

Report subject	Mainstream Schools and Early Years Funding Formulae 2022/23
Meeting date	9 February 2022
Status	Public Report
Executive summary	<p>The council receives the ring-fenced dedicated schools grant (DSG) to fund the separate early years and mainstream schools funding formulae. The content of each formula is highly regulated by the Department for Education (DfE) and stakeholders must be consulted. Consultations have been undertaken with each sector, with the School's Forum considering the outcomes on 13 January 2022 and making recommendations to the council.</p> <p>The early years formula (for ages 2, 3 and 4) in BCP is for a sector comprised largely of private, voluntary, and independent settings with a small number of nursery classes in mainstream schools and academies. The DSG funding rates have increased by 4% overall for 2022/23.</p> <p>The mainstream schools formula (for reception to year 11) is applicable equally for maintained schools and academies. Funding for the for 2022/23 formula has increased by 3.9% from a combination of higher funding values, data changes and rising pupil numbers.</p> <p>There is surplus funding, estimated at £0.751 million, in the schools block available to transfer to high needs.</p>
Recommendations	<p>It is RECOMMENDED that Cabinet recommends to Council:</p> <ul style="list-style-type: none"> (a) The early years funding formula as set out in table 2 of paragraph 44 to increase the budget for the SEND inclusion fund paid to providers with the balance of additional funding allocated to the formula base rates. (b) The local mainstream formula is to continue to adopt the national funding formula (NFF) as set out in the appendix. (c) Surplus school block funding estimated at £0.751 million is transferred to support pupils with high needs. (d) The minimum funding guarantee for specialist providers is set at 0% to allow maximum budget flexibility.

Reason for recommendations	<p>Recommendation 1 acknowledges the support to early years providers from the Schools Forum and balances the risks of overspending funding allocated by government for early years and making appropriate provision for children identified as needing extra support in mainstream settings.</p> <p>Recommendation 2 adopts the recommendation of the School's Forum and is consistent with the government's plans to transition all schools to the NFF over time.</p> <p>Recommendation 3 reflects the decision of schools forum and the constraints on any higher level being achieved.</p> <p>Recommendations 4 is to facilitate flexibility in the high needs budget.</p>
Portfolio Holder(s):	<p>Councillor Drew Mellor, Leader, Finance and Transformation</p> <p>Councillor Mike White, Children and Young People</p> <p>Councillor Nicola Greene, Council Priorities and Delivery</p>
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Wards	Council-wide
Classification	For Decision

Background

1. The DSG is allocated by the DfE through 4 separate funding blocks – early years, schools, high needs, and central school services with a total estimated for 2022/23 of £322 million provided in the settlement announced on 16 December 2022. This total includes the separate supplementary grant. The main driver of funding levels is pupil numbers.
2. A summary of the schools settlement for 2022/23 is provided in table 1 below.

Table 1: School Funding Settlement 2022/23

Funding Block	2021-22 Forecast	2022-23 Forecast	Annual Change		Reason for Change
	£000's	£000's	£000's	%	
Early Years	20,233	21,034	801	4.0%	Increase in funding rates
Schools *	228,880	244,942	16,062	7.0%	Demographic/ funding growth
Central	2,058	1,978	(80)	(3.9%)	Demographic growth / funding reduction
High Needs	47,822	54,346	6,524	13.6%	Demographic/ funding growth
Total	298,993	322,300	23,307	7.8%	

**The schools total includes the supplementary grant of £6.834 million.*

3. Each funding block has its own national funding formula (NFF) methodology to allocate funding to the local authority with the School and Early Years Finance Regulations 2022 (England) imposing some restrictions in how funding can be allocated to early years providers and schools as well as detailing the central expenditure that can be charged to the grant within each block.

