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| <p style="text-align: center;">Report to Hartlepool Schools' Forum 18 November 2021 From Amanda Whitehead – Assistant Director Education</p> |
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Item 6: Indicative Schools Block Budget Update 2022/23

1. Introduction

- 1.1 The purpose of the report is to provide indicative Individual School Budgets (ISBs) for 2022/23 following the ESFA's release of the draft Authority Proforma Tool (APT) on 17 September 2021.
- 1.2 Indicative ISBs are currently based on the pupil counts and characteristics from the October 2020 census. Figures will be updated by ESFA during December to reflect the October 2021 census.

2. Background

- 2.1 At their meeting on 21 September 2021, Schools' Forum agreed to a transfer of £0.174m from the Central School Services Block (CSSB) into the Schools Block for 2022/23.
- 2.2 A local Minimum Funding Guarantee (MFG) can be set within the range of 0.5% to 2.0% for 2022/23 as per the Schools Revenue Funding Operational Guide for 2022/23.
- 2.3 No transfer from the Schools Block to the High Needs Block is proposed for 2022/23.

3. Indicative ISB Modelling for 2022/23

- 3.1 On the basis of pupil counts and characteristics from the October 2020 census, a local MFG of the maximum 2% is currently affordable without the implementation of a cap. Affordability is based on the new Primary Unit of Funding (PUF) and Secondary Unit of Funding (SUF) rates provided by ESFA for 2022/23 multiplied by the October 2020 pupil count. However, this position may change once October 2021 pupil numbers and characteristics are reflected in the formula.
- 3.2 A reduction in overall pupil numbers in the October 2021 census could mean that a maximum 2% MFG is not affordable. Schools' Forum may wish to consider the application of a cap alongside MFG if this is the case once the final NFF is published.
- 3.3 Two models have been produced at Appendix A and B to this report. The following paragraphs outline the assumptions within each model.
- 3.4 Appendix A
- Based on pupil numbers and pupils characteristics from the October 2020 census;
 - Includes the transfer-in of £0.174m from CSSB;
 - Applies the maximum MFG of 2%;
 - Uses the indicative DSG funding of £72.537m for 2022/23 published by ESFA

3.5 Appendix B

- As Appendix A, based on pupil numbers and pupils characteristics from the October 2020 census;
- As Appendix A, includes the transfer-in of £0.174m from CSSB;
- As Appendix A, applies the maximum MFG of 2%;
- Uses forecast DSG funding of £72.323m for 2022/23 based on estimated pupil numbers provided by the Council's Data Team (overall reduction of 73 pupils);
- Applies a cap of 2.75% to make a 2% MFG affordable within the forecast DSG. It is likely that a 2% MFG is not affordable without a cap because of the reduction in pupil numbers in the October 2021 census.

3.6 Within the models presented, seven primary schools receive a minimum per pupil uplift as their per pupil funding does not meet the minimum per pupil guarantee within the formula. This position may change once the NFF is updated for the October 2021 census. Column B in Appendix A and B indicates those schools where the base formula failed to meet the minimum per pupil amount guaranteed.

3.7 Although a number of schools receive less than a 2% increase in their overall indicative budget for 2022/23 (shown in column J), all schools receive at least a 2% increase per pupil (shown in column K). The 2% increase per pupil calculation excludes the lump sum and premises budgets.

3.8 Appendix B shows that a cap of 2.75% is likely to be required in order to implement a 2% MFG. Further modelling has shown that the cap would increase to 2.87% if an MFG of 1% was implemented and 2.92% if an MFG of 0.5% was implemented.

3.9 Appendix C to the report presents two worked examples taken from Appendix A. The first example illustrates a school that fails the Minimum Per Pupil Funding (MPPF) test and the second school passes the test and therefore receives an uplift to ensure funding is provided to the level of the MPPF (£4,265 for primary schools and £5,525 for secondary schools).

4. Recommendations

4.1 Forum is asked to

- Note the contents of the report;
- approve the application of a maximum 2% MFG, with the application of an appropriate cap to make this affordable for 2022/23 ISBs

Please note: Final ISBs will be based upon October 2021 pupil counts and characteristics once they are published by ESFA in December.

All Forum Members are eligible to vote.

