

Report subject	Dedicated Schools Grant (DSG) Schools and Early Years Formulae 2021/22
Meeting date	10 February 2021
Status	Public Report
Executive summary	<p>The council is required to set funding formulae for:</p> <ul style="list-style-type: none"> • Early education and childcare for eligible 2 year olds and all 3&4 year olds. • Mainstream schools for pupils in reception to year 11 <p>The early years sector is largely comprised of private, voluntary and independent settings. The mainstream formula allocates funding only to public sector schools with the full details shown in School's Forum papers.</p> <p>Consultation has taken place with all relevant providers, schools and the School's Forum.</p> <p>This report includes the recommendations of the Schools Forum for approval. To support Cabinet consideration, the School's Forum Papers can be accessed through the link below:</p> <p>BCP Schools Forum</p>
Recommendations	<p>It is RECOMMENDED that:</p> <p>Cabinet to recommend to the council:</p> <p>(a) The early years funding formula as set out in Table 2 of paragraph 31.</p> <p>(b) The mainstream school's funding formula set out in Table 6 of Appendix 2 allowing for a £1.1 million (0.5%) transfer of Schools Block funding to support High Needs.</p> <p>(c) The local formula to adopt the National Funding Formula (NFF) funding values and mechanisms as set out in the report.</p> <p>(d) Delegation of the final decision on the mainstream school's formula, when all DfE decisions are known, to the Corporate Director, Children's Services, in consultation with the Portfolio Holder for Covid Resilience, Schools and Skills, taking into account the methodology recommended by the School's Forum in Table 8 of Appendix 3.</p> <p>(e) The Minimum Funding Guarantee for specialist providers is set at 0 per cent to allow maximum budget flexibility.</p>

Reason for recommendations	<p>Recommendation (a) allocates the full 2021/22 increase in funding from government to early years providers.</p> <p>Recommendation (b) allocates funding to mainstream schools by a formula methodology recommended by the School's Forum.</p> <p>Recommendation (c) allocates funding to all schools in line with the full NFF if a transfer level below £1.3 million is approved.</p> <p>Recommendations (d) and (e) are necessary as all decisions needed to finalise the mainstream school's formula have not yet been received from government, the timing of which is outside the Council's control.</p>
Portfolio Holder(s):	Councillor Nicola Green, Portfolio Holder for Covid Resilience, Schools and Skills
Corporate Director	Elaine Redding, Corporate Director, Children's Services
Report Authors	<p>Neil Goddard,</p> <p>Director, Quality and Commissioning</p> <p>✉ neil.goddard@bcpcouncil.gov.uk</p> <p>☎ 01202 128702</p>
Wards	Council-wide
Classification	For Recommendation

Background

1. The Dedicated Schools Grant (DSG) is allocated by the Department for Education (DfE) through 4 separate funding blocks – Early Years, Schools, Central School Services and High Needs with a total estimated for BCP in 2021/22 of circa £300 million. Each funding block has its own National Funding Formula (NFF) methodology to allocate funding to the Local Authority (LA). The main driver of funding levels is pupil numbers. Details of the provisional BCP DSG settlement for 2021/22 are as follows:

Table 1: BCP DSG Settlement 2021-22

Funding Block	2020-21 Budget	2021-22 Forecast	Annual Change		Reason for Change
	£000's	£000's	£000's	%	
Early Years	20,995	21,283	288	1.4%	Increase in funding rates by £0.06 (3&4 yo) and £0.08 (2 yo) per hour
Schools	219,176	228,879	9,704	4.4%	Demographic and funding growth
Central School Services	2,088	2,058	-30	-1.4%	Demographic growth offset by funding reduction
High Needs	43,738	47,756	4,018	9%	Demographic and funding growth
Total Funding	285,997	299,976	13,980	4.9%	

2. Early Years funding for 2021-22 has been estimated by the DfE based on the January 2020 census. This will be finalised in summer 2022 based on the January census in the following two years.
3. Funding through the Schools and Central School Services Blocks is finalised each year in the December Settlement, based on the previous October school census. In 2021-22 the increase in pupils at October 2020 has generated £2.1 million of additional funding with the remaining £7.6 million delivered through higher funding values in the schools NFF.
4. The DfE School Funding Statutory Framework governs the expenditure that can be met from each funding block.

