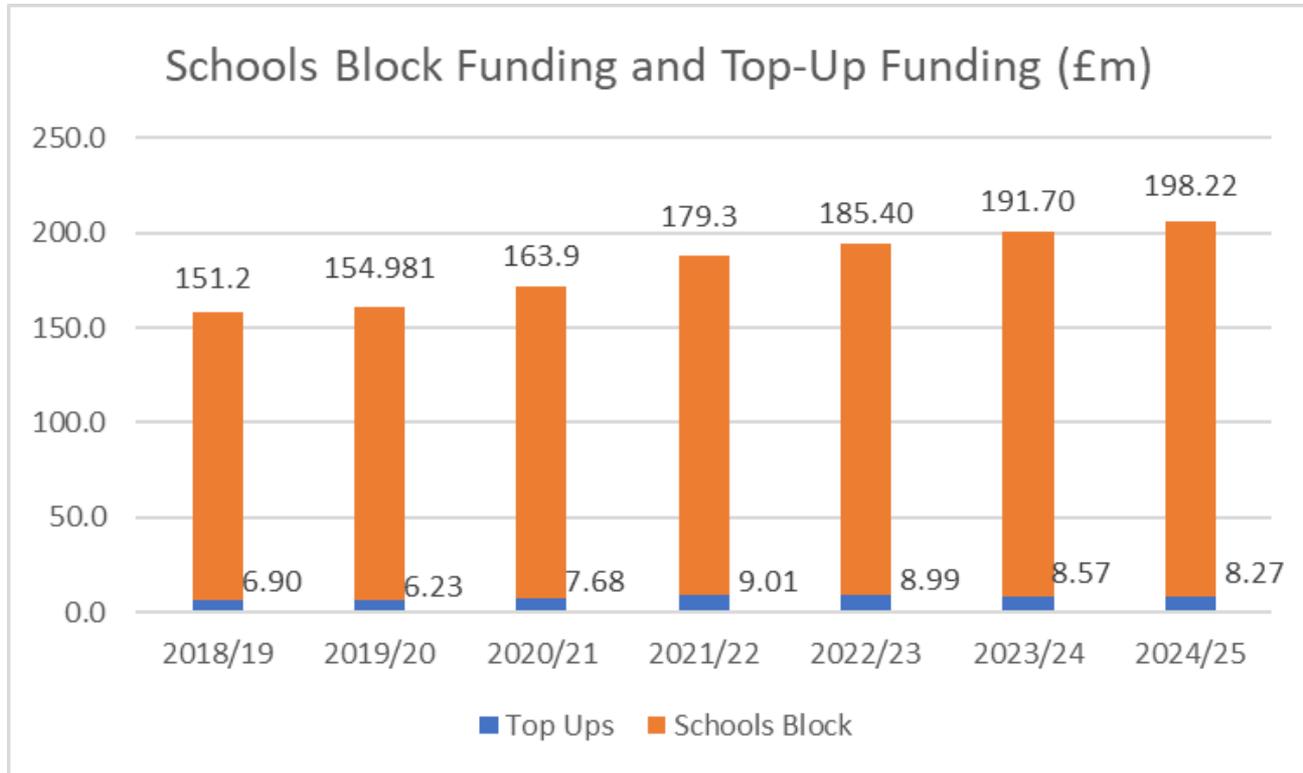
2. **Fairness:** all areas to take a proportionate impact (as per above).

**NB. Banding rates will move straight to the correct long term rates but transitional protection will be added back (and then phased out) to achieve the above overall phasing.**

# Banding and Top-Up Changes – Principles

## 3. Affordable:

(a) Overall funding going into schools has and will continue to increase year on year even with the new Top-up Approach:

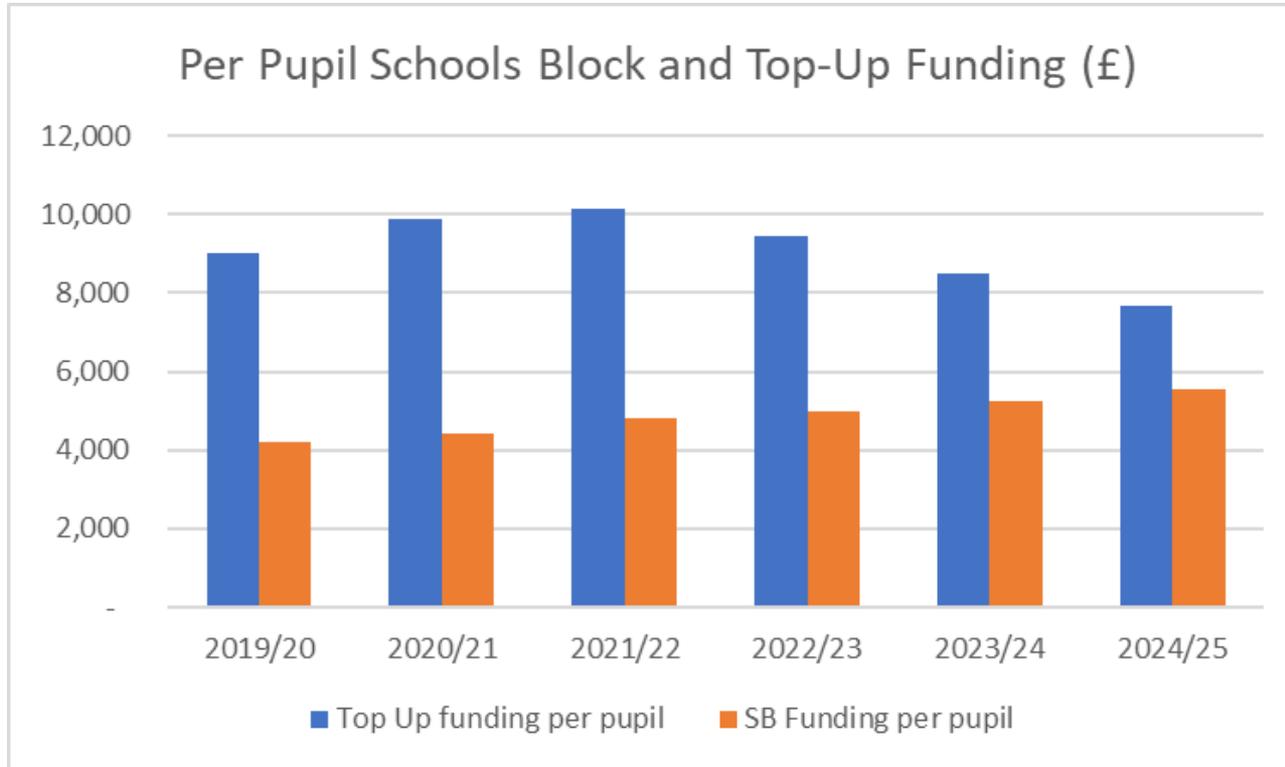


In addition investment in Cluster Funding and new Early Years SEND Support will continue to grow overall funding while spending starts to switch from Top-Ups to direct schools funding and early intervention

# Banding and Top-Up Changes – Principles

## 3. Affordable:

(a) Overall funding going into schools has and will continue to increase year on year:



**Supporting Evidence:**  
School Balances grew by almost £5m in 2019/20

# Banding and Top-Up Changes – Principles

## 4. Protecting Schools most Impacted:

Protection will be on 2 fronts:

(i). We are moving to a much lower target than the data would suggest and we are doing it in a phased way over 3 years e.g. for prim and secondary:

Prim and Sec: 25% reduction rather than 40%/43 phased as follows:

**2022/23 - 7%**

**2023/24 – 10%**

**2024/25 – 8%**

(ii) Individual school level: for schools affected by a greater % than the percentages shown above. E.G. for 2022/23 schools impacted by 10% or more will get additional protection.

Same approach will be applied for Special Schools and PRUs

# Banding and Top-Up Changes – Principles

## 5. Flexible and adaptable:

Modelling is based on prudent assumptions and we will need to update each year based on actual spend and actual funding outcomes.

## 6. Ensuring Delivery of an In-Year Balance by the end of 2024/25 with Cumulative Deficit of £36m:

Budgets will be Cash limited e.g. if banding exercise or proportion of EHCPs creates an overspend, then Top-Up rates/protection will be adjusted in the next year to compensate for the overspend.

## 7. Eliminating the need for Schools Block Transfer from 2024/25:

The £2.2m transfer is a vital element of supporting these changes (e.g. £1m investment into schools for early intervention through cluster model and new Early Years SEND Support funding) but will cease from 2024/25 and be self funded from the High Needs Block.

# School Forum Consultation Points for this Meeting:

## 1. Schools Block Transfer:

The Schools Forum's views are requested on the options to be consulted on with all schools and to support the following statement being included in the consultation papers:

*The Schools Forum supports the continuation of the £2.2m transfer from the Schools Block in 2022/23 so it can help fund critical SEND investment into schools for early intervention through the Cluster Fund and Early Years early intervention initiatives.*

## 2. Approach to Banding and Top-Ups:

The Schools Forum's views are requested on the approach and principles presented, so they can be considered for the next stages of developing these proposals.

# Timeline

Action	Dates
Schools Forum Meeting - review of Funding Settlement	23 September 2021 ← We are here
Schools Forum Meeting - Agree consultation (including school by school modelling on £2.2m Transfer) + Further Detail on Top-Up Proposals	4 November 2021
Schools Consultation	Nov 2021
Attend Governors & Heads meetings	Nov 2021
Schools Forum Meeting – Recommendations on £2.2m Transfer and Top-Up Proposals	<b>2 December 2021</b>
LA deadline for submitting Disapplication Request for movement between blocks >0.5%	????
ESFA - 2021/22 APT & DSG released	December 2021
Deadline for APT to be submitted to ESFA	20? January 2022
Schools Forum Meeting	20 January 2022
Final ratification of schools funding will be submitted to full council	16 February 2022
Schools notified of funding	28 February 2022

# Questions and Feedback ?



feedback