

WIRRAL COUNCIL

SCHOOLS FORUM – 22nd NOVEMBER 2022

REPORT OF THE DIRECTOR OF CHILDREN, FAMILIES AND EDUCATION

SCHOOLS REVENUE FUNDING 2023-24 NATIONAL FUNDING FORMULA

1.0 EXECUTIVE SUMMARY

1.1 The purpose of this report is to provide Forum with feedback from the consultation with schools on the 2023-24 Funding Formula and to consider requests to disapply specific the NFF in specific circumstances. The outcome of the consultation will inform the allocation of funding to schools which will then be considered in the budget recommendations presented to the February 2023 meeting of the Policy and Resources Committee.

2.0 BACKGROUND

2.1 As reported to Schools Forum at the October 2022 meeting, the Department for Education (DFE) announced in July 2022 that the 2023-24 provisional schools block allocation for Wirral will be £249,892,043

2.2 The provisional school block allocation includes the following changes:

- The core factors in the NFF (such as basic per-pupil funding, and funding for additional needs such as deprivation) will increase by 2.4%.
- The funding floor will ensure that every school is allocated at least 0.5% more pupil-led funding per pupil compared to its 2022-23 NFF allocation.
- Through the minimum per pupil funding levels, every primary school will receive at least £4,405 per pupil, and every secondary school at least £5,715

2.3 For 2023-24, Local authorities have the freedom to set the minimum funding guarantee (MFG) in local formulae between +0% and +0.50% per pupil and a consultation exercise has been undertaken with schools to obtain their views on the MFG level for 2023-24.

3.0 2022-23 FUNDING FORMULA CONSULTATION

3.1 The consultation took place between 6th October 2022 and 24th October 2022 and sought views on the following:

Level of MFG for 2023-24 for two options as follows:

- + 0.50% - this would give all schools at least the minimum 0.5% increase in per pupil funding and allow those due to gain most from the formula (i.e. those deemed underfunded) to gain closer to their full allocation.
 - + 0% - no adjustment added to the formula and some schools has less than 0.5% increase in per pupil funding, which the DfE expects to implement in the future years.
- 3.3 In addition, views will be sought on the usage of any funding that may be left following the allocation of the confirmed 2023-24 schools block allocation. For 2022-23, such funding was allocated to a Growth Fund and Falling Rolls Fund.
- 3.4 To support the consultation processes, the information made available to schools included a financial model to identify the indicative impact of the MFG options on each school.

4.0 SUMMARY OF RESPONSES

- 4.1 The responses to the consultation are be summarised as follows:

Q1 - What level of Minimum Funding Guarantee (MFG) would you like to be included in the funding formula from April 2023? There were 9 responses to this question with the 0.5% option being favoured albeit with a majority.

Q2 – Why have you selected this option? There were 8 responses and the key feedback on the reasons for selecting this option were around fairness and some of responses referred to the tight budget considering the increasing pressures from the inflation, salary increases and utility costs.

Q3 – Do you have any comments on how any spare capacity within the funding available should be allocated. For example, establish a Growth Fund and/or Falling Rolls Fund? There were 7 responses to this question, and 5 responses were supportive to set up a falling rolls and growth fund, with other suggestions that the fund to use to support SEN (Special Educational Needs) pupils.

5.0 APPLICATION OF THE CONSULTATION OUTCOME

- 5.1 The MFG rate of 0.5% will be applied to the formula for 2023-24 as per the outcome of the consultation with schools.
- 5.2 A falling rolls/growth fund will established from the headroom in the schools block final allocation after applying the MFG rate of 0.5%.

6.0 DISAPPLICATION REQUESTS

- 6.1 In certain circumstances, Local Authorities can request not to apply a specific aspect of the National Funding Formula.
- 6.2 As per section 8.7. of the Schools Operational Guide: 2023 to 2024, Wirral Council propose the submission of a disapplication request for Birkenhead High

School Academy on the basis that the relevant all-through minimum per-pupil funding levels (MPPL) value for that school is skewed significantly by unusual year group sizes. The MPPL allocated to all-through schools in the NFF is a composite of the primary and secondary schools' rate. Given that the primary school rate is lower than the secondary school rate, applying the composite rate financially disadvantages all-through schools where the number of secondary age pupils is significantly higher than primary age pupils. The submission of the request and subsequent approval by DfE would result in the application of the MPPL rate relevant to each phase.

- 6.3 The financial impact of this request has been modelled in the 2023-24 school indicative funding template and this has shown to have no adverse effect on any other school. It should be noted, however, that the 2023-24 funding model is indicative at this time.
- 6.4 The disapplication process requires the Local Authority to formally consult with Schools Forum and ask for their support on all disapplication requests submitted to the DfE, voting details and minutes of the relevant Schools Forum meetings are referenced on the disapplication requests forms.

7.0 RECOMMENDATIONS

- 7.1 That the Forum notes the report.
- 7.2 Schools Forum's views are sought on the proposal to include +0.5% Minimum Funding Guarantee within Wirral's funding formula in 2023-24.
- 7.3 Schools Forum's views are sought on the proposal to a falling rolls/growth fund form any spare capacity within the 2023-24 school allocation
- 7.4 The mainstream primary and secondary school members agree to the submission of the disapplication request to DfE for Birkenhead High School Academy.

Simone White
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