

## School Funding Formula 2023/24

### Report to the Schools Forum 17 November 2022

- 1.1 As noted in the paper entitled 'School Funding 2023/24' presented to the Schools Forum held on 29 September 2022, the overall increase to factors in the National Funding Formula (NFF) used to allocate local authority Schools Block funding is around 3%. As different percentage rates have been applied to different elements of the formula, the overall increase when funding is finalised by the ESFA in December, based on October 2022 census date, cannot yet be precisely identified.
- 1.2 For several years, T&W has had a policy of converging to the NFF in our own local funding formula. Once T&W funding was brought up to the NFF level in 2020/21, we were able to mirror the national formula, although due to timing differences in the data used to allocate funds to LAs compared to that determining school allocations, there can be small differences in the T&W formula rates compared to the NFF. We intend to continue with the approach in 2023/24 of keeping the T&W local formula as close as possible to the NFF level.
- 1.3 The DfE now also allocates a formulaic amount of growth funding to local authorities. Based on indicative school numbers in October 2022 (provided by schools to the local authority – we have yet to receive the official census data) we expect to receive around £1.3m for 2023/24 assuming that the ESFA use the same methodology as in previous years.
- 1.4 This is more than the £1.1m received for 2022/23. We intend to fund growth in T&W schools based on applying the same basic principle that had been agreed by the Forum since 2020/21. This is to fund growth in schools that had either increased their pupil admission number (PAN) following requests and agreement with the local authority, or had been requested by the local authority and agreed to admit pupils above the school's PAN.
- 1.5 The method of applying growth funding would be to use estimated numbers to fund schools for the period September 2023 to March 2024 (maintained schools) or September 2023 to August 2024 (academies). In the case of academies, the local authority's growth funding only pays for the first 7 months, matching that for maintained schools, with the ESFA funding the remaining five months.
- 1.6 As in 2022/23 only Reception / Year 7 growth is planned to be funded, rather than whole school growth.
- 1.7 Currently, schools that would qualify for growth funding in 2023/24 consist of seven secondary schools. Of these schools, six are academies and one is a local authority maintained school.
- 1.8 A new primary school at Allscott will also be opening in September 2023 and as agreed with the Forum earlier this year, we will use growth funding to provide appropriate funding for new schools (pre-opening costs and diseconomies of scale). Further details will be provided in January.
- 1.9 The Schools Funding Formula is formally approved each year by the Council's Cabinet, but the Forum is asked to express any views concerning the principles of the 2023/24 formula, as outlined above. Forum views on the funding formula will then be communicated to the Cabinet, to inform their decision.

Tim Davis  
Group Accountant  
November 2022

Sources:

1. DfE 'The national funding formulae for schools and high needs, 2023 – 2024' July 2022.