

## DARLINGTON SCHOOLS FORUM

16<sup>th</sup> January 2023

ITEM NO 4

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### SCHOOL FUNDING FORMULA 2023/24 AND GROWTH FUND 2023/24

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#### Purpose of Report

1. To update and agree the school funding formula and the growth fund for 2023/24

#### Background

2. The Local Authority received the school budget share tool on 20<sup>th</sup> December which includes the October 2022 census information. This tool and the enclosed datasets are required to be used to set the 2023/24 school budget formula.
3. The Local Authority also received the DSG allocations for 2022/23 on 16<sup>th</sup> December. The schools block allocation for 2023/24 of £80,831,928 is after the adjustment for rates. **Appendix 2**
4. Within the schools block allocation for 2023/24, Darlington is to receive £408,688 of funding for growth. It is estimated that the growth fund requirement in 2023/24 will be low and therefore a provisional budget of £50,000 is proposed. This will leave £358,688 of “spare” growth allocation, of which £189,364 will be needed to enable the NFF values to be affordable.
5. Using all the updated NFF unit values, for all the NFF factors, the cost of the Darlington school budget share for 2023/24 is £169,324 less than the allocations received for the primary, secondary and premises elements of the school’s block in 2022/23.
6. As part of the Safety Valve project the School’s Forum is asked to consider a block transfer from the Schools Block to the high needs block and a questionnaire has been sent to Headteachers for their views .
7. This report has been written prior to the outcome of the consultation and assumes that the NFF formula will be used which would allow the potential for a transfer of £169,324 to the High needs block without reducing the NFF allocation to schools. If the outcome of the consultation is that forum agree to the full 0.5% block transfer of £404,001 the school budget share calculations and Basic Entitlement figures will reduce by £19.50 per pupil to cover the remainder of £234,678, to fulfil this value.

#### The Formula

8. The revised datasets and modelling tool (APT) were provided by the Education, Skills Funding Agency (ESFA) on 20<sup>th</sup> December to enable local authorities to submit their revised funding formula in line with the 20th January deadline.

9. The final funding formula uses the datasets provided by the ESFA, collected at the October 2022 census. The regulations stipulate that these datasets must be used in completing the funding formula.
10. A minimum funding guarantee (MFG) of 0.5% has been used within the 2023/24 budget share calculation. This is the maximum MFG allowable under the ESFA formula rules for 2023/24.
11. All of the increased NFF unit values for 2023/24 have been included within the proposed Darlington formula for 2023/24 at the national rates and Supplementary funding levels have been rolled into the baseline figures.
12. The table below shows the 2023/24 and 2022/23 unit values used within the Darlington formula, this allows comparison to be made between the two years rates. In addition, the table shows the NFF unit values for 2023/24, which show that Darlington's unit values are the same as the NFF in 2023/24.
13. At this stage the Government has communicated that it does still intend to implement the hard formula, though a date has not been fixed for this at present. The second stage consultation will include proposals to revise growth and falling roll factors.
14. All academy schools are funded direct by ESFA, based upon the budget share calculated by the Local Authority. If there are any special funding arrangements between ESFA and the academy, the actual general academy grant (GAG) received by the academy may differ.

<b>Factor</b>	<b>Darlington Formula 2022/23</b>	<b>Darlington Formula 2023/24</b>	<b>National Funding Formula Rates 2023/24</b>	<b>Difference of the Darlington Formula to the NFF</b>
Primary basic entitlement	£3,217.00	£3,394.00	£3,394.00	0
KS3 basic entitlement	£4,536.00	£4,785.00	£4,785.00	0
KS4 basic entitlement	£5,112.00	£5,393.00	£5,393.00	0
Primary FSM	£470.00	£480.00	£480.00	0
Secondary FSM	£470.00	£480.00	£480.00	0
Primary FSM6	£590.00	£705.00	£705.00	0
Secondary FSM6	£865.00	£1,030.00	£1,030.00	0
Primary IDACI F	£220.00	£230.00	£230.00	0
Primary IDACI E	£270.00	£280.00	£280.00	0
Primary IDACI D	£420.00	£440.00	£440.00	0
Primary IDACI C	£460.00	£480.00	£480.00	0
Primary IDACI B	£490.00	£510.00	£510.00	0
Primary IDACI A	£640.00	£670.00	£670.00	0
Secondary IDACI F	£320.00	£335.00	£335.00	0
Secondary IDACI E	£425.00	£445.00	£445.00	0
Secondary IDACI D	£595.00	£620.00	£620.00	0
Secondary IDACI C	£650.00	£680.00	£680.00	0
Secondary IDACI B	£700.00	£730.00	£730.00	0
Secondary IDACI A	£890.00	£930.00	£930.00	0

Primary EAL3	£565.00	£580.00	£580.00	0
Secondary EAL3	£1,530.00	£1,565.00	£1,565.00	0
Primary LPA	£1,130.00	£1,155.00	£1,155.00	0
Secondary LPA	£1,710.00	£1,750.00	£1,750.00	0
Primary mobility	£925.00	£945.00	£945.00	0
Secondary mobility	£1,330.00	£1,360.00	£1,360.00	0
Primary lump sum	£121,300.00	£128,000.00	£128,000.00	0
Secondary lump sum	£121,300.00	£128,000.00	£128,000.00	0
Primary sparsity	£55,000.00	£56,300.00	£56,300.00	0
Secondary sparsity	£80,000.00	£81,900.00	£81,900.00	0

## Growth Fund

15. It is proposed that the growth fund will operate in 2023/24 in the same manner as to that agreed by Forum for 2022/23. The criteria for accessing the fund, is therefore proposed to operate in 2023/24 as follows,
- i. Schools/Academies will only be able access the fund where they have had an increase in their PAN at the request of the Local Authority to meet a lack of available space in the local area as part of the planned changes covered in the SOP.
  - ii. The actual funding allocated to a school will be based on the **actual** number of increased places on roll, not based on the increase in the PAN.
  - iii. For agreed growth in one year group, the additional number of places will be determined from the number of pupils on roll on the autumn census taking up a place in the additional class(s).
  - iv. For agreed growth across a number of year groups, the additional number of places will be determined by comparing the number of pupils on the roll at the census for each term in comparison to the number of pupils funded in the individual school budget share (i.e. the last October census).
  - v. All places are funded once the increase in the pupil admissions (in line with the PAN) reaches 10 places
  - vi. The amount to be funded per a pupil will be based on the “Basic Entitlement Funding” (AWPU) for the age group of the pupil.
  - vii. Funding will be made for each term within that financial year, the school/academy has not received funding for this growth in places. (i.e. not funded within their existing school budget share).
  - viii. It is proposed that any increases in admissions that fully meet the agreed criteria are funded automatically, rather than to be considered by School Forum.

- ix. It is proposed that where a growth fund application requires a different approach, that these applications are presented to Forum with additional information in order that a separate decision can be made concerning that's schools access to the growth fund.
  - x. Where there is a dispute over the funding amount, this will be presented to Forum for a final decision.
  - xi. Schools Forum will be presented with updates on the spend against budget in year to allow budget monitoring and to inform for future years growth fund budget builds.
16. It is proposed that a growth fund of £50,000 be created for 2023/24.

### **Recommendations**

- 17. That Forum notes the funding formula budgets for 2023/24.
- 18. That Forum approves the growth fund criteria and budget for 2023/24.

**Emma Clennell  
Finance Manager,  
Operations Group**