

**SCHOOL FUNDING 2022-23:
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 2022-23 local funding formula for schools for recommendation to the Authority's Policy Committee.

Information and Advice

3. The formal consultation on the proposals for schools was held from 22 November to 5 December 2021.
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 12 (41 2020) responses were received to the Schools consultation which was a response rate of 3.7% (12.5% 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 2022-23 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 to mirror the 2022-23 increases in the national funding formula (NFF) unit values in the local funding formula (LFF).
12. The majority of respondents, 83%, were in agreement with this proposal.

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

Question 1

In order to continue with the principle to mirror the NFF as far as possible the local authority would need to increase the unit values for each factor as detailed in Appendix 1.

Are you in agreement with this proposal?

13. The following two questions addressed the MFG and Gains Cap, asking for feedback on these should they be required. The financial models were provided to show the impact of the MFG on the gains cap, in effect the higher the MFG percentage the lower the gains cap needs to be to fund it.

Question 2 was for 2022-23 the MFG must be between +0.5% and +2.00%. The current MFG in the LFF is 2%. A positive MFG protects schools from any reduction in per pupil funding as a result of a change in pupil characteristics or unit values.

14. The majority of respondents (83%) were in agreement with the proposal.

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

Question 2

To continue with the principle to mirror the NFF as closely as possible the local authority would continue to set the MFG at 2.00% (subject to affordability).

Are you in agreement with this proposal? Yes/No

15. Question 3 was to gather feedback on if required to make the formula affordable a gains cap may be necessary for 2022-23. There was a mixed response to this question with 58% in favour, 25% against and 17% not sure.

Question 3

In order to make the formula affordable a gains cap may be required for 2022-23. In consideration with Models 1 – 3 (Appendix 2) which illustrate the impact of a gains cap set at 2.80%, 2.75% and 2.6%

Are you in agreement with this proposal?

16. The final unit values will be based on affordability once the actual 2022-23 DSG funding settlement is announced by the ESFA. The Forum are asked to give the LA a steer as to the financial model which, in their view, would provide a broad benefit to most schools who were due to see a year on year increase in their funding under the NFF. The Authority will then aim to implement the recommendations as far as possible.

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. The consultation responses showed that the majority of respondents felt that the services listed should be centrally operated. Please note any responses from Academies have been removed from Appendix A.

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.

22. A vote is required by **maintained primary school and governor members** on the following:

Question 4

As a representative of a maintained primary school, do you agree to the de-delegation of the following in 2022-23?

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

23. A vote is required by **maintained secondary school and governor members** on the following:

As a representative of a maintained secondary school, do you agree to the de-delegation of the following in 2022-23?

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

RECOMMENDATION/S

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 2022-23 for approval by the County Council Policy Committee on 10 February 2022 and for submission to the ESFA on 21 January 2022.
- 3) Consider and agree the approach to be taken to the level of the MFG and gains cap to ensure affordability of the 2022-23 formula.

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