Schools Forum

5. The Schools Forum is a statutory independent consultation body of the LA with its constitution and operation regulated by the DfE and its meeting held in public. It has oversight of all DSG budgets with a range of decision-making powers.
6. The Forum includes representation from across BCP in the early years sector, each phase of school (primary, secondary, special, and alternative provision), and a 14-19 provider. Lead officers and the Cabinet Members for Children's Services and Resources can contribute at meetings but are non-voting members of the Forum.
7. The Regulations set out the responsibilities for decision-making between the Schools Forum and the LA, including any consultation requirements.
8. The Schools Forum decides the level of LA central expenditure retained from each funding block, with the exception of High Needs, for which it has a consultation role only. The Forum also decides if funding can be transferred away from the Schools Block up to a maximum of 0.5%, with any higher level requiring the approval of the DfE.

High Needs Block

9. The High Needs Block (HNB) largely funds the costs of meeting individual pupils identified additional needs through top up funding for those in mainstream schools, special school funding and the cost of specialist provision. There several factors placing pressure on this budget. Following legislative changes in 2014 there has been significant increases, locally and nationally, on the number of children and young people with Education, Health and Care Plans (8.9% in BCP in 2020), increasing preference and use of Special Schools at a greater cost and the rising numbers of pupils post 16 and 19 young people remaining in education following the legislation extending support to potential 25. Nationally the vast majority of Local Authorities are reporting their high needs budget expenditure is in excess of funding.
10. Within BCP, following a review of High Needs spending and increased robustness of financial data recording, we have identified a high needs funding gap of £10.8 million for 2021-22. This will be additional to the overall accrued deficit in the DSG that has been brought forward from previous years (£4.6 million) and the funding shortfall in 2020/21 which includes the budgeted shortfall (£5 million) and projected overspend (£1 million). Without further mitigating actions the total deficit at the end of the 2021/22 financial year is projected therefore at £21.4 million.

11. In order to address the High Needs Block overspend, Schools Forum has agreed to set up a High Needs working group of LA and School representatives. The group will overview the High Needs Budget recovery plan including reviewing expenditure and further developing options to address the overspend. To support this working group and to ensure financial rigour for the Council a full options appraisal will be undertaken to inform any capital bids and changes in funding arrangements within the High Needs Budget Recovery Plan.
12. There are a number of variables impacting on the High Needs Budget most notably the changing child population demographics and DfE funding arrangements. However, several other factors such as parental preference, Ofsted ratings of schools and levels of exclusions can also impact on the overall budget. As part of the full options appraisal, detailed financial modelling and analysis will be undertaken to support a more robust High Needs Budget Recovery Plan.
13. Fundamental to reducing the overspend is the need for our schools to be more inclusive to avoid the escalation of needs and resultant placement of children and young people in more expensive special schools and non-maintained independent schools.
14. With significant increases in the numbers of pupils with EHCPs in secondary school there is a clear need to provide locally good quality and cost effective post 16 and Post 19 employment, education and training opportunities. Building upon ongoing work a capital bid has been made to develop a SEND Preparing for Adulthood Hub to provide support and guidance to young people and their families on local options as well as developing additional Post 19 specialist provision for young people with a severe learning disability or autism with complex needs to reduce high cost placements.
15. Whilst additional special school places have been created there is a need to support more inclusion within our mainstream schools. A capital bid has been made to develop up to 4 additional resource provision within mainstream schools to meet specific needs, such as those pupils with autism with mainstream abilities and those children with moderate learning difficulties. With some capital funding to adapt existing special school provision this will allow for additional pupils with more complex needs to be met within our local special schools avoiding high cost placements.
16. In order to support the increasing costs of meeting additional needs, the Council is able to consider transferring resources from the School's Block (SB) of the DSG into the High Needs Block (HNB). The effect of this is to reduce the resources vulnerable to distribute to schools and increase those retained to be targeted at additional needs. If this transfer is less than 0.5% of the total SB, then approval can be given by the Schools Forum, a transfer greater than this would require an application for approval by the DFE. Any transfer of 0.5% or less that is not agreed by the School's Forum, would also need to be approved by DFE.
17. The Schools Forum meeting held on 14th January 2021 received details of the provisional DSG settlement for BCP along with the feedback from the consultation process that has been undertaken in relation to the allocation of DSG resources for the 2021/22 financial year. A DFE representative attended the Forum meeting to observe and gather immediate feedback on any proposed transfer.
18. Having considered these responses, the Schools Forum decided to support the transfer of 0.5% of the School's Block, an amount that would be available after funding all schools at the

full National Funding Formula level, of £1.1 million to support the High Needs Block. The Forum further supported the remaining surplus of £0.17 million (0.1%) to be added to the centrally retained growth fund as a contingency. Based on this approach, an application for DfE approval would not be required as this falls within the School's Forums powers to approve. The DfE representative who observed the Forum meeting did not raise any concern with this approach.