APPENDIX A: Indicative ISBs 2022/23

| A | B | C | D | E | F | G | H | I |
|------------------|------------------|--|----------------|--------------------------------------|-------------------------|-----------------------------------|-----------------------------------|----------------------|
| School Reference | MPPF Test Result | 2022/23 Pre MFG Budget (Excl ESG and De-Del) | MFG | 2022/23 Post MFG Budget (INDICATIVE) | 2021/22 post MFG Budget | Budget Increase +£ / Decrease (£) | Budget Increase +% / Decrease (%) | Per Pupil Increase % |
| 1 | FAIL | 1,699,503 | 0 | 1,699,503 | 1,665,758 | 33,745 | 2.03% | 2.19% |
| 2 | PASS | 776,316 | 0 | 776,316 | 757,612 | 18,705 | 2.47% | 2.96% |
| 3 | PASS | 7,693,075 | 0 | 7,693,075 | 7,476,282 | 216,793 | 2.90% | 2.53% |
| 4 | PASS | 6,720,435 | 0 | 6,720,435 | 6,530,617 | 189,818 | 2.91% | 2.96% |
| 5 | PASS | 7,907,800 | 0 | 7,907,800 | 7,684,379 | 223,421 | 2.91% | 2.97% |
| 6 | FAIL | 893,315 | 27,228 | 920,543 | 904,993 | 15,550 | 1.72% | 2.00% |
| 7 | PASS | 1,450,400 | 0 | 1,450,400 | 1,409,337 | 41,063 | 2.91% | 3.20% |
| 8 | PASS | 404,247 | 55,168 | 459,415 | 452,829 | 6,586 | 1.45% | 2.00% |
| 9 | PASS | 1,455,626 | 0 | 1,455,626 | 1,414,180 | 41,446 | 2.93% | 6.12% |
| 10 | FAIL | 1,255,328 | 0 | 1,255,328 | 1,230,423 | 24,905 | 2.02% | 2.26% |
| 11 | PASS | 1,958,286 | 0 | 1,958,286 | 1,902,801 | 55,486 | 2.92% | 3.13% |
| 12 | PASS | 1,350,177 | 12,812 | 1,362,989 | 1,338,776 | 24,212 | 1.81% | 2.00% |
| 13 | FAIL | 1,957,963 | 0 | 1,957,963 | 1,919,118 | 38,845 | 2.02% | 2.17% |
| 14 | PASS | 1,479,775 | 0 | 1,479,775 | 1,437,871 | 41,904 | 2.91% | 3.07% |
| 15 | PASS | 1,513,594 | 0 | 1,513,594 | 1,470,829 | 42,765 | 2.91% | 3.19% |
| 16 | PASS | 1,010,966 | 0 | 1,010,966 | 993,112 | 17,854 | 1.80% | 2.06% |
| 17 | PASS | 460,801 | 59,454 | 520,255 | 512,419 | 7,836 | 1.53% | 2.00% |
| 18 | PASS | 7,385,093 | 0 | 7,385,093 | 7,176,585 | 208,508 | 2.91% | 2.68% |
| 19 | PASS | 4,736,031 | 0 | 4,736,031 | 4,602,758 | 133,273 | 2.90% | 2.89% |
| 20 | PASS | 983,350 | 0 | 983,350 | 960,492 | 22,858 | 2.38% | 2.74% |
| 21 | PASS | 1,343,538 | 0 | 1,343,538 | 1,304,997 | 38,540 | 2.95% | 3.27% |
| 22 | PASS | 602,041 | 3,953 | 605,994 | 596,547 | 9,447 | 1.58% | 2.00% |
| 23 | PASS | 1,080,045 | 0 | 1,080,045 | 1,049,272 | 30,773 | 2.93% | 3.33% |
| 24 | PASS | 474,085 | 67,411 | 541,496 | 533,316 | 8,180 | 1.53% | 2.00% |
| 25 | PASS | 1,736,114 | 0 | 1,736,114 | 1,687,871 | 48,242 | 2.86% | 3.16% |
| 26 | PASS | 1,710,500 | 0 | 1,710,500 | 1,662,475 | 48,025 | 2.89% | 3.17% |
| 27 | PASS | 1,205,894 | 0 | 1,205,894 | 1,172,728 | 33,165 | 2.83% | 3.09% |
| 28 | FAIL | 1,506,666 | 0 | 1,506,666 | 1,477,256 | 29,410 | 1.99% | 2.22% |
| 29 | FAIL | 1,789,779 | 0 | 1,789,779 | 1,754,844 | 34,935 | 1.99% | 2.20% |
| 30 | PASS | 1,325,344 | 0 | 1,325,344 | 1,288,508 | 36,836 | 2.86% | 3.23% |
| 31 | PASS | 2,021,845 | 0 | 2,021,845 | 1,965,675 | 56,170 | 2.86% | 3.04% |
| 32 | FAIL | 1,736,039 | 0 | 1,736,039 | 1,702,124 | 33,915 | 1.99% | 2.19% |
| 33 | PASS | 1,516,962 | 0 | 1,516,962 | 1,475,069 | 41,893 | 2.84% | 3.18% |
| 34 | PASS | 608,499 | 35,866 | 644,366 | 634,480 | 9,886 | 1.56% | 2.00% |
| 35 | PASS | 622,839 | 9,321 | 632,159 | 622,194 | 9,965 | 1.60% | 2.00% |
| TOTAL | | 72,372,270 | 271,213 | 72,643,483 | 70,768,525 | 1,874,958 | | |