Early Years Block

4. The DSG early years block funding rates have increased by 4% for 2022/23. Funding is for a sector largely comprised of private, voluntary, and independent settings with a small number of nursery classes in mainstream schools and academies.
5. Early years funding for 2022/23 has been estimated by the DfE based on the January 2021 census with the prior year comparative in table 1 adopting the same approach as both years remain estimated. Funding is to be finalised in summer 2022 and 2023 for each year respectively. Funding rates have increased for 2 year olds by £0.21 (3.9%) per hour and for 3 and 4 year olds by £0.17 (3.8%) per hour.
6. Included within the DSG but outside the early years funding formula there are prescriptive amounts included in the total early years funding in table 1:
 - a. early years pupil premium (EYPP) which has increased by 7p (13%) from 53p to 60p per hour for eligible children
 - b. disability access fund for one off payments to settings for eligible children which has increased by £185 (30%) from £615 to £800.

Schools Block

7. Funding through the schools block is for mainstream schools and finalised each year in the December settlement. The mainstream schools NFF in 2022/23 has increased by 3.9% from a combination of higher funding values and data changes (2.4%) and rising pupil numbers (1.5%). This funding is to be supplemented in 2022/23 by a separate grant with the increase for mainstream schools 7% overall.
8. The July 2021 announcements for the mainstream schools NFF provided the details of the updated formula for 2022/23, which included small changes in how data is used alongside increased unit values for formula factors. The school level NFF allocations calculated by the DfE in July use census data from the previous year. These allocations are totalled and divided by pupil numbers to derive the primary and secondary school phase unit funding levels for 2022/23. These are then applied to the October 2021 census pupil numbers to determine the final schools NFF funding to the council in December. The separate funding allocation for agreed in-year pupil growth is also provided in December.
9. The BCP local mainstream formula in 2020/21 and 2021/22 adopted the NFF methodology and unit values in full. The government's aspiration is that all schools are to be funded according to a national formula with the DfE consultation over summer 2021 indicating that from 2023/24 all councils could be required to make progress towards it each year. Approximately 50% of councils are currently already using the NFF as the local formula.

Supplementary Grant

10. The £6.8 million supplementary grant will be rolled into the DSG from 2023/24. It is to fund additional cost pressures for schools from those foreseen at the time of the July

2021 DSG funding announcements. The allocation is indicative only, being calculated using preliminary data from the October 2021 census. The final data will be available in early 2022 and allocations will be confirmed in spring.

11. The grant is payable only to public sector schools. This means that further education colleges, sixth form colleges, independent learning providers, as well as private and voluntary sector early years providers are not eligible to receive this funding.
12. Schools have the flexibility to prioritise their spending to best support the needs of their pupils and staff and address cost pressures, including those associated with the new health and social care levy.
13. The funding consists of three elements, which are based on factors already in the schools NFF – basic per pupil rate, lump sum and FMS6 (entitled to free school meals in at least one year in the previous six).
14. There are no decisions for Schools Forum or Council regarding the supplementary grant.

Central School Services Block

15. The funding for the central school service block is reducing annually as BCP historic funding is protected through the transition to the lower national formula level.

High Needs Block

16. High needs funding has increased by 13.6% for 2022/23 but historically it has not kept pace with rising demand within the statutory framework for education provision.
17. The high needs block largely funds the costs of meeting the needs of individual pupils through top up funding for those in mainstream schools and funding for pupils in special schools and other specialist providers. The pressures on this budget have been identified as a national issue following legislative changes in 2014 which significantly increased the number of pupils eligible for additional funding through education, health, and care plan (EHCP) assessments.
18. The high needs funding gap has grown each year in BCP with the projection for 2021/22 being a shortfall in funding of £12.9 million. In 2022/23 the funding gap is estimated to increase to £16.7 million if current trends continue. This is additional to the accumulated deficit brought forward of £7.8 million at April 2020. Without further mitigating actions the total deficit at the end of the 2022/23 financial year is projected at £37.4 million.
19. Fundamental to reducing the funding gap is the need to create more local special school places (on top of the 200 created since 1 April 2019) as well as mainstream schools becoming more inclusive to avoid the need to place in more expensive specialist providers.
20. Any transfer of funding from the school block to support high needs is for one year only so that the amount is not locked into the budget. There has been sufficient funding in the school block in previous years to fund all schools at the NFF, provide for an appropriate level of growth fund with a sufficient surplus available to transfer £1.1 million (0.5%) to high needs. In 2022/23 this is no longer the case due to data changes with surplus funding being only £0.751 million (0.3%).

