

Lancashire Schools Forum

eNewsletter

● Issue 124 ● September 2022 ●

Fair Exchange?

This is the first newsletter of the 2022/23 academic year and the Schools Forum hopes that all colleagues had an enjoyable summer. This is Issue 124 of 'Fair Exchange?' a Pre-Forum Edition of the eNewsletter of the Lancashire Schools' Forum, which deals with matters to be considered at the early autumn term 2022 cycle of meetings.

School Funding Arrangements 2023/24

The DfE have made announcements about the 2023/24 school funding arrangements.

Overall, core schools funding (including funding for mainstream schools and high needs) is increasing by £1.5 billion in 2023/24 compared to the previous year.

Funding through the schools NFF is increasing by 1.9% overall in 2023-24, and 1.9% per pupil, compared to 2022-23.

National Funding Formula (NFF) 2023/24

The basic structure of the National Funding Formula (NFF) remains unchanged for 2023/24, but DfE have increased factor values and made some other changes to the arrangements. Further details are provided below:

Factor Values

Key changes to the schools NFF in 2023 to 2024 are:

rolling the 2022 to 2023 schools supplementary grant into the NFF by:

- adding an amount representing what schools receive through the grant into their baselines
- adding the value of the lump sum, basic per pupil rates and free school meals Ever 6 (FSM6) parts of the grant onto the respective factors in the NFF
- uplifting the minimum per pupil values by the supplementary grant's basic per-pupil values, and an additional amount which represents the average amount of funding schools receive from the FSM6 and lump sum parts of the grants

increasing NFF factor values (on top of the amounts we have added for the schools supplementary grant) by:

- 4.3% to free school meals at any time in the last 6 years (FSM6) and income deprivation affecting children index (IDACI). DfE say that this additional support directed to disadvantaged pupils, by increasing the FSM6 and IDACI factors in the schools NFF by a greater amount than other factors, means that a greater proportion of schools NFF will be targeted towards deprived pupils than ever before. 9.8% of the schools NFF will be allocated according to deprivation in 2023/24. 2.4% to the basic entitlement, low prior attainment (LPA), FSM, English as an additional language (EAL), mobility, and sparsity factors, and the lump sum.
- 0.5% to the floor and the minimum per pupil levels (MPPL)
- 0% on the premises factors, except for Private Finance Initiative (PFI) which has increased by Retail Prices Index excluding mortgage interest payments (RPIX) which is 11.2% for the year to April 2022

Minimum Pupil Funding

The DfE announcements included the relevant minimum pupil funding (MPF) levels for primary and secondary schools, which incorporate the 3.37% uplift for 2023/24:

- The primary schools, the MPF level will be £4,405 per pupil in 2023/24 compared to £4,265 per pupil in 2022/23.
- For secondary schools, the MPF level will be £5,715 per pupil from 2023/24 compared to £5,525 per pupil in 2022/23.

Members are reminded that the MPF levels are not the same as the Age Weighted Pupil Unit (AWPU) or the basic pupil element in your school funding. AWPU is the rate set to allocate the basic entitlement of funding for pre-16 pupils in mainstream schools that is provided for all pupils. This is then supplemented by other formula factors based on the characteristics of your pupils and the school, including your lump sum allocation. The MPF funding ensures that schools receive a minimum level of funding calculated by dividing all your pupil led factors plus the lump sum allocation by the number of pupils on roll. This calculation excludes other factors, for example rates.

Low Prior Attainment

In calculating low prior attainment proportions, data from the 2019 early years foundation stage profile (EYFSP) and key stage 2 (KS2) tests will be used as a proxy for the evaluations that would take place between 2020 and 2021, following the cancellation of assessment due to coronavirus (COVID-19).

Primary school students who have not reached the expected level of development in early Years Foundation Stage Profile (EYFSP) and secondary evaluation students who have not reached the expected standard in Key Stage 2 in reading, writing or math attract £1,155 (£1,095 2022/23) and £1,750 (£1,660 2022/23) respectively.

Mobility Factor

Pupils who joined a school between January 2020 and May 2020 will attract funding for mobility based on their entry date, rather than by virtue of the May school census being their first census at the current school, as the May 2020 census did not take place due to coronavirus (COVID-19).