APPENDIX B: Indicative ISBs 2022/23 with reduction in DSG Income (taking internal estimates for pupil numbers October 2021)

| A | B | C | D | E | F | G | H | I | J |
|------------------|------------------|--|----------------|------------------|--------------------------------------|-------------------------|-----------------------------------|-----------------------------------|----------------------|
| School Reference | MPPF Test Result | 2022/23 Pre MFG Budget (Excl ESG and De-Del) | MFG (2%) | Cap (2.75%) | 2022/23 Post MFG Budget (INDICATIVE) | 2021/22 post MFG Budget | Budget Increase +£ / Decrease (£) | Budget Increase +% / Decrease (%) | Per Pupil Increase % |
| 1 | FAIL | 1,699,503 | 0 | 0 | 1,699,503 | 1,665,758 | 33,745 | 2.03% | 2.19% |
| 2 | PASS | 776,316 | 0 | (1,300) | 775,017 | 757,612 | 17,405 | 2.30% | 2.75% |
| 3 | PASS | 7,693,075 | 0 | 0 | 7,693,075 | 7,476,282 | 216,793 | 2.90% | 2.53% |
| 4 | PASS | 6,720,435 | 0 | (13,112) | 6,707,323 | 6,530,617 | 176,706 | 2.71% | 2.75% |
| 5 | PASS | 7,907,800 | 0 | (16,260) | 7,891,540 | 7,684,379 | 207,161 | 2.70% | 2.75% |
| 6 | FAIL | 893,315 | 27,228 | 0 | 920,543 | 904,993 | 15,550 | 1.72% | 2.00% |
| 7 | PASS | 1,450,400 | 0 | (5,767) | 1,444,633 | 1,409,337 | 35,296 | 2.50% | 2.75% |
| 8 | PASS | 404,247 | 55,168 | 0 | 459,415 | 452,829 | 6,586 | 1.45% | 2.00% |
| 9 | PASS | 1,455,626 | 0 | (42,116) | 1,413,509 | 1,414,180 | (670) | (0.05%) | 2.75% |
| 10 | FAIL | 1,255,328 | 0 | 0 | 1,255,328 | 1,230,423 | 24,905 | 2.02% | 2.26% |
| 11 | PASS | 1,958,286 | 0 | (6,693) | 1,951,593 | 1,902,801 | 48,793 | 2.56% | 2.75% |
| 12 | PASS | 1,350,177 | 12,812 | 0 | 1,362,989 | 1,338,776 | 24,212 | 1.81% | 2.00% |
| 13 | FAIL | 1,957,963 | 0 | 0 | 1,957,963 | 1,919,118 | 38,845 | 2.02% | 2.17% |
| 14 | PASS | 1,479,775 | 0 | (4,137) | 1,475,638 | 1,437,871 | 37,767 | 2.63% | 2.75% |
| 15 | PASS | 1,513,594 | 0 | (5,852) | 1,507,742 | 1,470,829 | 36,913 | 2.51% | 2.75% |
| 16 | PASS | 1,010,966 | 0 | 0 | 1,010,966 | 993,112 | 17,854 | 1.80% | 2.06% |
| 17 | PASS | 460,801 | 59,454 | 0 | 520,255 | 512,419 | 7,836 | 1.53% | 2.00% |
| 18 | PASS | 7,385,093 | 0 | 0 | 7,385,093 | 7,176,585 | 208,508 | 2.91% | 2.68% |
| 19 | PASS | 4,736,031 | 0 | (6,201) | 4,729,830 | 4,602,758 | 127,072 | 2.76% | 2.75% |