Schools Forum

21. The School's Forum is a statutory consultation body of the council 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.
22. The forum includes representation from stakeholders across BCP. Members are drawn from the early years sector, each phase of school (primary, secondary, special, and alternative provision), each status (maintained and academy) plus an age 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.
23. The regulations set out the responsibilities for decision-making between the Council and the Schools Forum, including any consultation requirements.
24. The School Forum make recommendations, following consultations with each sector, regarding the early years and mainstream formulae with the decisions to be made by Council.
25. The Schools Forum decides the level of central expenditure retained from each funding block, except for 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.
26. Schools Forum has been clear that all mainstream schools are to receive their full NFF allocations before any level of transfer to high needs can be considered. The DfE have also been clear that no transfer can take place above the 0.5% limit and have rarely agreed transfers not supported by the Schools Form. This means that any level of transfer is limited to the surplus available within the schools block and no more than 0.5% of school block funding.
27. The council could decide to transfer funding to high needs 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.

Early Years Single Funding Formula (EYSFF)

28. The council is required to operate an EYSFF for all providers. The formula is applicable for the 2, 3 and 4 year old free entitlement for education and childcare in pre-schools, day nurseries, independent schools, childminders, and in nursery classes within a small number of maintained schools and academies.
29. The early years formula for 2021/22 passed on in full the increase from government for that year to providers through an increase in the formula base rate, which is the same for all providers. In 2022/23 some of the extra funding is needed to increase the SEND inclusion fund paid to providers based on the needs of individual children as the current level of the inclusion fund is insufficient.

2022/23 Local Formula

30. The formula for 2-years-olds is a mandatory single base rate (eligibility is restricted to children from low income families).
31. 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 other discretionary specific supplements permitted.

32. The principles of the formula were agreed through consultation in previous years, namely:

- 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 enables providers to forecast funding levels 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.

Consultation and Recommendation from the Schools Forum for 2022/23

33. Initial consultation took place with provider representatives in a sub-group of the School's Forum to help shape the wider consultation with the sector. This group recommended that alongside the council's preferred option, further options should be presented in how the additional funding (21p per hour for eligible 2 year olds and 17p per hour for 3 and 4 year olds) should be allocated. In all options there was to be no change to the existing deprivation supplement or central expenditure allocations.
34. Option 1 was noted as the council's preferred option. To raise the provider base rate by 12p per hour for eligible 2 year olds and 8p per hour for 3 and 4 year olds. The remainder of the increase in funding from the DfE to fund the pressures within the inclusion fund which is equal to an increase of 9p towards SEND inclusion for all ages. This is equivalent to growth in the inclusion budget needed of £0.4 million. In this option there is to be no change to the value of tier funding per hour received by providers from the inclusion fund which would continue to be paid at current rates of £2.00 per hour for eligible children (tier 1) and £6.30 per hour for eligible children (tier 2).
35. Option 2 is to raise the provider base rate by 16p per hour for eligible 2 year olds and 12p per hour for 3 and 4 year olds. To maintain affordability within the early years level of funding overall, the inclusion funding rates to providers would need to be reduced to limit the budget increase needed. Tier 1 would be funded at £1.60 per hour (instead of £2), and tier 2 would be funded at £5.04 per hour (instead of £6.30).
36. Option 3 is to raise the provider base rates by the full increase from the government. To maintain affordability, the inclusion funding rates would need to be further reduced compared with option 2 to maintain the SEND inclusion fund at the current level. Tier 1 would need to reduce to £1.10 per hour, tier 2 to £3.46 per hour.
37. The council's preferred option acknowledged that providers continue to face significant funding pressures and that central government funding is largely considered insufficient by many operating across the sector. Therefore, it was recognised in the consultation that there was not a perfect option. Nonetheless, the council's preferred option sought to achieve a balance between increasing the basic rate and meeting the needs of vulnerable children through increasing the SEND inclusion fund. This was considered best achieved with option 1.
38. The formal consultation ran for 4 weeks, ending on 11 January 2022. A consultation paper was distributed to the 314 providers and four virtual consultation events were held. Responses were provided via an on-line survey with a 30% response rate achieved, including childminders (which represent 50% of possible responders but each provide for only a small number of children). The sector feedback for groups and school based

settings in isolation is 37%. There was a majority in disagreement for all options as funding is considered by the sector to be inadequate overall.

