

City of Wolverhampton Council

SCHOOLS' FORUM

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Report title	2023-2024 National Funding Formula Provisional Allocations and update on Budget Setting
Contact Officer/s	James Barlow
Email address:	James.barlow@wolverhampton.gov.uk

Summary

In July 2022, the Department for Education (DfE) published the National Funding Formula (NFF) Provisional Allocations for the Schools Block, the High Needs Block and the Central Schools and Services Block for the 2023-2024 Dedicated Schools Grant (DSG).

The purpose of this report is to notify Schools' Forum Members of the indicative allocations and the process for setting budgets funded by the DSG in 2023-2024.

It should be noted that initial modelling on the Schools Block of DSG indicates that it may not be affordable to fully utilise NFF factors without reducing the Minimum Funding Guarantee or introducing a cap on gains. The figures shown in Appendix 2 are indicative of what schools would receive if funding is sufficient and may be subject to change. Further consultation will be undertaken on potential solutions to this issue in January 2023 if required.

The Early Years Block Provisional Allocation is expected to be published by the Department for Education in December 2022, and a report will be received by Forum in February detailing the proposed budget for approval.

1.0 Schools Block Allocation 2023-2024**Background and Indicative Allocations 2023-2024**

- 1.1 For the financial year 2023-2024 it will remain the duty of Local Authorities to set a local funding formula, in consultation with their Schools forum, to determine the allocation of funding from the Schools Block of the DSG to schools in the City. Central government has recently restated its intention to move to a direct National Funding formula (NFF) by 2027-2028 at the latest.
- 1.2 In order to move towards a direct NFF, a requirement has been introduced for 2023-2024 that Local Authorities should move their local funding formula factors 10% closer to the factors used in the NFF. At the January 2020 meeting of Schools' forum, members voted to fully adopt all factors of the NFF and this has continued in subsequent years, so no further movement towards these factors is required.

- 1.3 The Schools Block NFF allocation for 2022-2023 was £236.0 million which included an allocation of £2.0 million for growth funding. In addition to this there was an additional allocation to schools in 2022-2023 of £7.2 via the Schools supplementary grant. The Council has been notified of an **indicative** Schools Block National Funding Formula allocation of £247.7 million for 2023-2024, and at this stage the allocation does not include an element for growth funding. This allocation is based on pupil numbers from the October 2021 census. The actual DSG allocation for 2023-2024 is expected to be published in the third week in December 2022 in line with previous years. This will be based on October 2022 census data and will include an additional element for growth funding.
- 1.4 This results in an indicative increase on the original 2022-2023 allocation of around 5.2%, and an increase of around 2.7% when the supplementary grant is factored in.
- 1.5 The updated NFF factors are shown in Appendix 1, and the overall increase to these factors is an average of 5%.
- 1.6 It should be noted that the allowable Minimum Funding guarantee (MFG) for 2023-2024 must be between 0% and 0.5%, in comparison to the allowable 0.5% to 2.0% in 2022-2023. The MFG is a measure used to regulate the annual change for schools by looking at per pupil factor funding and discounting school level funding elements such as the lump sum and rates. This means that for schools where their current funding per pupil is above the NFF, and implementation would therefore result in a reduction in budget from one year to the next, there is a limit to the amount this element of the budget can reduce between years.

Affordability of the NFF in 2023-2024

- 1.7 The Schools Block element of the DSG is made up of school funding which must be paid directly to schools, and an element for the growth fund, with the split to be determined locally. Whilst the Authority has been able to fully implement the NFF for schools since 2020, this has been affordable by using an element of the funding the government had allocated for growth. For example, in 2022-2023 there was a government allocation for growth of £2.0 million, however only £456,600 was used for this purpose and the remainder was used to 'top-up' the overall allocation to allow full NFF implementation. This was possible as in previous years growth fund underspends had built up, allowing the 2022-2023 growth fund budget to be set at £2.4 million. However, the current forecast is that there will only be £125,000 growth fund carried forward to 2023-2024, meaning that until the growth fund allocation is announced in December, it is unclear if the utilisation of any excess funding will be possible in 2023-2024.
- 1.8 The government provides a modelling tool for Local Authorities to model the impact of potential local funding formulas. The tool has been populated with NFF numbers for 2023-2024 and the total funding required would be £248.5 million, this is £836,000 or 0.34% greater than the indicative allocation of £247.7 detailed above in 1.3. These allocations are shown in Appendix 2, however it must be noted these are indicative and affordability cannot be confirmed until the final allocation is known.
- 1.9 If there is a requirement to consult following the official DSG Allocation in December, then it would be the intention of the Authority to consult with all schools in early January 2023 via an email survey and present the results and options to forum at the January 2023 meeting. This will involve either reducing the MFG for schools or introducing a cap on individual schools gains to make the overall formula affordable. If required, these measures will be detailed in the consultation with examples of the implications for each

option. Schools' forum will be asked to recommend the funding formula to Cabinet at the January meeting, and the final budgets will be published and presented to Schools' Forum at the February 2023 meeting.