19. The Council could decide to make an application for a higher level of transfer, given the forecast overspend in HNB set out above. A 1.1% transfer would represent the transfer of the surplus in SB as set out above plus an additional 0.5% reduction in NFF, for which there was some support in the consultation process. A transfer level of 5% would be required to fully meet the forecast overspend in 2021/22, however this would be difficult to deliver due to restrictions on how the NFF can be scaled down to allow any transfer.
20. The Schools Forum only agreed a transfer of 0.5% and so any application for an amount over this would be considered without their support. A request to transfer more than the 0.5% even with Forum approval was turned down in 2020/21. Soft intelligence suggests most Councils will look to request no more than a 0.5% transfer as anything else is unlikely to be approved.
21. The LA can decide to transfer funding from early years or central school services, but this could not be at any scale and funding is fully committed between early years providers and Council services.
22. Based on this a transfer as set out in paragraph 13 above is recommended. These proposals recognise the challenges in setting a balanced DSG budget to meet the needs of all pupils.

Early Years Single Funding Formula (EYSFF)

23. BCP Council is required to operate a single EYSFF. The formula is applicable for 2, 3 and 4-year old eligible education and childcare in pre-schools, day nurseries, independent schools, childminders, and in nursery classes within a small number of maintained schools and academies.
24. The funding rates were unchanged over the 3- year period 2017/18 to 2019/20 and uplifted nationally in-line with inflation for 2020/21 by £0.08 per hour.
25. Funding rates for 2021-22 have again been uplifted nationally in line within inflation by £0.06 for 3&4 year olds and £0.08 for 2 year olds. This report recommends that this is passed on to providers in full, with centrally retained funding at the same level as 2020/21. The increase is proposed to be added to the provider base rate.

2021/22 Local Formula

26. The structure of the formula for 2-years-olds is a mandatory single base rate (eligibility is restricted to children from low income families).
27. The formula for 3 and 4-year-olds is to include a universal base rate for all providers, a mandatory deprivation supplement to differentiate funding, with a number of additional discretionary and specific supplements permitted.

2021/22 Formula Development

28. The principles proposed for the formula are to be a continuation of the 2020/21 principles:

- Minimise the amount retained centrally, maximising funding to providers.
- Deprivation supplement to be at a sufficient level to improve outcomes for children with a background of deprivation.
- Set a formula that allows providers to better forecast and business plan (note this principle is aimed at minimising the use of supplements and using a measurement for deprivation with a high level of predictability).
- Special Educational Needs & Disability top up funding is provided for every hour of attendance at a level to support improvements in their outcomes.

Formal Consultation and Recommendation from the Schools Forum

29. The consultation ran for 4 consecutive weeks, ending on 14 December 2020. A consultation paper was distributed to the 364 providers and a virtual consultation event was held. Responses were provided via an on-line survey with a 14% response rate achieved. The consultation proposed the 2020/21 formula was retained for 2021/22 with only the base rate adjusted to reflect the level of funding available. This had the broad support of providers.

30. The Schools Forum considered the outcome of the consultation at the 14 January 2021 meeting and supported the proposal for central retention from Early Years for LA support functions.

Proposed EYSFF 2021/22 for Council Decision

31. The 2020/21 base rate for 3&4 year olds is updated by £0.06 per hour, and 2 year olds by £0.08 in line with the increase in funding from the DfE

Table 2: EYSFF - Hourly Funding Rates

Children Aged 2:

Funding Elements	Allocation from Funded Rate *	EYSFF Provider Rate	Note
Base Rate	£5.08	£5.08	Every child
SEND Inclusion Fund	£0.13	£2.00 or £6.30	Per eligible child
Central Functions	£0.18		
DSG Funding Per Hour	£5.39		

Children Aged 3 and 4:

Funding Elements	Allocation from Funded Rate *	EYSFF Provider Rate	Note
Base Rate	£4.12	£4.12	Every child
Deprivation	£0.13	£0.53	Per eligible child
SEND Inclusion Fund	£0.11	£2.00 or £6.30	Per eligible child
Central Functions	£0.02		
DSG Funding Per Hour	£4.44		

*The shaded allocations from the DSG funding levels of £5.39 (2-year-olds) and £4.44 (3 and 4 year olds) are shown for context.

