

**SCHOOLS FUNDING UPDATE – JANUARY 2022**

*To:* **Cambridgeshire Schools Forum**

*Date:* **14 January 2022**

*From:* **Jonathan Lewis – Service Director: Education  
Martin Wade – Strategic Finance Business Partner**

*Purpose:* **To provide Schools Forum with a final update on the latest national announcements and local funding formula proposals for Schools and Early Years for the 2022/23 budget setting round.**

**Recommendations:**

- 1) Schools Forum are asked to comment on the local budget proposals as set out in the presentation.**
- 2) Members of Schools Forum are asked to approve the planned Centrally Retained amounts for 2022/23 as set out in Appendix A.**

**1.0 CONTEXT**

- 1.1 The presentation (appendix A) accompanying this report provides information to support the 2022/23 Schools budget setting process and will cover the following areas:
  - Update on the Dedicated Schools Grant (DSG) and other funding following December announcements.
  - Update on the Schools Block and local funding formula, including illustrative school by school budgets (appendix B).
  - Update on High Needs Block, and notional SEN / Contingency proposals (appendices C and D).
  - Update on the Central Schools Services Block.
  - Update on the proposed Early Years Block funding proposals
  - Next Steps
- 1.2 **Please note:** Appendix B provides illustrative school level figures based on the latest datasets provided by the Education Skills and Funding Agency (ESFA) in December, and reflects the approach agreed by Schools Forum at the November meeting. All figures remain draft until further data validation has been undertaken and the formula has been approved at Children and Young Peoples (CYP) Committee, and subsequently by the ESFA.
- 1.3 During the presentation by Officers, Members of Schools Forum will have opportunity to comment on the content and where required will be asked to make decisions as set out in the recommendations.

- 1.4 The table below shows the main decision making powers and responsibilities for items relevant at this meeting (other powers such as decisions in respect of deficits, contracts and changes to the Scheme of Financial Management do not apply to the items covered above.)

Function	Local education authority	Schools forum	DfE role
<b>Formula change (including redistributions)</b>	Proposes and decides	<b>Must be consulted</b>	Checks for compliance with regulations
<b>Movement of up to 0.5% from the schools block to other blocks</b>	Proposes	<b>Decides</b>	Adjudicates where schools forum does not agree local authority proposal
<b>Minimum funding guarantee (MFG)</b>	Proposes any exclusions from MFG for application to DfE	<b>Gives a view</b>	Approval to application for exclusions
<b>De-delegation for mainstream maintained schools</b>	Proposes	<b>Maintained primary and secondary school member representatives</b>	Will adjudicate where schools forum does not agree local authority proposal
<b>General Duties for maintained schools - Contribution to responsibilities that local authorities hold for maintained schools</b>	Proposes	<b>Would be decided by the relevant maintained school members (primary, secondary, special and PRU).</b>	Adjudicates where schools forum does not agree local authority proposal
<b>Central spend on and the criteria for allocating funding from:</b> <ul style="list-style-type: none"> <li>• Growth - pre-16 pupils, including new schools set up to meet basic need, whether maintained or academy</li> <li>• Falling rolls - funding for good or outstanding schools with where growth in pupil numbers is expected within three years</li> </ul>	Proposes	<b>Decides</b>	Adjudicates where schools forum does not agree local authority proposal
<b>Central spend on:</b> <ul style="list-style-type: none"> <li>• early years block provision funding to enable all schools to meet the infant class size requirement</li> <li>• back-pay for equal pay claims</li> </ul>	Proposes	<b>Decides</b>	Adjudicates where schools forum does not agree local authority proposal

<ul style="list-style-type: none"> <li>• remission of boarding fees at maintained schools and academies</li> <li>• places in independent schools for non-SEN pupils</li> <li>• admissions</li> <li>• servicing of schools forum</li> <li>• Contribution to responsibilities that local authorities hold for all schools</li> </ul>			
<b>Central spend on:</b> <ul style="list-style-type: none"> <li>• capital expenditure funded from revenue – projects must have been planned and decided on prior to April 2013 so no new projects can be charged</li> <li>• contribution to combined budgets – this is where the schools forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources</li> <li>• existing termination of employment costs (costs for specific individuals must have been approved prior to April 2013 so no new redundancy costs can be charged)</li> <li>• prudential borrowing costs – the commitment must have been approved prior to April 2013</li> </ul>	Proposes up to the value committed in the previous financial year and where expenditure has already been committed.	<b>Decides for each line</b>	Adjudicates where schools forum does not agree local authority proposal
<b>Central spend on:</b> <ul style="list-style-type: none"> <li>• high needs block provision</li> <li>• central licences negotiated by the Secretary of State</li> </ul>	Decides	<b>None, but good practice to inform forum</b>	None