- 1.10 In 2023-2024 the government announced, further to a consultation, that it would be ending the Schools improvement grant in 2023-2024, after reducing it by 50% in 2022-2023. Schools forum agreed an uplift to the Education function factor to make up this difference in 2022-2023, and the proposals for 2023-2024 will be detailed in the January schools forum papers. This will also be part of the consultation with all schools in January 2023.
- 1.11 It should be noted that there are currently two government options for schools NNDR, schools can either be allocated budgets and pay invoices to Councils or this funding can be maintained at government level and allocated directly to Local Authorities. At this stage the Council is proposing to continue with current arrangements, i.e schools are allocated funding and invoiced, for 2023-2024 and schools will be advised when the situation is subject to change.

2.0 High Needs Block Provisional Allocation

- 2.1 The total High Needs Block provisional settlement for the City of Wolverhampton Council for 2023-2024 was published in July 2022 is £55.5 million, which is a provisional increase of 5% when comparing to the allocation for 2022-2023. Work will continue to determine a 2023-2024 High Needs Block budget, in conjunction with the School's Forum High Needs Sub-Group, and the final budget will be presented to Forum for approval at the February meeting.

3.0 Central School Services Block Allocation

- 3.1 The Central School Services Block provisional settlement for the City of Wolverhampton Council for 2023-2024 published in July 2022 is £2.0 million, with indications that there will be a reduction in the region of £40,000. A report will be presented to School's Forum at the February meeting with a proposed CSSB budget to agree.

4.0 Growth Fund

- 4.1 The required budget for growth funding in 2023-2024 has been estimated to be £1.7 million. The Council will be notified of the DSG allocation in December 2022 and this will be discussed with forum at the January 2023 meeting.

APPENDIX 1

City of Wolverhampton National Funding Formula factors for 2023-2024

Funding Factor			National Funding Formula 2022-2023	CWC recommended rates 2022-2023 (with Area Cost Adjustments)	National Funding Formula 2023-2024	CWC recommended rates 2023-2024 (with Area Cost Adjustments)	Increase in factor %
Basic entitlement	Age-Weighted Pupil Unit (AWPU)	Primary	3,217.00	3,227.87	3,394.00	3,405.47	5.5%
		Secondary: KS3	4,536.00	4,551.33	4,785.00	4,801.17	5.5%
		Secondary: KS4	5,112.00	5,129.28	5,393.00	5,411.23	5.5%
Needs Led Factors							
Deprivation Through a combination of FSM and IDACI Bands	Free School Meals	Primary FSM	470.00	471.59	480.00	481.62	2.1%
		Secondary FSM	470.00	471.59	480.00	481.62	2.1%
		Ever6 FSM: Primary	590.00	591.99	705.00	707.38	19.5%
		Ever6 FSM: Secondary	865.00	867.92	1,030.00	1,033.48	19.1%
	IDACI Band F	Primary	220.00	220.74	230.00	230.78	4.5%
		Secondary	320.00	321.08	335.00	336.13	4.7%
	IDACI Band E	Primary	270.00	270.91	280.00	280.95	3.7%
		Secondary	425.00	426.44	445.00	446.50	4.7%
	IDACI Band D	Primary	420.00	421.42	440.00	441.49	4.8%
		Secondary	595.00	597.01	620.00	622.10	4.2%
	IDACI Band C	Primary	460.00	461.55	480.00	481.62	4.3%
		Secondary	650.00	652.20	680.00	682.30	4.6%
	IDACI Band B	Primary	490.00	491.66	510.00	511.72	4.1%
		Secondary	700.00	702.37	730.00	732.47	4.3%
	IDACI Band A	Primary	640.00	642.16	670.00	672.26	4.7%
Secondary		890.00	893.01	930.00	933.14	4.5%	