Appendix 1 provides a summary of the formula for BCP

Mainstream Schools Formula

32. The Schools Block is calculated according to two NFF, the Schools NFF based on individual school data and the Growth Fund NFF based on demographic data at ward level. The mainstream school's formula is funded from the Schools Block after amounts have been set aside in a central LA budget (Growth Fund) to provide for agreed in-year pupil growth in specific schools and after any agreed transfer to High Needs. Some pupil growth is provided to schools through the local formula and there is no expectation that the Growth Fund should match the related NFF allocation.
33. BCP has £229 million available to allocate to mainstream schools through the local formula in 2020/21 as set out in Table 3.

Table 3: School Block Funding Allocations 2020/21

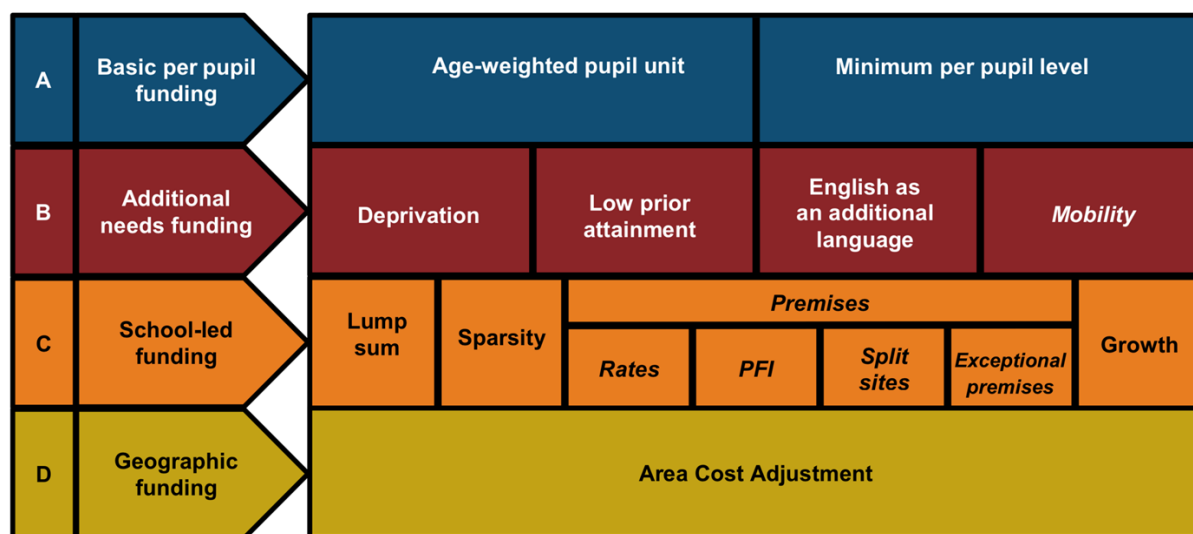
Allocation of Funding	£000's
Total Schools Block Allocation – Table 1	228,879
Growth Fund agreed by Schools Forum plus agreed contingency	(402)
Transfer to High Needs –£1.1m agreed by Schools Forum with application to DfE in progress	(1,144)
Total for Individual School Budgets (ISB)	£227,333

Schools NFF to Fund LAs

34. The Schools NFF to provide funding to the LA contains a number of factors as shown in Figure 1. The DfE expectation is that LAs will transition their local formulae towards this approach with the aim of all schools being funded by a national formula in 2022/23. BCP

adopted the NFF in 2020/21 as the level of funding transfer to high needs was limited by the DfE with the full NFF therefore affordable.

