

School funding update
2021-22
School Forum
10th July 2020

DSG Outturn 2019/20

Overspend of £1.1m due to

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|-------------------------------|--------|
| • Complex needs | +£0.8m |
| • Out county special schools | +£0.4m |
| • Top-ups tariffs PRU/post-16 | +£0.2m |
| • Unrealised savings | +£0.2m |
| • Income re PRU/H3 charges | -£0.3m |
| • SEN support services | -£0.1m |

DSG balances reduce from £1.7m to £0.6m.

DSG Forecast 2020/21

- Balanced budget based set for 2020/21 based on last year's actuals.
- Early forecasts for complex needs indicate a range **low overspend of £0.25m** based on current approved placements and **high overspend of £0.97m** on all placements continuing to year-end.
- some high cost places will reduce as Covid-19 restrictions ease.
- So midpoint estimate is **£0.6m overspend** – which will use all our DSG balances.

School funding 2021/22

No announcement yet from DfE for 21/22 – so based on three year funding announcement;

- £2.6bn increase in 2020/21 i.e. +5.8%
- £2.2bn increase in 2021/22 i.e. +4.6%
- £2.3bn increase in 2022/23 i.e. +4.6%

Increase in 2020/21 was 5% for schools and 12% for high needs and 1.5% for early years.

School funding 2022/23

Assuming a similar breakdown as 20/21 the £2.2bn nationally is split locally for us as;

- schools £4.2m i.e. 4%
 - high needs £1.8m i.e. 10%
 - early years £0.2m i.e. 1.5%
 - central block £0m i.e. standstill
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- Total £6.2m i.e. 4.7% overall

Possible allocation to schools

Will cover costs approximately as follows:

3% teachers pay increase	£1.9m
2.75% Support staff	£0.6m
Below 2% for all other costs	£0.3m
Min funding primaries at £4,000/pupil	£1.4m
 Total available	 £4.2m

Possible high needs allocation

Based on current worst case cost pressures and trends e.g. **EHC plans increased by 32% in 5 years** - more detailed work is required but allocations could be used as follows;

pay rises re top-up tariffs at 2.75%	£0.3m
Continuing increase in complex needs	£1.0m
Increase in special school places/ out –county placements/post-16	£0.5m

Total available	£1.8m
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Possible early years allocation

If DfE provide an inflation increase for early years then on the same basis as this year then

A 1.5% increase would be a 6p increase on the hourly rate to providers. This would be subject to consultation with providers and depends on DfE increasing our hourly funding rate.

Other considerations

- **Teachers pay grant and teachers pension employer contributions grant** are to be absorbed into the national funding formula from April 2021 (September 2021 for academies).
- **Minimum funding level for primary schools will increase to £4,000 per pupil** – this will provide a significant boost to our lowest funded primaries
- Yr 7 Literacy and numeracy **catch-up premium funding to be discontinued** and included in NFF
- Will review use of growth fund for secondary intakes in Golden Valley as a whole

Consultation in autumn 2020

- Aim to consult on **removing the reception uplift factor** which forecasts delayed reception intake between Oct and January census (27 pupils across 20 schools) but is not funded by DfE as grant paid on Oct pupil numbers.
- Will consult on **reducing the claw-back percentage for locally maintained schools balance balances** from 25% down to 20%.
Currently excessively generous and schools with such high balances are not spending their budget on current pupils. Will apply to balances as at 31st March 2022.

Timetable

- August/September – DfE publish NFF details
- Early September - BWG draft consultation paper
- October – schools forum agree budget outline and consultation with schools
- Early December – BWG prepare budget plan based on consultation and expected DSG monies
- January – BWG/Schools Forum finalise budget
- Late Jan – submit to DfE/Cabinet member approval
- March – BWG/Schools Forum recommend high needs budget to cabinet member