Funding Factor			National Funding Formula 2022-2023	City of Wolverhampton recommended rates 2022-2023 (with Area Cost Adjustments)	National Funding Formula 2023-2024	City of Wolverhampton recommended rates 2023-2024 (with Area Cost Adjustments)	City of Wolverhampton recommended rates 2023-2024 (with Area Cost Adjustments)
Low Prior Attainment		Primary	1,130.00	1,133.82	1,155.00	1,158.90	2.2%
		Secondary	1,710.00	1,715.78	1,750.00	1,755.92	2.3%
English As an Additional Language (EAL)	Pupils with a first language other than English attract funding for up to 3 years	Primary	565.00	566.91	580.00	581.96	2.7%
		Secondary	1,530.00	1,535.17	1,565.00	1,570.29	2.3%
Pupil Mobility	Counts pupils entering a school during the last 3 academic years but did not start in August or September)	Primary	925.00	928.13	945.00	948.19	2.2%
		Secondary	1,330.00	1,334.50	1,360.00	1,364.60	2.3%
School/ Premises Led Factors							
Sparsity	Schools located in areas where pupils have to travel; or small schools	Primary	N/a				
		Secondary	N/a				
Lump Sum		Primary	121,300.00	121,709.99	128,000.00	128,432.64	5.5%
		Secondary	121,300.00	121,709.99	128,000.00	128,432.64	5.5%

APPENDIX 2

Indicative Funding per School 2023-2024 and comparison with allocations for 2023-2024

School Name	22-23 MFG NOR	22-23 Post MFG Budget	23-24 Post MFG Budget with FULL NFF MAY NOT BE AFFORDABLE	Post MFG Budget Change
Total cost			248,519,667.47	
Bushbury Hill Primary School	282	1,536,195.51	1,606,354.35	4.6%
Fallings Park Primary School	625	3,145,668.84	3,329,399.24	5.8%
Whitgreave Primary School	415	2,203,830.46	2,278,921.73	3.4%
Graiseley Primary School	204	1,125,485.88	1,185,056.13	5.3%
Springdale Primary School	418	1,923,462.27	2,030,940.22	5.6%
Rakegate Primary School	404	2,020,561.81	2,133,057.45	5.6%
Claregate Primary School	376	1,709,707.67	1,803,763.31	5.5%
Castlecroft Primary School	216	993,579.86	1,049,423.54	5.6%
Westacre Infant School	271	1,213,853.50	1,279,404.63	5.4%
Loxdale Primary School	391	1,942,864.25	2,054,135.76	5.7%
Stowlawn Primary School	323	1,686,300.09	1,781,656.06	5.7%
Long Knowle Primary School	210	1,076,379.31	1,138,095.19	5.7%
Wood End Primary School	206	1,038,321.24	1,095,634.83	5.5%
Stow Heath Primary School	418	2,089,270.82	2,206,751.37	5.6%
Wilkinson Primary School	417	2,036,512.72	2,150,355.18	5.6%
Lanesfield Primary School	296	1,468,229.00	1,549,608.30	5.5%
Spring Vale Primary School	328	1,587,644.41	1,676,852.29	5.6%
Uplands Junior School	379	1,648,428.80	1,738,533.31	5.5%
Merridale Primary School	203	1,070,111.79	1,119,269.59	4.6%
Oak Meadow Primary School	420	1,880,156.72	1,986,670.76	5.7%

Eastfield Primary School	399	2,103,498.48	2,176,230.18	3.5%
Warstones Primary School	414	1,923,001.04	2,031,939.28	5.7%
Wodensfield Primary School	419	2,017,181.44	2,128,403.30	5.5%
Dovecotes Primary School	242	1,307,869.99	1,382,429.02	5.7%
West Park Primary School	281	1,499,485.22	1,585,038.59	5.7%
Bantock Primary School	375	2,049,517.11	2,162,684.81	5.5%
St Andrew's Church of England Primary School	403	2,082,288.11	2,197,709.70	5.5%
Christ Church (Church of England) Infant and Nursery School	166	768,376.24	809,368.53	5.3%
Christ Church (Church of England) Junior School	221	997,661.92	1,052,382.29	5.5%
Bilston Church of England Primary School	434	2,206,902.76	2,332,902.07	5.7%
St Luke's Church of England Aided Primary School	421	2,047,042.97	2,159,112.14	5.5%
Holy Trinity Catholic Primary School	230	1,158,983.80	1,223,916.41	5.6%
St Paul's Church of England Aided Primary School	215	1,048,101.10	1,107,170.70	5.6%
St Michael's Church of England Aided Primary School	201	947,853.50	1,002,329.46	5.7%
St Matthias School	857	6,676,369.61	6,898,259.83	3.3%
Colton Hills Community School	881	6,235,246.95	6,593,104.97	5.7%
The King's Church of England School	539	3,794,067.17	4,016,767.40	5.9%
Woden Primary School	423	2,204,066.35	2,283,098.92	3.6%
Nishkam Primary School Wolverhampton	415	1,992,256.71	2,102,477.58	5.5%
SS. Mary and John's Catholic Primary Academy	203	1,096,526.10	1,158,704.31	5.7%
St Jude's Church of England Primary Academy	405	1,914,298.55	2,024,112.97	5.7%
Berrybrook Primary School	207	1,124,279.36	1,190,252.33	5.9%
Dunstall Hill Primary School	438	2,268,795.27	2,392,898.45	5.5%
Grove Primary Academy	404	2,118,071.11	2,237,382.73	5.6%
Palmers Cross Primary School	210	1,034,546.76	1,093,531.17	5.7%
Bushbury Lane Academy	188	1,075,304.86	1,136,959.41	5.7%
Hill Avenue Academy	312	1,544,054.24	1,628,941.76	5.5%

