

Schools Funding 2022/23 – Final Update

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Funding Settlement 2022/23

The National Funding Formula (NFF) for Schools

Nationally:

- Core school funding increased by £2.6bn in 2020-21 and is increasing by £4.8bn and £7.1bn in 2021-22 and 2022-23 respectively, compared to 2019-20. 2022-23 is the final year of a three-year funding commitment.
- Next year, school funding is increasing by 3.2% overall: increasing core factors of the formula by 3%, while ensuring that every school is allocated at least 2% more funding per pupil. (MFG: +0.5% to +2%). The minimum per pupil funding levels increase by 2% from £4,180 to £4,265 for primary schools and from £5,415 to £5,525 for secondary schools.

Funding Settlement 2022/23

Schools Supplementary Grant

Background

- The autumn 2021 spending review confirmed £1.6 billion funding for schools and high needs, for the 2022 to 2023 financial year, **above** the previous settlement for that year.
- In the 2022 to 2023 financial year, mainstream schools will be allocated £1.2 billion of this additional funding, to provide support for the costs of the Health and Social Care Levy and wider costs. This funding will be allocated through the schools supplementary grant 2022 to 2023.
- For Special Schools and Alternative Provision local authorities have been allocated £325 million additional high needs funding for 2022 to 2023 to cover Health and Social Care Levy and wider cost pressures in special schools and alternative provision.

Eligibility for the grant

- The schools supplementary grant will fund all maintained, academy and free schools. It will only be payable to public sector employers. This means that further education colleges, sixth form colleges, independent learning providers, as well as private and voluntary sector early years providers will not be eligible to receive this funding.

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Paying the grant

- School-level allocations of the schools supplementary grant for the 2022 to 2023 financial year will be published in spring 2022.
- DfE will pay the funding for maintained mainstream schools to local authorities, who'll be required to pay it to individual schools at the rates published. DfE will pay funding at the published rates directly to mainstream academies.
- DfE's intention is that payment of this additional funding in the form of a separate grant will be for 2022 to 2023 only. The funding will be incorporated into core budget allocations (NFF) for 2023 to 2024 where possible

Funding rates

Rate for early years

The base per-pupil funding rate for early years provision in schools, and for maintained nursery schools, will be £24 per pupil.

Rates for 5 to 16 schools:

- basic per-pupil rate of £97 for primary pupils
- basic per-pupil rate of £137 for key stage 3 pupils and £155 for key stage 4 pupils
- lump sum of £3,680
- FSM6 per-pupil rate of £85 per eligible primary pupil and £124 per eligible secondary pupil

Rates for post-16

The base per-student funding rate for 16-19 provision in schools, including 16 to 19 schools and academies, will be £35 per student.

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Allocations

- School-level allocations will be published in spring 2022 and will show the total funding allocated for each applicable phase of provision. Conditions of grant will be published alongside the school-level allocations.
- For early years, allocations will be calculated by multiplying the per-pupil funding rate (with the ACA applied) by the pupil count using data from the January 2022 census.
- For 5 to 16 school provision, allocations will be calculated by multiplying the relevant funding rates (with the ACA applied) by the pupil count, and FSM6 pupil count, using data from the October 2021 school census. The allocations will also include the lump sum amount.
- For post-16, allocations will be calculated by multiplying the per-student funding rate (with the ACA applied) by the student count using data from the 2022 to 2023 16 to 19 allocations.

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Mainstream Schools Total Funding

2022 to 2023 schools and high needs funding allocations by local authority	Mainstream school funding						
	2022-23 Schools DSG block (£m)	2022-23 School supplementary grant: indicative allocations (£m)	2022-23 Schools DSG block and supplementary grant funding together: indicative allocations (£m)	2021-22 Schools DSG block (£m)	Increase in schools funding from 2021-22 to 2022-23 (£m)	Increase in schools funding from 2021-22 to 2022-23 (%)	Increase in schools funding from 2021-22 to 2022-23 (% per pupil) - see information sheet for calculation details
	[A]	[B]	[C]	[D]	[E]	[F]	[G]
			= [A] + [B]		= [C] - [D]	= [E] / [D]	
ENGLAND	£40,538m	£1,171m	£41,709m	£39,222m	£2,487m	6.3%	5.8%
803 South Gloucestershire	£186m	£5m	£191m	£179m	£12m	6.6%	6.0%

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High Needs Block Total Funding

2022 to 2023 high needs funding allocations by local authority	2022-23 High needs NFF provisional allocations (published July 2021) (£000s)	DSG High needs funding (published December 2021)					
		2022-23 DSG high needs block (£000s)	2022-23 High needs additional DSG funding (£000s)	2022-23 Total DSG high needs funding (£000s)	2021-22 DSG high needs block (£000s)	Increase in high needs funding from 2021-22 to 2022-23 (£000s)	% Annual Increase
		[A]	[B]	[C]	[D]	[E]	
				= [A] + [B]		= [C] - [D]	
ENGLAND	8,604,550	8,655,643	325,000	8,980,643	7,906,406	1,074,237	13.6%
803 South Gloucestershire	42,850	42,946	1,621	44,568	39,586	4,981	12.6%

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Next Steps

1. **Jan:** awaiting Outcome of the Secretary of States Decision regarding our Safety Valve Submission (including £2.2m Block Transfer)
2. **7th/16th February:** Cabinet/Full Council approves Schools Budget for 2022/23 based on Safety Valve Recovery Budget and Principles agreed at the Last Schools Forum Meeting
3. **1 Feb:** Banding development work concludes.
4. **28 Feb:** School Budgets Shares published
5. **3rd March Schools Forum:** (it is proposed we move current 24th March Forum to 3rd March) is presented with school-by-school impact of new bandings and are consulted on new bandings, new banding rates and protection mechanism rates.
6. **18th March:** Cabinet makes decision to implement the new bandings and top-up rates from September 2022
7. **1 April:** all impacted schools informed of changes coming into effect on 1 September so they can make budgeting and staffing etc decisions.
8. **1 September 2022:** new bandings and banding rates come into effect