Figure 1: Factors in the schools national funding formula



35. The impact of the 2021/22 NFF for BCP to fund its 89 mainstream schools is as follows:

- Minimum per pupil funding level (MPPFL)** impacting on 50 schools. MPPFL increase compared with 2020/21 of Primary 6.4%, Secondary 2.8%. An uplift is made where the **NFF allocations otherwise would provide less funding** than national minimum levels (typically for schools with high performing pupils from more affluent backgrounds). Higher MPPFL levels mean more schools are uplifted in 2021/22 than in 2020/21.
- Minimum per pupil funding protection of 2%** for 10 schools where the **NFF provides less than local historic allocations** (typically schools with higher levels of deprivation).
- The remaining 29 schools are fully **formula funded** with changes in NFF allocations compared with 2020/21 driven by a 3% uplift on all NFF formula factors unit values other than Free School Meals (1.5% uplift) and by data changes from the October 2019 school census.

36. The school level NFF allocations for each phase are totalled and divided by pupil numbers at October 2019 to derive the unit funding levels for 2021/22. These are then applied to October 2020 census pupil numbers to determine the final Schools NFF funding for all mainstream schools.

Local Formula to Fund Mainstream Schools

37. The local formula to pass funding on to mainstream schools must be designed to a DfE template, the Authority Pro-forma Tool (APT). This must be approved by the DfE prior to budgets being notified to schools. The DfE ensure the budget calculations adhere to the regulations and any variations (dis-applications of the regulations) have the appropriate approvals from the Schools Forum and/or the DfE.

38. This APT format is similar to the NFF, but there are a number of differences in how the local formula must operate and the two cannot match exactly. A significant difference is the minimum funding guarantee (MFG) which is a mechanism in the local formula to protect schools from a significant reduction in per pupil funding compared with 2020/21. The NFF uses this mechanism but instead compares to the 2020/21 NFF rather than the local formula.

39. Although the detail of the local formula is highly regulated, there remains local discretion concerning which factors to use (in addition to the mandatory basic entitlement and deprivation factors), and how much funding is allocated through each. Most of the data used in the final local formula is supplied by the DfE in mid-December each year with some limited local discretion in how it is used in a small number of cases.

2021/22 BCP Mainstream Formula Development

40. At its meeting in October the Schools Forum recommended that the starting point for the local BCP formula was that the NFF should be adopted as closely as possible and as affordable. This is identical to the position taken for 2020/21.
41. The funding gap in high needs was considered at the same meeting. The proposals for the mainstream formula were the same as those adopted for 2020/21:
- a) all schools should share the cost of any transfer as equitably as possible
 - b) the methodology developed by the working group for 2020/21 budgets to reduce NFF allocations for varying levels of transfer was to form the basis of the consultation with all schools.
 - c) a number of technical formula adjustments were also to be included.

Formal Consultation and Recommendation from the Schools Forum

42. The consultation with schools was undertaken over 4 weeks, closing on 14 December 2020. A consultation paper and link to the online survey were sent out to all schools by e-mail, with an opportunity to also respond on-line. A virtual consultation meeting was held in early December, aided by a presentation, that was well-attended by schools.
43. A response rate from mainstream and special schools of 68% was achieved.
44. The majority of schools (55% of responses) agreed schools should give up 0.5% (£1.1 million) NFF funding to contribute to any transfer to high needs with support for the mechanism proposed, with no schools supporting schools giving up either 1% or 1.5% of funding from NFF for a transfer. However, this was in the context of no assumed surplus being available once schools were fully funded at NFF levels.
45. The Schools Forum received the outcome of the consultation with schools at the 14 January 2021 meeting and made a recommendation as to how the Schools NFF should be adjusted to manage a funding transfer if the council decided to pursue a transfer above 0.5% and after the level has been finally agreed by the DfE. This recommended approach is summarised in Appendix 3 with the final proposal added to demonstrate how this has been implemented.

2021/22 Proposed BCP Mainstream Formula based on a £1.1 million transfer

46. The final formula for approval (based on a £1.1 million transfer) is included in Table 6 of Appendix 2, with a comparison with the 2020/21 local BCP formula and the 2021/22 Schools NFF for context.
47. The Schools Forum supported a transfer of £1.1 million, and, the full NFF can be provided to all mainstream schools. In this case the recommendation to the council is that the local formula is to mirror the NFF as closely as possible within the regulations.

