

NORTH YORKSHIRE COUNTY COUNCIL

CYPS EXECUTIVE MEMBERS

13TH SEPTEMBER 2022

2023/24 DEDICATED SCHOOLS GRANT
FUNDING CONSULTATION APPROVAL REQUEST

1.0 PURPOSE OF THE REPORT

1.1 This report provides an overview of the funding consultations which are required to be undertaken in respect of the use of the 2023/24 Dedicated Schools Grant (DSG) budgets to determine the budgets for schools and early years providers for the 2023/24 financial year. CYPS Executive Members, in conjunction with the Corporate Director – CYPS, are asked to provide approval for consultations to be undertaken as follows:

a. With mainstream schools and academies within North Yorkshire on:

- The level of the Minimum Funding Guarantee (MFG) for 2023/24
- The methodology for the allocation to school budgets of any surplus funding available after the application of the National Funding Formula (NFF) factor values in the North Yorkshire school funding formula for 2023/24

b. With early years providers within North Yorkshire on:

- The early years provider base funding rates for 3 and 4 year olds (universal and extended entitlement) and disadvantaged 2 year olds for 2023/24

2.0 BACKGROUND

2.1 The Department for Education (DfE) have provided information in July 2022 on indicative funding levels and funding formula changes for the DSG Schools Block, High Needs Block and Central School Services Block for 2023/24. It is envisaged that similar indicative funding information will be provided for the 2023/24 Early Years Block in late Autumn 2022. The determination of budgets from the DSG funding sources for mainstream schools and early years' providers require local decisions, and associated consultation, to be undertaken on the funding formula elements in respect of the level of the MFG and early years' provider base funding rates. In addition, in previous years, mainstream schools and academies have been invited to provide their views on the methodology to be used for the allocation to school budgets of any surplus funding available after the application of the NFF factor values in the North Yorkshire funding formula.

2.2 This report provides further information in relation to:

- Mainstream School Budgets – see section 3
- Early Years Provider Funding Rates – see section 4
- Special School Budgets – see section 5

3.0 2023/24 SCHOOL BUDGETS

3.1 On the 19th July 2022, the DfE announced the proposed school funding arrangements for the 2023/24 financial year indicating, nationally, an overall increase of 1.9% compared to 2022/23.

3.2 The key updates to the NFF for 2022/23 are as follows:

- The core factors in the schools NFF (such as the basic entitlement, and the lump sum that all schools attract) will increase by 2.4%.
- Additional support is directed to disadvantaged pupils, with the FSM6 and IDACI factors in the schools NFF increasing by 4.3% compared to their 2022/23 values.
- Rolling the 2022-23 school supplementary grant into the schools NFF ensuring that this additional funding forms an on-going part of schools' core budgets. Appropriate adjustments have been made to NFF factor values to reflect this, adding £97, £137 and £155 to the primary, key stage 3 and key stage 4 per pupil funding factors respectively; £85 and £124 to the primary and secondary FSM6 factors; and £3,680 to the school lump sum.
- The minimum per pupil funding levels will ensure that every primary school receives at least £4,405 per pupil, and every secondary school at least £5,715 per pupil. The minimum per pupil funding levels are mandatory in 2023/2024. The funding values include £119, £155 and £173 per primary, KS3 and KS4 pupil respectively for the rolling in of the schools supplementary grant, plus a further 0.5% increase. The average amount in respect of the supplement grant reflect the average level of funding these schools currently attract through the grant.
- Every school will be allocated at least 0.5% more pupil-led funding per pupil compared to its 2022-23 baseline (increased to take account of the rolling in of the schools supplementary grant)
- Local authorities are able to continue to set a Minimum Funding Guarantee (MFG) in local formulae, which in 2023-24 must be between +0% and +0.5% (comparable values for 2022/23 were +0.5% and +2.0%)
- Following the cancellation or incompleteness of assessments in summer 2020 and summer 2021 due to COVID-19, this data is unable to be used as part of setting a low prior attainment factor in local funding formulae. Instead, the 2019 assessment data will be used as a proxy for assessments which would have taken place in 2020 and 2021.
- Local authorities continue to be able to transfer up to 0.5% of their schools block to other blocks of the Dedicated Schools Grant (DSG), with school's forum approval. A disapplication request is required for transfers above 0.5%, or for any amount without school's forum approval.

