

School Funding Update – Ian Harrison

**Chairs and Vice-Chairs
February 2022**

Schools Funding Formula

- Schools Block funding up from £286.25m 21-22 to £297.76m in 22-23
- Local schools funding formula, based on the National Funding Formula (NFF):
 - but with protection for all schools through the Minimum Funding Guarantee (MFG)
 - at least +2% (through the pupil-led element of the schools funding formula).
 - Guaranteed minimum per pupil funding of £4,265 for primaries and £5,525 for secondaries.
- Basic Entitlement Schools Block Factor rates for 2022/23 increase by 3%
- Allocations to schools will be based on October 2021 school census data.

Schools Supplementary Grant 2022-23

- ▶ On 16 December the DfE announced that, in addition to the DSG, mainstream schools will receive an additional grant in 2022 to 2023 worth £1.2 billion.
- ▶ For early years and post-16 provision in schools, the grant is being provided in respect of the Health and Social Care Levy.
- ▶ For primary and secondary provision, the grant is being provided in respect of both the Health and Social Care Levy and other cost pressures.
- ▶ On 28th January the DfE published details of how this will be allocated:

[Schools supplementary grant 2022 to 2023: methodology - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/schools-supplementary-grant-2022-to-2023-methodology)

Schools Supplementary Grant 2022-23

- The grant is made up of a basic per pupil rate, a per pupil rate for FSM6 pupils, and a lump sum per primary and secondary school.
- Indicative Barnet rates, including the area cost adjustment for Barnet are;
 - £26.41 basic rate for EY pupils in schools or maintained nursery schools
 - £106.74 basic rate for primary pupils
 - £150.76 basic rate for key stage 3 pupils
 - £170.57 basic rate for key stage 4 pupils
 - £4,050 lump sum
 - £93.54 for primary aged FSM6 pupils
 - £136.45 for secondary aged FSM6 pupils
 - £35 per student aged 16-19 in school sixth forms (plus area cost adjustment)
- School-level allocations of the schools supplementary grant for the 2022 to 2023 financial year will be published in spring 2022.

Schools Supplementary Grant 2022-23

Impact:

- Barnet primary and secondary schools will attract an additional £8.6m in supplementary grant
- Approximately £3.5m needed to pay the Health and Social Care levy, meaning about £5.1m for other extra costs.
- So 1.25% for the levy and about a further 1.8% extra, on top of the approximately 3% increase in the DSG schools block
- The DfE indicates a total average increase per Barnet pupil of 5.6% (1.25% is for the levy).
- The actual overall increase for Barnet (DSG Schools Block plus Supplementary Grant) is 7% but that covers increased pupil numbers (overall – mainly in secondaries)

High Needs Funding

- DSG High Needs up 7.8% on 21-22 from £60.85m to £65.63m
- Supplementary funding of £2.4m to cover the health and social care levy in special schools and alternative provision and 'wider costs'.
- Brings the total increase in the High Needs to £7m (11.9%).
- EHCP numbers growing at a faster rate than the DSG increase:
 - 30.2 % between 2015 and 2018 (compared to national average of 33.2% and London average of 31.3%).
 - 28% between 2018 and 2021 (compared to national average of 35%)
 - So need approx. 10% extra just to cover the growth = £6m
- And there is a forecast overspend on High Needs of £1m in 21-22.
- So the increased funding represents a stand-still budget in real terms, not allowing anything for inflation

Early Years Funding

- Full passporting of DfE increases in the funding of hourly rates
 - 17 pence an hour for 3- and 4-year-olds (16 pence on basic rate and 1 penny on the deprivation supplement)
 - 21 pence an hour for 2-year-olds
- A one-off hourly-rate supplement for 3- and 4-year-olds: of 4 pence an hour for 3- and 4-year-olds and
- A review of any Early Years carried forward underspend in the summer to see if this can be increased
- Consultation on a one-off lump sum payment to maintained nursery schools, funded from general DSG carried forward reserves

Lump sum payments to maintained nursery schools

- Payment of £100,000 lump sum per MNS for 22-23 only
- To secure the position of our four maintained nursery schools for the coming financial year to allow time for longer term solutions to the funding to be identified and put in place.
- To be funded from general Dedicated Schools Grant reserves rather than from the DSG Early Years block, so there is no detriment to other early years providers, including Primary Schools.
- Consultation began on 24th January and will last until 21st February.

Funding for children of migrant Hong Kong families and asylum seekers in designated hotels

- Up to £1 million from general carried forward DSG reserves
- To alleviate cost pressures on schools arising from enrolments of migrant children after the census date.
- To support schools with additional costs in the school year 2021-22 arising from the enrolment, after the October 2021 census date, of children of:
 - newly-arrived Hong Kong families and
 - children of asylum seeker families living in designated asylum seeker hotels
- Funding based on the number of weeks each child is in school between the day after the census day in October 2021 and the end of the summer term 2022, with amounts linked to the AWPU amounts in the funding formula.

Questions