Financial Impact for Mainstream Schools by Phase

48. The phase impact of the proposal based on a £1.1 million transfer compared with 2020/21 school budgets and the 2021/22 NFF is shown in Table 4 below:

Table 4: Impact of the Proposed 2021/22 Mainstream Schools Formula by School Phase

Phase	2020/21 Per pupil Budget	2020/21 Budget £000s	2021/22 Per pupil Budget	Per Pupil change against 2020/21	2021/22 Budget £000s	NFF Per pupil Budget	Per Pupil change against NFF
Infant/ First Total	4,086	19,052	4,305	5.36%	20,212	4,305	0.00%
Junior Total	4,060	21,309	4,264	5.00%	21,817	4,264	0.00%
Primary Total	4,148	67,986	4,331	4.42%	70,382	4,331	0.00%
Primary	4,120	108,348	4,313	4.71%	112,411	4,313	0.00%
Middle/Secondary	5,482	91,817	5,637	2.84%	96,683	5,637	0.00%
All- through	4,900	16,468	5,040	2.85%	18,240	5,040	0.00%

Minimum Funding Guarantee for Maintained and Academy Specialist Providers

49. The MFG must also be set for the funding rates of special schools and alternative provision between 0.0% and plus 2.0%. It can be set at a different level than for mainstream schools.

50. If the 0.5% transfer from the Schools Block is agreed it is proposed that current funding levels for maintained and academy specialist providers will continue (MFG at 0%). If there is to be a lower level of transfer then savings in high needs budgets may need to include reduced funding levels, although this would require a dis-application of regulations requiring DfE approval.

51. To maintain maximum flexibility in balancing the DSG budget it is proposed that an MFG is set at 0% for specialist providers.

Summary & Recommendations

Cabinet to recommend to the council:

- a) The early years formula set out in Table 2 of paragraph 21.
- b) The mainstream school's formula set out in Table 6 of Appendix 2 for a 0.5% transfer of Schools Block funding to High Needs.
- c) The local formula is to adopt the NFF funding values and mechanisms.
- d) Delegation of the final decision on the mainstream schools formula, when all DfE decisions are known, to the Corporate Director, Children's Services, in consultation with the Children's Services Cabinet member, taking into account the methodology recommended by the Schools Forum in Table 8 of Appendix 3.
- e) The Minimum Funding Guarantee for Specialist Providers is set at 0% to allow maximum budget flexibility.

52. There are no financial implications for the council from the distribution methods to allocate funding between early years providers and schools as all funding is provided through the DSG.

53. The financial implications of the formula changes for early years providers and schools have been set out above in this report.

Summary of Legal Implications

54. The consultations undertaken and the recommended proposals are compliant with the School Funding Statutory Framework for 2021/22.
55. School budgets must be finalised and notified to maintained schools by 28 February 2021.

Summary of Human Resources Implications

56. There are no Human Resources implications within the council from these proposals.

Summary of Sustainability Impact

57. There are no expected sustainability issues from the proposals.

Summary of Public Health Implications

58. Should appropriate funding not be allocated to meet the needs of pupils with SEND within BCP, there may be health and well-being implications for this group of the population, that may lead to reduced health equalities locally.

Equalities

59. Equality issues have been taken into account where applicable and recommendations are in accordance with the councils Equalities Policy. An Equalities Impact Assessment has been undertaken.

Summary of risk assessment

60. Consideration has been given to any risks that may arise as a result of the implementation of the recommendations made. The risk to the council is that should budget pressures within the Dedicated Schools Grant continue to increase as a result of the high needs funding gap, this may eventually exceed council general reserves.
61. There is a risk that insufficient funding within the High Needs budget may limit the council's ability to undertake its statutory functions in relation to pupils it maintains with Education, Health and Care Plans.

Background Papers

62. BCP Schools Forum 23 October Agenda Item 8: Mainstream Schools' Funding Formula
<https://democracy.bcpCouncil.gov.uk/documents/s20633/Item%208%20-%20Mainstream%20Funding%20Formula%202021-22%20FINAL%20v5.pdf>
63. BCP Schools Forum 14 January, Agenda Item 8
<https://democracy.bcpCouncil.gov.uk/documents/s22755/Enc.%201%20for%20Mainstream%20schools%20and%20Early%20Years%20Funding%20formulae%202021-22%20and%20DSG%20Funding%20Block%20transfe.pdf>

Appendices

Appendix 1 -3

Appendix 1

Table 5: EYSFF Current Hourly Funding Rates across BCP

<u>3 and 4 Year Olds</u>	Government Rate	Provider Rate	
	£4.38		
Base Rate	£4.12	£4.12	Every child
Deprivation Supplement	£0.13	£0.53	Per eligible child*
SEN/D Inclusion Fund	£0.11	£2.00 or £6.30	Per eligible child
Central Functions	£0.02		

<u>2 Year Olds</u>	Government Rate	Provider Rate	
	£5.31		
Base Rate	£5.08	£5.08	Per eligible child
SEN/D Inclusion Fund	£0.07	£2.00 or £6.30	Per eligible child
Central Functions	£0.16		

Deprivation Eligibility is currently determined as follows:

The supplement is added for those children that had formerly accessed 2 year old funding or those that are currently eligible for EYPP as a 3 or 4 year old. No IDACI scores are used and the supplement is only added to the rate of the child entitled.

