

30 September 2021**TITLE OF REPORT: School Funding Update**

Purpose of the Report

1. To update Schools Forum on the funding announcements released by the Department for Education (DfE) July 2021

Background

2. The funding announcements by the DfE July 2021 provide the direction of travel for Gateshead's dedicated schools grant (DSG) funding for the financial year 2022/23. This is indicative funding and the actual allocations for the schools block and the central school services block will be confirmed December 2021, together with an update on the high needs block and the early years block which will both be subject to further adjustments.

Mainstream Schools

3. The main funding announcements are listed below
 - School funding overall will increase by approximately 3%, apart from free school meals (FSM) which will increase by approximately 2%.
 - Premises factors will increase by RPI on last years actuals
 - There will be a consultation on the move towards a hard national funding formula (NFF)
 - There will a 2% increase on the funding floor
 - Low prior attainment proportions will be taken from 2019 data
 - MFG for mainstream schools will be between 0.5% and 2%
4. Provisional Allocation for Gateshead
 - Primary unit of funding increased by £126 to £4,710
 - Secondary unit of funding increased by £186 to £5,898
 - Premises factors increased by £168,916 to £4,348,281
 - Provisional allocation increased by £3,121,109 to £127,636,605 excluding growth funding

Growth Funding

5. The DfE issued the Growth Funding Estimate spreadsheet to help LA's to estimate the additional funding they will receive in the December 2021 DSG settlement. In order to use this tool, the September 2021 admission numbers are requested for reception and year 7 for all Gateshead mainstream schools under the LA's funding arrangements. These were added to the May 2021 school census information, year 6 and year 11 data were removed. The growth spreadsheet does not include XP

Gateshead and there is no way to add this information into the DfE spreadsheet, therefore a manual adjustment was undertaken.

6. The growth spreadsheet indicated pupil growth of approximately £580K, based on 53 additional primary children and 226 additional secondary children. With XP added in as a new school this increased to £760K with an additional 275 additional secondary children. Funding for 2021/22 was £607K.

High Needs Block

- At least 8% increase in funding for 2-18- year olds,
 - Limit on gains set at 11%
 - The basic entitlement factor to £4,660 for special schools is the same as 2021/22
 - The historic spend factor has been updated to use 50% of the actual spend from 2017/18
 - MFG for special schools must be 0% or higher on a per pupil basis
7. Provisional allocation for Gateshead
 - Based on 2021/22 HNB after import/export adjustment the HNB will increase by £2,449,961 from £28,241,290 to £30,691,251 which the DfE have calculated as a 10.14% increase.

Central Schools Services Block

- Funding for historic commitments will decrease by 20% but LA's with costs over the funding amount will be protected if actual spend is above the level funded. No detail is available yet on how to claim this additional funding.
 - The maximum per pupil year on year reduction for ongoing responsibilities is 2.5% with a year on year gains cap of 5.56%
 - Additional pension funding that local authorities (LA) have claimed for either LA employed teachers or additional amounts for special schools will be rolled into their ongoing responsibilities and will be added to the per pupil rate. Adjustments for this will be made later in the year.
8. Provisional Allocation for Gateshead
 - Unit of funding has not been provided
 - Historic commitments reduced by £121,984 from £609,920 to £487,936
 - Overall reduction in CSSB of £135,981 from £1,511,396 to £1,375,415, although it is anticipated that actual funding will be lower than this due to academy conversions.

Growth Funding

9. The DfE issued the Growth Funding Estimate spreadsheet to help LA's to estimate the additional funding they will receive in the December 2021 DSG settlement. In order to use this tool the September 2021 admission numbers are requested for reception and year 7 for all Gateshead mainstream schools under the LA's funding arrangements. These were added to the tool and the outcome was that estimated

growth funding will be £580K. Further modelling was undertaken adding in XP Gateshead which could increase growth funding to £760K.

Covid-19 Catch up Premium

10. There has been no information on the continuation of the Covid-19 Catch up Premium.

National Tutoring Programme

11. Information on the national tutoring programme for the academic year 2021/22 has been published.

[National tutoring programme \(NTP\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/national-tutoring-programme)

12. For the academic year 2021/22 the programme has been extended to include School-led tutoring for eligible state-funded schools and academy trusts based on the number of pupil premium students. This payment is ring-fenced to fund locally sourced tutoring provision for disadvantaged pupils. This could include using existing staff such as teachers and teaching assistants or external tutoring resources such as private tutors or returning teachers. This grant must only cover up to 75% of the cost of any provision with the other 25% of the funding coming from other sources.

Early Years

13. Any increase in early years rates or the continuance of the maintained nursery grant for 2022/23 will not be announced until after the spending review. It is also the DfE's intention to revert back to the "normal" funding process for early years for 2022/23, however this will be kept under review if there is a significant drop in children attending early years settings in January 2021.

Proposal

14. It is proposed that Schools Forum notes the information in the report and that further information will be brought to Schools Forum when issued by the DfE.

Recommendation

15. It is recommended that Schools Forum note the information in the report.

For the following reasons:

- To ensure Schools Forum is aware of the current school funding information.

CONTACT: Carole Smith