East Park Academy	615	2,962,722.04	3,134,072.94	5.8%
Field View Primary School	409	2,128,931.74	2,252,577.50	5.8%
Villiers Primary School	613	2,835,183.62	2,992,348.80	5.5%
St Alban's Church of England Primary Academy	174	907,971.34	951,802.44	4.8%
Deyncourt Primary School	314	1,397,810.14	1,475,712.03	5.6%
Woodfield Primary School	554	2,398,512.31	2,532,572.07	5.6%
Manor Primary School	621	2,654,997.00	2,802,259.24	5.5%
Parkfield Primary School	208	1,097,301.14	1,160,754.38	5.8%
Goldthorn Park Primary School	376	1,806,242.51	1,907,506.13	5.6%
St Patrick's Catholic Primary Academy	206	1,075,681.78	1,135,297.73	5.5%
Perry Hall Primary School	411	1,816,563.07	1,919,755.03	5.7%
Elston Hall Primary School	628	2,789,339.06	2,948,334.26	5.7%
Woodthorne Primary School	388	1,659,798.67	1,716,465.62	3.4%
St Bartholomew's Church of England Primary School	356	1,523,356.96	1,573,196.96	3.3%
St Stephen's Church of England Primary School	208	1,128,458.21	1,193,365.94	5.8%
St Thomas' Church of England Primary Academy	206	977,085.31	1,032,502.27	5.7%
St Martin's Church of England Primary School	265	1,348,933.01	1,427,871.51	5.9%
Trinity CofE Primary Academy	610	3,000,508.00	3,171,810.34	5.7%
Holy Rosary Catholic Primary Academy	194	1,050,909.98	1,107,961.28	5.4%
St Anthony's Catholic Primary Academy	312	1,415,299.52	1,493,588.81	5.5%
St Mary's Catholic Primary School, Wolverhampton	434	2,125,931.03	2,246,165.51	5.7%
St Michael's Catholic Primary Academy and Nursery	201	926,886.73	978,986.74	5.6%
Corpus Christi Catholic Primary Academy	190	998,440.17	1,057,148.59	5.9%
St Teresa's Catholic Primary Academy	168	919,939.62	972,770.95	5.7%
SS Peter and Paul Catholic Primary Academy & Nursery	206	1,085,561.23	1,142,772.70	5.3%
Northwood Park Primary School	573	2,715,602.73	2,869,347.19	5.7%
Edward the Elder Primary School	215	1,091,843.97	1,156,808.66	5.9%

Moseley Park	952	6,296,671.49	6,669,354.25	5.9%
Wednesfield High Academy	880	5,719,133.87	6,052,538.25	5.8%
The Khalsa Academy Wolverhampton	633	4,063,972.99	4,291,192.11	5.6%
Moreton School	856	6,514,408.70	6,738,907.10	3.4%
Thomas Telford University Technical College	545	3,842,449.35	3,978,825.71	3.5%
Ormiston SWB Academy	1050	7,049,788.24	7,471,178.36	6.0%
Coppice Performing Arts School	904	5,425,835.47	5,741,963.58	5.8%
Ormiston NEW Academy	659	4,662,150.00	4,942,348.08	6.0%
Highfields School	1351	9,841,561.40	10,512,305.58	6.8%
Smestow School	611	4,184,020.89	4,425,355.85	5.8%
Heath Park	990	7,268,236.98	7,747,541.01	6.6%
St Peter's Collegiate Academy	1081	6,370,346.43	6,736,677.64	5.8%
St Edmunds Catholic Academy	898	5,665,903.64	5,997,473.56	5.9%
Our Lady and St Chad Catholic Academy	1009	6,770,728.70	7,179,166.31	6.0%
Wolverhampton Girls' High School	790	4,386,361.52	4,538,213.19	3.5%
Aldersley High School	1022	6,519,192.44	6,879,259.60	5.5%
The Royal School, Wolverhampton	1218	6,256,040.97	6,600,877.58	5.5%
Wednesfield Technology Primary	50	200,470.13	360,742.53	N/a - part year