39. The Schools Forum considered the outcome of the consultation at the 13 January 2022 meeting and recommended that the growth needed for the inclusion fund of £0.4 million should be funded from the high needs block. It was suggested as one potential use of the surplus schools block funding to be transferred but no decisions could be made until the mainstream top up funding banding review had concluded later in the year.

Proposed EYSFF 2022/23 for Council Decision (option1)

40. The high needs block is a significant concern for the council and all measures need to be considered to limit the funding gap with the growing caseload of children needing support beyond that provided through mainstream funding mechanisms.
41. Sufficiency of childcare is also a concern and a balanced approach is needed. Schools Forum support for the sector is welcomed and the recommendation for the formula has taken this into account. It is proposed that option 1 is implemented from 1 April 2022 but the base rate is to be uplifted by any allocation from the schools block transfer that is formally agreed by Schools Forum later in the year. If agreement is not reached prior to 31 March 2022 then any increase that is agreed will be paid retrospectively from 1 April 2022 without requiring any further decisions from Council.
42. It should be noted that the decision to use surplus school block funding for high needs is applicable for one year only. Allocating funding to the EYSFF formula base rate will reduce the increase possible from changes to early years funding in future years without a corresponding reduction in the inclusion fund.
43. A review of the caseload estimated for the inclusion fund is underway to ensure appropriate thresholds are being applied consistently and that funding provided from other sources is well-understood across the sector. Inclusion funding is not provided under the statutory framework for EHCPs. Any EHCPs for children in the early years age groups are funded by the high needs block following statutory processes and is in addition to the inclusion fund within the EYSFF.
44. The 2021/22 base rate for 2 year olds is increased by £0.12 (2.3%) per hour and for 3&4 year olds by £0.08 (1.9%).

Table 2: Proposed EYSFF - Hourly Funding Rates 2022/23

Children Aged 2:

2021/22		Funding Elements	2022/23		
Allocation from Funded Rate *	EYSFF Provider Rate		Allocation from Funded Rate *	EYSFF Provider Rate for approval	Note
£5.16	£5.16	Base Rate	£5.28	£5.28	Every child
£0.07	£2.00 or £6.30	Inclusion Fund	£0.16	£2.00 or £6.30	Per eligible child
£0.16		Central Functions	£0.16		
£5.39	DSG Funding Per Hour		£5.60		

Children Aged 3 and 4:

2021/22		Funding Elements	2022/23		
Allocation from Funded Rate *	EYSFF Provider Rate		Allocation from Funded Rate *	EYSFF Provider Rate for approval	Note
£4.18	£4.18	Base Rate	£4.26	£4.26	Every child
£0.13	£0.53	Deprivation	£0.13	£0.53	Per eligible child
£0.11	£2.00 or £6.30	Inclusion Fund	£0.20	£2.00 or £6.30	Per eligible child
£0.02		Central Functions	£0.02		
£4.44	DSG Funding Per Hour		£4.61		

**The shaded grey allocations from the DSG funding levels are shown for context.*

Deprivation eligibility is 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. The supplement is added only to the funding rate of the entitled child.

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 special education needs coordinator (SENCO) with band 1 at £2.00 and band 2 at £6.30.