SEND Inclusion is currently funded as follows:

Providers are funded per hour for all early entitlement hours accessed, based on two levels of need which is determined by an Early Years Area SENCO; Band 1 £2.00 and Band 2 £6.30.

Appendix 2

Table 6: Proposed BCP Mainstream Formula 2020/21 to allow for a transfer from the Schools Block of 0.5%

(a) Factors within the formulaic Schools NFF

Factor	BCP 2020/21	Proposed BCP 2021/22	NFF 2021/22
Basic Entitlement – Primary	99% of NFF	NFF	£3,123
Basic Entitlements Secondary	99% of NFF	NFF	KS3 £4,404 KS4 £4,963
Deprivation – FSM data	NFF	NFF	£460
Deprivation – FSM ever 6 data	NFF	NFF	Pri £575 Sec £840
Deprivation*- IDACI bands	NFF	NFF	Range (£215 to £865)
Prior Attainment Primary	NFF	NFF	£1,095
Prior Attainment Secondary	NFF	NFF	£1,660
LAC	Not used	Not used	Not used
EAL Primary	NFF	NFF	£550
EAL Secondary	NFF	NFF	£1,485
Lump Sum Primary	NFF	NFF	£117,800
Lump sum Secondary	NFF	NFF	£117,800
Sparsity	NFF Method	NFF Method	NFF Method
Primary MPPFL	£3,930	NFF	£4,180

Secondary MPPFL	£5,265	NFF	£5,415
-----------------	--------	-----	--------

(b) Factors and mechanisms outside the formulaic Schools NFF (funding provided at historic cost to the LA)

Factor	BCP 2020/21	Proposed BCP 2021/22	NFF 2021/22
Business Rates	At cost	At Cost	At cost
Exceptional (2 P schools)	£101,017	NFF	£101,017
Split sites (2 B Schools)	£230,288	NFF	£230,288

(c) Minimum Funding Guarantee

	BCP 2020/21	Proposed BCP 2021/22	NFF 2021/22
MFG (annual change)	Minus 0.5%	Plus 2.0%	Plus 2.0%

Table 7: Proposed 2021/22 Formula Outcome for Schools with 0.5% Transfer (all schools receiving National Funding Formula)

Number of Schools	Formula	MPPFL	MFG	Total
Infant/ First Total	3	12	1	16
Junior Total	3	9	-	12
Primary Total	8	22	7	37
PRIMARY PHASE	14	43	8	65
Primary %	22%	66%	12%	100%
Middle/Secondary	12	7	2	21
All- through Total	3	-	-	3
OTHER PHASES	15	7	2	24
Other %	63%	29%	8%	100%
TOTAL SCHOOLS	29	50	10	89
Total %	33%	56%	11%	

Appendix 3

Achieving Varying Levels of Funding Transfer from the Schools NFF

A table identical to the one below was used in the Consultation with Schools and Schools Forum to illustrate how the Schools NFF could be adjusted for varying levels of transfer to high needs. The illustrative levels of transfer are for release from NFF under the assumption there was no surplus funding within the NFF as a result of a comparison between growth funding and the growth factor allocation. There was a small surplus of 0.05% NFF as a result of the NFF comparing MFG against the 2020-21 NFF baseline rather than the local funding formula. The final proposal for approval has been added for comparison (highlighted in yellow).

Table 8: Illustrative Consultation Options to Release Funding from the NFF at Varying Levels of Transfer

Transfer			
Formula Changes (implemented in this order)	MFG	MPPFLs changed against 2021- 22 NFF £	Basic Entitlement all phases %
2021-22 NFF	+2.00%	0	100.0%
(a) 0.5% only MFG & Formula schools contribute	+1.00%	No change	98.3%
(b) 0.5% all schools contribute	+1.40%	-20	99.3%