De-delegation Consultation 2023/24

The soft National Funding Formula (NFF) arrangements in 2023/24 will continue to allow de-delegations and a consultation was issued to schools on 27 September 2022 via the Schools Portal, seeking views about which services should be de-delegated. Proposals seek views about the continuation of services de-delegated in 2022/23, which were:

- Staff costs – Public Duties/Suspensions;
- Heritage Learning Service (Museum Service) - Primary Schools Only;
- Support for Schools in Financial Difficulty;
- Primary Inclusion Hubs Primary Schools Only.
- School Improvement Functions

For 2022/23, forum decided to amend the structure of using lump sum element in the charging methodology for the Staff Costs and the Support for Schools in Financial Difficulty de-delegations and move to a purely number on roll (NOR) based calculation in order to offer more equitable arrangements for smaller schools. However, in order to minimise turbulence, the Forum recommended that for 2022/23, the lump sum element should be reduced by 50% only, with the corresponding increase in NOR rates. De-delegation proposals for 2023/24 will no longer include lump sum and will be based on a per pupil only rate.

It is extremely important to the County Council and the Schools Forum to be able to reflect the views of Lancashire schools when making decisions about de-delegation arrangements for 2023/24, as these decisions are binding on all primary and secondary schools. Responses are requested by **14 October 2022**, so that an analysis can be shared with the Schools Forum on 18 October. A link to the consultation questionnaire is [here](#).

Forum Update

The draft minutes from the last Schools Forum meeting held on 5 July 2022 have now been added to the Schools Forum website.

All Schools Forum agendas and minutes are in the public domain and can be accessed [here](#).



Clawback at March 2023

Please remember that following a period where clawback has been suspended, the Schools Forum has agreed to reintroduce the clawback policy on excess school balances at 31 March 2023.

The current guideline balance is 12% of Consistent Financial Reporting (CFR) income for all phases of maintained school.

The Forum has agreed to raise the minimum balance threshold from £60,000 to £75,000 from 2022/23, taking into account inflation over the years since the last time that the minimum value was raised. This will provide smaller schools with a larger level of allowable balance as a protection against future costs pressures.

Please also remember that the clawback policy will exempt 5/12 any funding received in advance that is funded on an academic year basis to schools by the DfE, for example Covid catch up funding. As clawback was suspended at March 2022, no 100% clawback rate will be applied at March 2023.

The Forum have agreed that the reintroduction of clawback be kept under review to assess the impact on Lancashire schools. Further information was issued about the 2022/23 clawback policy via the schools portal on 12 July 2022.

Academisation

LCC has submitted an expression of interest to the DfE to be involved in the Local Authority Multi Academy Trust (MAT) pilot. The initial proposal for a Local Authority MAT involves a group of special schools.

Further information will be provided in due course.

What's Happening Nationally

October 2022 annual energy price increase

As you will be aware the prices for gas and electricity on the LCC contracts are due to change on **1st October 2022**.

LCC's strategy is to buy energy at different points throughout the contract period to reduce the risk of having to buy all the energy when prices are highest. Due to this the contract has performed better than the wholesale market. However, because the market has been so volatile for so long it has been impossible to completely escape significant price increases.

The average projected increase across the whole portfolio is expected to be:

Gas-150%

Electricity-83%

The new prices will be on the October bills that are issued towards the end of November. Independent market testing tells us the prices achieved are 38% and 26% lower than the market rate for gas and electricity respectively.

The energy engineers are available to offer practical advice on reducing energy consumption. If you would like their assistance or have any questions, please contact:
Energy.team@lancashire.gov.uk

Who's Who? - Forum Membership

Several new members joined the Forum in September 2022, including:

Primary School Governors

- Caroline Clayton, Great Eccleston Copp School
- Emma Smurthwaite, Crawshawbooth Primary School
- Lindy King, Goosnargh Oliverson's C E
- Nigel Whittle, Pilling St. John's Church of England Primary School

Primary School Headteachers

- Helen Shaw, Higham St. John's C E Primary School

Secondary School Headteacher

- Oliver Handley, Pendle Vale High

Pupil Referral Unit Representative

- Abigale Bowe, Shaftesbury High School

Higher Needs Block Observer

- Paula Barlow, Acorns

Academy Secondary School Headteacher

- Matt Eastham, Penwortham Priory Academy

Private, Voluntary and Independent (PVI) providers of the free entitlement to early years education

- Sarah McGladrigan, Cliff House Nursery Ltd

The Forum will also wish to welcome back the following members returning in positions:

Primary School Governors

- Sam Ud-din, Sandylands Primary School

Academy Secondary School Headteacher

- Steve Campbell, LET Educational Trust CEO

The Forum elected Daniel Ballard, primary school headteacher representative, as the Chair for the 2022/23 academic year.

Kevin Smith, Head of Service - Schools Finance, will be leaving Lancashire County Council in October. Kirsty Lister will cover the post in the interim.

Questions?

Remember, if you have any questions about the Schools Forum, please contact Sylwia Krajewska, Forum Clerk, 01772 531815, or email schoolsforum@lancashire.gov.uk