Mainstream School Funding Formula

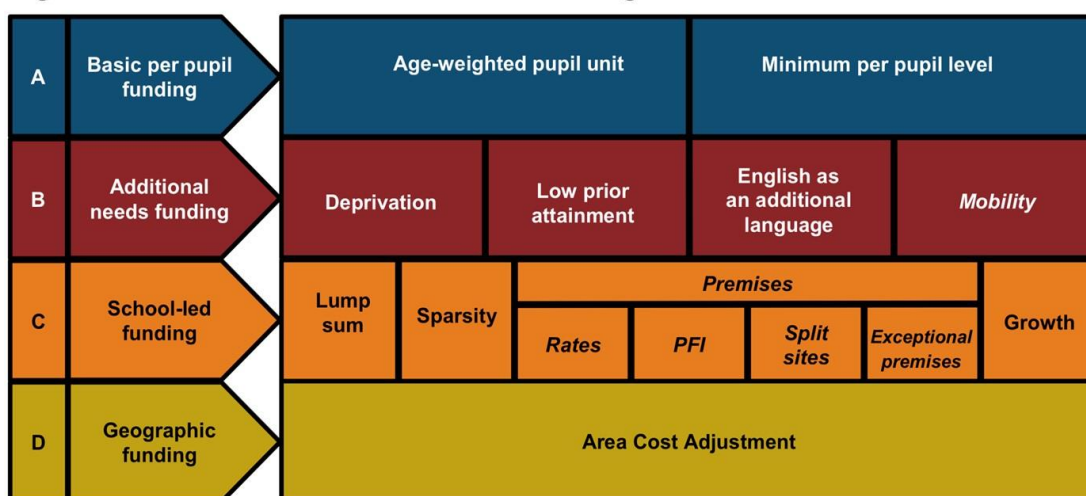
45. The schools funding block of £238 million provides for the mainstream school formula and the central growth fund that must be established for agreed in-year pupil growth from September 2022. Some pupil growth is provided to schools through the formula (circumstances set out in DfE guidance) and there is no expectation that the overall level of growth funding should match the related NFF allocation. The Schools Forum agreed the policy and resulting level of the growth fund for 2022/23 at the 13 January 2022 meeting.
46. After the level of the growth fund is agreed, the balance of funding is available for the mainstream formula and any transfer to high needs. A summary of the position is set out in table 3.

Table 3: Schools Funding Allocations 2022/23

Allocation of Funding	£000's
Schools funding allocation– table 1	244,942
Less supplementary grant	(6,834)
DSG schools block	238,108
Growth fund agreed by Schools Forum	(513)
Transfer to high needs agreed by Schools Forum (0.3%)	(751)
Total for individual school budgets using NFF	236,844

47. The Schools NFF to provide funding for mainstream schools comprises factors as shown in Figure 1.

Figure 1: Factors in the schools national funding formula



Note that the PFI factor and area cost adjustment are not applicable to BCP

48. The detail of the NFF factors and funding values is included in Appendix 1.
49. 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.
50. The APT format is aligned to the NFF, but there are some 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 the previous year. The NFF uses this mechanism but instead compares to the previous year NFF rather than the local formula.
51. 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, deprivation factors and use of the NFF minimum per pupil funding levels (MPPFL) for each school phase) 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.
52. The impact of adopting the NFF as the local formula for 2022/23 to fund the 91 BCP mainstream schools is as follows:
- Minimum per pupil funding level (MPPFL)** impacts on 47 schools (last year 50). Budgets are increased to the MPPFL where the NFF allocations otherwise would provide less funding than national mandatory minimum levels (typically for schools with high performing pupils from more affluent backgrounds). The significant uplift for the primary phase last year drew more schools into this category compared with 2020/21. This year the reverse is true with the MPPFL's increasing by only 2% with most formula factors increasing by 3%.

- b) **Minimum funding guarantee (MFG) per pupil funding protection of an increase of 2%** for 12 schools (last year 16) where the NFF provides less than a 2% increase from the previous year allocation (typically schools with higher levels of deprivation).
 - c) The remaining 32 schools (last year 24) are fully **formula funded** with changes in NFF allocations compared with 2021/22 driven by a 3% uplift on most NFF formula factor unit values and data changes from the October 2021 school census.
35. Surplus funding in the schools block has reduced from £1.3 million in 2021/22 to an estimated £0.751 million in 2022/23. More pupils have qualified for deprivation funding compared with last year and with more schools now fully funded by the formula rather than the MPPFL or MFG, data movements have a greater impact on the level of funding. In addition, an all-through academy has restructured to form separate primary and secondary schools. This has meant the allocation of additional funding of £0.3 million through the MPPFL from the disaggregation of the primary data from the secondary school. The DSG schools block allocation will not reflect these data changes until 2023/24 as it uses data lagged by one year to calculate the primary and secondary units of DSG funding.