3.3 The local authority intends to consult schools and academies within North Yorkshire on the following items:

- The level of the MFG for 2023-24
- The methodology for the allocation to school budgets of any surplus funding available after the application of the NFF factor values in the North Yorkshire school funding formula.

The timescales for the consultation process are detailed in the table below:

Date	Process
13/09/2022	Approval obtained from CYPS Executive Members in conjunction with Corporate Director – CYPS to consult schools & academies
22/09/2022	School Funding Update report to Schools Forum including details of 2022/23 school funding consultation
26/09/2022 – 21/10/2022	Consultation with schools & academies on 2023/24 school funding arrangements
17/11/2022	Consultation feedback considered by Schools Forum
06/12/2022	Outcome of consultation considered by CYPS Executive Members in conjunction with Corporate Director and associated proposals approved
14/12/2022	Communication of consultation outcome and associated decisions to schools & academies
10/01/2023	Final Decision by Full Executive on Mainstream School and Academy Budgets 2023/24

4.0 2023/24 EARLY YEARS PROVIDER FUNDING RATES

4.1 At this stage, the DfE have not confirmed the local authority early years funding rates for 2023/24. It is envisaged that this information will be received late Autumn 2022. Once the 2023/24 funding rates are received from the DfE, the local authority intends to consult with early years providers within North Yorkshire on the level of provider base funding rates for 3 and 4 year olds (universal and extended entitlement) and disadvantaged 2 year olds for 2023/24. The consultation is planned to be undertaken early in the Spring 2023 term. The consultation results, and associated recommendations, will be reported to CYPS Executive Members and the Corporate Director CYPS in February / March 2023.

5.0 2023/24 SPECIAL SCHOOL MINIMUM FUNDING GUARANTEE

5.1 The DfE have set the Special School Minimum Funding Guarantee (MFG) protection for maintained special schools and special academies for 2023/24 by a condition of grant that applies to local authorities' DSG. In previous years', whilst the DfE have proposed a Special School MFG level, the final decision has been made locally by individual local authorities, after consultation with special schools and academies. NYCC set a Special School MFG of 0% in 2021/22 and 2% in 2022/23. The DfE have set a 3% MFG for 2023/24 compared to the 2021/22 funding baseline for a special school. Given that the DfE are prescribing the level of the Special School MFG for 2023/24 through the DSG conditions of grant, NYCC consider that there is no requirement undertake a consultation with special schools and academies within North Yorkshire on the level of the Special School MFG for 2023/24. Any local deviation from the prescribed value requires Secretary of State approval.

6.0 RECOMMENDATIONS

- 6.1 CYPS Executive Members, in conjunction with the Corporate Director – CYPS are asked to provide approval for consultations to be undertaken as follows:
- a. With mainstream schools and academies within North Yorkshire on:
 - The level of the Minimum Funding Guarantee (MFG) for 2023/24

- The methodology for the allocation to school budgets of any surplus funding available after the application of the National Funding Formula (NFF) factor values in the North Yorkshire school funding formula for 2023/24
- b. With early years providers within North Yorkshire on:
- The early years provider base funding rates for 3 and 4 year olds (universal and extended entitlement) and disadvantaged 2 year olds for 2023/24
- 6.2 CYPS Executive Members and the Corporate Director – CYPS are asked to note the change in the DSG conditions of grant for 2023/24 to allow the DfE to stipulate the level of the special MFG at 3%, with any local deviation from this value requiring Secretary of State approval.

STUART CARLTON

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