

SOUTHAMPTON CITY COUNCIL
Schools Forum – 19th January 2022

Subject: 2022-23 Schools Revenue Funding Arrangements and Dedicated Schools Grant

Supplementary items.

The Department for Education recently announced a reduction in the School Improvement Grant paid to Local Authorities. This is used to assist maintained schools by the provision of funds and school improvement officers. In 2022-23 SCC will have a reduction of £44k in the grant. The Department for Education has indicated that the shortfall in the grant can be deducted from maintained schools budget shares via the Authority Proforma Tool.

SCC proposes a deduction of £2.4 per pupil in a maintained school is made within the APT to compensate for this.

A vote is required from maintained schools

Growth fund and Central School Services Block 'CSSB' shortfall.

The estimated growth fund requirement is £393k and CSSB shortfall £103k is £155k more than the predicted surplus. The Local Authority would like to propose that the AWPU and MFG are marginally reduced as shown below so that growing schools receive the funding they require based on pupils in September 2022 and key services to schools are not reduced. Whilst the CSSB funds part of the statutory services provided to schools, a substantial part £656k is funded by the Local Authority from General Funds. Unless the shortfall in the CSSB is not supported by schools in 2022-23, it will impact the ability of the Education team to continue to assist schools.

We propose a small contribution for these elements via the APT of a reduction in the AWPU of £3 per primary unit and £5 per secondary unit and an MFG rate of 1.85%.

The impact of all three proposed changes on schools is minimal at less than 0.2% of a school's budget share or £3,000 on average.

A vote is required from all schools to

- 1) Agree to a block transfer to the CSSB of £103k**
- 2) Accrue a growth fund of £393k.**

Schools block - provisional allocation subject to agreement by EFSA	NFF plus 2% MFG		NFF less £3.5/£5 per pupil, MFG at 1.85% Education £2.4 per
	2022-23	2021-22	2022-23
	£'000	£'000	£'000
Basic	122,199	117,073	122,069
Deprivation	20,583	18,782	20,583
EAL/Mobility	2,717	2,444	2,717
Prior attainment	11,193	10,864	11,193
Lumpsum	8,242	8,004	8,242
Split sites	57	85	57
Rates adjustment	(1)	1,853	(1)
PFI	739	739	739
Min per pupil	523	709	532
MFG	1,645	2,544	1,608
Total allocated to schools	167,897	163,097	167,739
Total funding	(168,239)	(163,335)	(168,239)
Surplus	(341)	(239)	(500)
Growth	341	11	397
CSSB			103
Transfer to High Needs	0	228	0
Deficit/(surplus)	(0)	0	0

In the event of a reduction in the projected surplus or a deficit.

The APT is subject to agreement by the Department for Education, and in the event of this SCC would like to request that Schools Forum agrees the principle by which a revision is allocated to balance the APT. An analysis has been carried out to confirm which schools are most affected by a change in factors – principally reducing the AWPU or reducing the MFG rate.

6 primary schools (3 academy and 3 maintained) are affected by the minimum per pupil funding and so are not affected by an adjustment of the above factors.

24 schools (21 primary and 3 secondary) are affected by changes to the MFG rate and not by the AWPU. 37 schools are affected by a reduction in the AWPU.

By looking at the FSM6% and notional SEN it is possible to identify the 25 schools with greater levels of special needs and deprivation within the pupil population. Of these @60% are affected by a reduction in AWPU.

We propose that if any revisions are needed they are deducted equally from the AWPU and MFG to ensure the most equitable outcome for all schools.

A vote on this principle is required from all schools.