

**22 September 2022****TITLE OF REPORT: School Funding Update**

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**Purpose of the Report**

1. To update Schools Forum on the funding announcements released by the Department for Education (DfE) July 2022

**Background**

2. The funding announcements by the DfE July 2022 provide the direction of travel for Gateshead's dedicated schools grant (DSG) funding for the financial year 2023/24. This is indicative funding and the actual allocations for the schools block and the central school services block will be confirmed December 2022, 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
  - The current supplementary grant will be rolled into the formula factors for 2023/24 adding:-
    - £97 to the primary age weighted pupil unit (AWPU)
    - £137 to the KS3 AWPU
    - £155 to the KS4 AWPU
    - £85 to the primary free school meal ever 6 (FSM6)
    - £124 to the secondary FSM6
    - £3,680 to the school lump sum
  - On top of the above FSM6 and income deprivation affecting children indices (IDACI) factor values will increase by 4.3%. All other factors will increase by 2.4%
  - Rates for 2023/24 will be based on 2022/23 APT estimated rates figures.
  - The PFI factor will increase in line with PRIX measure of inflation.
  - There will be further consultations on the move towards a hard national funding formula (NFF)
  - The funding floor is set at 0.5%
  - Low prior attainment proportions will be taken from 2019 data
  - MFG for mainstream schools will be between 0.0% and +0.5%
4. Provisional Allocation for Gateshead
  - Primary unit of funding increased from £4,710 to £4,950
  - Secondary unit of funding increased from £5,898 to £6,249
  - Premises factors increased from £4,348,281 to £4,561,314

- Provisional allocation increased from £131,981,150 to £135,116,226 excluding growth funding but including the mainstreamed supplementary funding.
- All formula factors will have to be used by local authorities and Gateshead's current formula "mirrors" the NFF and as such will not need to be substantially changed.

### **Growth Funding**

5. The DfE have not yet issued the Growth Funding Estimate spreadsheet to help LA's to estimate the additional funding they will receive in the December 2022 DSG settlement. In order to use this tool, the September 2022 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 2022 school census information, year 6 and year 11 data were removed.
6. This work will be undertaken once the DfE release the spreadsheet.

### **High Needs Block**

- A 5.2% increase in funding for Gateshead with the funding floor set at 5% after resetting the baseline to include the supplementary funding.
  - Limit on gains set at 7%
  - The basic entitlement factor to £4,660 for special schools is the same as 2022/23
  - MFG for special schools must be at least 3% or higher on a per pupil basis as compared to 2021/22 to ensure that the additional funding for the increase in national insurance and other cost pressures has been passed on to special schools.
7. Provisional allocation for Gateshead
    - Based on 2022/23 HNB after import/export adjustment the HNB will increase from £31,813,782 to £33,336,546 which the DfE have calculated as a 5.2% increase.

### **Central Schools Services Block**

- Funding for historic commitments will decrease again by 20% but LA's with costs above their allocation can provide evidence for consideration to the DfE. In order to reflect any additional funding in the December DSG allocation, evidence is requested by Friday 28 October 2022; and to reflect this in the March DSG publication, evidence is requested by Friday 3 February 2023. No evidence can be submitted after this date.
  - The maximum per pupil year on year reduction for ongoing responsibilities is 2.5% with a year on year gains cap of 5.86%
8. Provisional Allocation for Gateshead
    - The provisional unit of funding is £37.87
    - Historic commitments reduced by £97,587 from £487,936 to £390,349

- Overall reduction in CSSB of £80,985 from £1,376,278 to £1,295,293 although it is anticipated that actual funding will be lower than this due to academy conversions.

## **Growth Funding**

9. The DfE have not yet issued the Growth Funding Estimate spreadsheet that helps LA's to estimate the additional funding they will receive in the December 2022 DSG settlement. When issued the September 2022 admission numbers will be requested for reception and year 7 for all Gateshead mainstream schools under the LA's funding arrangements. These will be added to the tool and the outcome will estimate the amount of growth funding that will be allocated in the December 2022 settlement.

## **National Tutoring Programme**

10. Information on the national tutoring programme for the academic year 2022/23 has been published.

[School Led Funding Publication File flat values .ods \(live.com\)](#)

[National Tutoring Programme: guidance for schools, 2022 to 2023 - GOV.UK \(www.gov.uk\)](#)

11. For the academic year 2022/23 the programme will 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 60% of the cost of any provision with the other 40% of the funding coming from other sources.

## **Early Years**

12. The consultation on early years proposals closed 16 September 2022. The outcome of the consultation is not yet known and the funding rates for 2023/24 have not yet been published.

## **Proposal**

13. 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**

14. 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.