

**SCHOOL FUNDING 2023-24:
AGREEMENT OF THE LOCAL FUNDING FORMULA.**

Purpose of the Report

1. To inform the Schools Forum of the responses from schools and academies to the Authority's local funding formula consultation.
2. To seek agreement of the 2023-24 local funding formula for schools for recommendation to the Local Authority's Members.

Information and Advice

3. The formal consultation on the proposals for schools was held from 14th November to 28th November 2022.
4. In order to agree the local funding formula, Schools Forum members will need to vote on the proposals in consideration with the financial models and responses to the consultation. Each of the proposals that require a vote to be taken are detailed in the main body of the report.
5. Forum members are reminded that, in accordance with the Schools Forum (England) Regulations 2012, only the following members are allowed to participate in a vote regarding the local funding formula:
 - Schools (Primary, Secondary and Special)
 - Academies
 - Governors
 - Private, Voluntary and Independent providers

Other non- schools' members (Diocesan and Trade Union) can engage and participate in any discussions held but are not eligible to participate in a vote. The Chair of the Forum has a casting vote in the event of a tied result.

Consultation responses

6. A total of 45 (12 2021) responses were received to the Schools consultation which was a response rate of 13.7% (3.7% last year).
7. A full analysis of the responses received, along with the comments for each question are attached as **Appendix A**.
8. The responses to the questions on the LA's proposals are summarised below.

Consultation Proposals

9. All proposals requiring a decision for 2023-24 are outlined in paragraphs 13 to 23 below.
10. Prior to each proposal reference will be made to the consultation responses and comments received at **Appendix A** for consideration by the Forum.

Schools Local Funding Formula

11. Question 1 was about which model schools preferred.
12. The majority of respondents, 91%, were in agreement with this proposal.

A vote is required on the following proposal by **School, Academy, Governor, & PVI members**.

Question 1

Model 1 assumes there is no funding shortfall. If there is a funding shortfall which Model do you prefer?

Model 2 and 3 reduces the factors.

Model 4 and 5 introduces a gains cap.

Are you in agreement with this proposal?

13. The next question regards the principle to continue with mirroring the National Funding Formula (in keeping with the acceptable minimum and maximum values) for each factor.
14. 93% of respondents agreed with this principle.

A vote is required on the following proposals by **School, Academy, Governor, & PVI members**.

Question 2

To continue with the principle to mirror the National Funding Formula (in keeping with the acceptable minimum and maximum values) for each factor as detailed in Table 1

Are you in agreement with this proposal?

15. Local authorities have the freedom to set the Minimum Funding Guarantee in their local formulae between 0.0% and +0.5% per pupil. Question 3 asks schools if they are in agreement with aiming to set the MFG at +0.5%.
16. 76% of respondents agreed with this proposal. 22% of respondents were not sure.

A vote is required on the following proposals by **School, Academy, Governor, & PVI members**.

Question 3

Local authorities have the freedom to set the Minimum Funding Guarantee in their local formulae between +0.0% and +0.5% per pupil.

Are you in agreement with aiming to set the MFG at +0.5%?

17. Question 4 asks respondents to consider the methodology behind the modelling.

18. 78% of respondents agreed with this methodology. 13% were not sure. 7% did not agree.

A vote is required on the following proposals by **School, Academy, Governor, & PVI members**.

Question 4

Modelling shows reducing pupil factors impacts more schools but by a lesser amount. In comparison a gains cap impacts fewer schools by a greater amount. Are you in agreement that if the formula is not affordable the preferred and first option to make this affordable is to reduce pupil factors e.g., the £2 and £4 reductions in the models (in keeping with the acceptable minimum and maximum values)?

Are you in agreement with this proposal?

19. Question 5 was for respondents to add any comments. Please refer to **Appendix A**.

De-delegation of funding for maintained primary and secondary schools

21. As outlined in the consultation document, there are a limited list of services that the local authority can continue to operate centrally for maintained schools only.

22. Of the 45 responses 29 were maintained schools. The consultation responses showed that the majority of respondents felt that the services listed should be centrally operated.

23. However, the final decision is made by the members of the Forum who represent the maintained primary and secondary sector. As de-delegation decisions can differ between the sectors, separate votes will need to take place.

24. A vote is required by primary and secondary phase of **maintained school members** on the following:

Question 6 (to be answered by maintained schools only)

Do you agree to the de-delegation of the following in 2023-24?

- *Free schools' meals eligibility assessment?*
- *Support to underperforming ethnic minority groups and bilingual learners?*
- *Contingency for crisis communications?*
- *Trade Union Facilities?*

25. A vote is required by **maintained school members** on the following:

Question 7 (to be answered by maintained schools only)

Do you agree to the de-delegation of the School Improvement Service in 2023-24?

26. The latter part of question 7 asked respondents to rank their preferred value of per pupil de-delegation. The majority of respondents ranked their first choice as Option 3 to continue with a full-service offer. Second choice was Option 2 and the least preferred was Option 1.

27. Additional comments from respondents acknowledged the importance of the service the LA provides and the service should continue.

28. A vote is required by ***maintained school members*** on the following:

Please note the service offer varies dependent on the rate.

Option	Service Offer	Funding to be raised via de-delegation	£ per pupil de-delegation
1	No direct interventions	£130k	£3.47
2	Half of current offer interventions	£230k	£6.13
3	Service offer- full interventions	£300k	£8.79

One school that had responded with not sure to the first part did not insert ranking for options

	Option 1	Option 2	Option 3
1st Choice	39%	4%	57%
2nd Choice	14%	79%	7%
3rd Choice	46%	18%	36%

RECOMMENDATIONS

That the Schools Forum

- 1) Notes the content of the report; and
- 2) Undertakes the votes required to recommend the schools local funding formula for 2023-24. The schools local funding formula will be discussed at the Cabinet Member Briefing meeting on 3 January and then final approval on 16 January. The funding formula will be submitted to the ESFA on 20 January 2023.
- 3) Consider and agree the approach to be taken regarding the methodology of mirroring the National Funding Formula (in keeping with the acceptable minimum and maximum values) and reducing factors (if required) to ensure affordability of the 2023-24 formula.

For any enquiries about this report please contact:

Naomi Clark

Senior Finance Business Partner - Children & Families

Chief Executive's Department

T: 0115 977 4088

E: naomi.clark@nottsc.gov.uk