Consultation and Recommendation from the Schools Forum

53. The consultation with schools was undertaken over 3 weeks, closing on 17 December 2021. A consultation paper and link to the online survey were sent out to all schools by e-mail. A virtual consultation meeting was held on 9 December, aided by a presentation, that was well-attended by schools.
54. Responses were received from all categories of schools (mainstream and special, academy and maintained) representing 51 schools (56%). Some multi academy trusts responded on behalf of all their schools in BCP with the response rate and data taking this into account.
55. All schools agreed that the NFF methodology and unit values should remain as the local mainstream funding formula.
56. Most schools (75% of responses) agreed surplus schools block funding should be transferred to high needs up to the limit of 0.5% (£1.2 million). Note that at the time of most responses, the additional £6.8 million (3%) from the spending review for mainstream stream would have been unknown. Reasons for disagreeing include:
- a. There is a collective responsibility to support the high needs places required across BCP, but there is more the LA could do to reduce the cost of providing these places and could work more closely with the schools providing higher than average exclusion rates to address this.
 - b. Being inclusive and keeping more children in mainstream schools can be done only with adequate funding. It was appreciated that the band funding could increase from the review underway, but concern expressed that schools could make better use of the funding directly.
 - c. The funding was allocated for schools and academies and is needed for those schools to make a small additional contribution to the work of mainstream settings, assisting them to retain increasing numbers of high needs pupils, until wider capacity improves.

57. The Schools Forum meeting on 13 January 2022 received details of the DSG settlement in December, mainstream school budget calculations using the NFF as the local formula, and feedback from the consultation with schools.
58. The Schools Forum recommended that the local formula adopt the NFF in full and agreed that surplus school's block funding, estimated at £0.751 million, could be transferred to support high needs. However, in agreeing the transfer Schools Forum wanted to decide how it is applied to the benefit of mainstream provision (potentially including early years) rather than it being used to reduce the high needs block annual gap or accumulated deficit.

2022/23 Proposed mainstream formula and transfer to high needs

59. The mainstream formula for 2022/23 in the appendix for Council approval is equivalent to the NFF for all schools.
60. The surplus schools block funding for 2022-23 is to be transferred to support high needs, estimated at £0.751 million as the maximum affordable and as approved by the Schools Forum.

Minimum Funding Guarantee (MFG) for Maintained and Academy Specialist Providers

61. The MFG must also be set for the funding rates of special schools and alternative provision between 0% and +2%. It can be set at a different level than for mainstream schools.
62. The MFG for specialist providers has been set at 0% for some years now due to the pressures on the high needs budget with special schools band funding not increased. A review of the funding mechanism for these schools is needed as this approach is not sustainable in the longer term. A special maintained school responding to the consultation commented that BCP need to consider the impact of static funding, resulting in real terms cuts. While mainstream schools are rightfully receiving rises, the ability of special schools to support the developments to tackle the high needs deficit will be hampered when support staff pay increases, (which for special schools are a very significant proportion of their costs) have not been provided for in funding levels. Recruitment constraints and inflation were all referenced.
63. In December 2021 additional funding of £1.9 million was allocated to the high needs block of the DSG from the autumn spending review (on top of £4.6 million growth in funding from the high needs NFF to provide the £6.5 million increase overall shown in table 1). It is likely that some of this will need to be allocated to increase top up funding rates for special schools and alternative providers as cost pressures for all schools have grown since the initial July 2021 DSG funding announcements.
64. To maintain maximum funding flexibility, it is proposed that an MFG is set at 0% for specialist providers in 2022/23 whilst a review of funding levels takes place during the year with the aim of allocating some of the additional funding to special school funding rates.

Options Appraisal

65. Options were considered in the consultation processes with the early years sector, schools, and Schools Forum.

Summary of financial implications

- 66. The early years and mainstream formulae are set within the funding envelope of the DSG and therefore have no impact on the general fund.
- 67. The 0.3% transfer of funding from the schools block to high needs is the maximum affordable with all schools receiving their full NFF allocations and able to be agreed by the Schools Forum. The impact of the growing accumulated DSG deficit is considered further in the Budget and Medium Term Financial Plan (MTFP) 2022/23 report on the agenda.
- 68. A higher level of transfer from the school block up to the maximum permitted level of 0.5% would require the approval of the DfE as it does not have the support of the Schools Forum. The DfE if approached would not be expected to override the decision of the Schools Forum, especially as no progress has yet been made in reducing the high needs funding gap.

Summary of legal implications

- 69. The consultations undertaken and the formulae recommendations are compliant with the School Funding Statutory Framework for 2022/23.
- 70. Funding rates for early years in 2022/23 must be provided to the sector by 31 March 2022.
- 71. School budgets must be finalised and notified to maintained schools by 28 February 2022 with the DfE timetable the same for academy budgets.

Summary of human resources implications

- 72. There are no human resources implications for the council. Any implications from funding levels are for early years providers and schools.

Summary of sustainability impact

- 73. None.

Summary of public health implications

- 74. 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 leading to reduced health equalities locally.

Summary of equality implications

- 75. An equalities impact assessment has not been undertaken. The DfE have undertaken equality impact assessments in determining the structure of the funding formulae and how funding is to be allocated. The local formulae are aligned with the national schemes.

Summary of risk assessment

- 76. There are no risks to the council from the implementation of the funding formula within the Regulations and published guidance. However, the main risk relates to the high needs funding gap as proposals to close this gap have not yet been developed within children's services with the deficit continuing to grow. This deficit for 2022/23 is required to be held as a separate negative reserve not impacting on the general fund.

This position may change, and the accumulated deficit may eventually exceed council general fund reserves.

Background papers

Schools Forum Meeting – 13 January 2022

<http://ced-pri-cms-02.ced.local/ieListDocuments.aspx?MId=5095&x=1>

Appendix

National (and proposed local) mainstream schools funding formula 2022/23

Appendix

National and Proposed Local Mainstream School Funding Formula 2022-23

Factors within the NFF	2021-22	2022-23
Basic Entitlement - Primary	£3,123	£3,217
Basic Entitlement - Secondaries	KS3 £4,404 KS4 £4,963	KS3 £4,536 KS4 £5,112
Deprivation - FSM data	£460 FSM £575 Primary FSM6 £840 Secondary FSM6	£470 FSM £590 Primary FSM6 £865 Secondary FSM6
Deprivation IDACI bands	Range £215 to £865	Range £220 to £890
Prior Attainment Primary	£1,095	£1,130
Prior Attainment Secondary	£1,660	£1,710
EAL Primary	£550	£565
EAL Secondary	£1,485	£1,530
Lump Sum Primary	£117,800	£121,130
Lump Sum Secondary	£117,800	£121,130
Mobility	£900 Primary £1,290 Secondary	£925 Primary £1,330 Secondary
Sparsity	NFF method	NFF method
Minimum per pupil funding levels (MPPFL)	Primary £4,180 KS3 £5,215 KS4 £5,715	Primary £4,265 KS3 £5,321 KS4 £5,831
Minimum increase per pupil (MFG)	+2%	+2%
Other Factors (funded at cost)		
Business Rates	At cost	At cost
Joint use agreements (2 schools)	£101,017	£101,017
Split sites (2 schools)	£230,288	£230,288

Schools' business rates will be paid by the ESFA to billing authorities directly on behalf of all state funded schools from 2022/23 onwards.

Exceptional premises and split sites factors are funded by the ESFA at historic levels outside the NFF for 2 schools (split site) and 2 different schools (joint use). Their use has previously been agreed by the ESFA based on evidence provided of additional costs of operating over a split site or from the provision of joint use with the community of sports facilities. A formulaic approach has been signalled by the ESFA for 2023/24 for factors currently funded outside the NFF to achieve greater national consistency.