| 20 | PASS | 983,350 | 0 | 0 | 983,350 | 960,492 | 22,858 | 2.38% | 2.74% |
| 21 | PASS | 1,343,538 | 0 | (6,123) | 1,337,415 | 1,304,997 | 32,417 | 2.48% | 2.75% |
| 22 | PASS | 602,041 | 3,953 | 0 | 605,994 | 596,547 | 9,447 | 1.58% | 2.00% |
| 23 | PASS | 1,080,045 | 0 | (5,353) | 1,074,691 | 1,049,272 | 25,420 | 2.42% | 2.75% |
| 24 | PASS | 474,085 | 67,411 | 0 | 541,496 | 533,316 | 8,180 | 1.53% | 2.00% |
| 25 | PASS | 1,736,114 | 0 | (6,309) | 1,729,804 | 1,687,871 | 41,933 | 2.48% | 2.75% |
| 26 | PASS | 1,710,500 | 0 | (6,329) | 1,704,171 | 1,662,475 | 41,696 | 2.51% | 2.75% |
| 27 | PASS | 1,205,894 | 0 | (3,433) | 1,202,460 | 1,172,728 | 29,732 | 2.54% | 2.75% |
| 28 | FAIL | 1,506,666 | 0 | 0 | 1,506,666 | 1,477,256 | 29,410 | 1.99% | 2.22% |
| 29 | FAIL | 1,789,779 | 0 | 0 | 1,789,779 | 1,754,844 | 34,935 | 1.99% | 2.20% |
| 30 | PASS | 1,325,344 | 0 | (5,470) | 1,319,874 | 1,288,508 | 31,366 | 2.43% | 2.75% |
| 31 | PASS | 2,021,845 | 0 | (5,239) | 2,016,607 | 1,965,675 | 50,932 | 2.59% | 2.75% |
| 32 | FAIL | 1,736,039 | 0 | 0 | 1,736,039 | 1,702,124 | 33,915 | 1.99% | 2.19% |
| 33 | PASS | 1,516,962 | 0 | (5,637) | 1,511,324 | 1,475,069 | 36,256 | 2.46% | 2.75% |
| 34 | PASS | 608,499 | 35,866 | 0 | 644,366 | 634,480 | 9,886 | 1.56% | 2.00% |
| 35 | PASS | 622,839 | 9,321 | 0 | 632,159 | 622,194 | 9,965 | 1.60% | 2.00% |
| TOTAL | | 72,372,270 | 271,213 | (145,333) | 72,498,150 | 70,768,525 | 1,729,625 | | |

Appendix C: Worked Examples – Minimum Per Pupil Funding (MPPF)

| School 8 (81 pupils on roll) | £ | Notes |
|---|-----------------|---|
| What is the total MPPF guarantee for this school? | 338,580 | This is calculated as 81 pupils @ £4,265. £4,265 is the MPPF guarantee for primary schools in 2022/23 |
| MPPF Test Result | PASS | |
| What is the actual MPPF for the school? | | |
| Basic entitlement | 261,460 | 81 pupils @ AWPU (incl CSSB transfer in) |
| FSM | 4,923 | |
| IDACI | 5,480 | |
| EAL | 0 | |
| Low Attainment | 8,858 | |
| Lump Sum | 121,300 | Lump sum per pupil is £1,497.53 |
| Actual MPPF total | 402,020 | Actual MPPF is £4,963.21 |
| Difference between MPPF guarantee and actual MPPF total | (63,440) | A negative figure here means the school is above the £4,265 MPPF so does not receive an uplift |
| Budget increase | 6,586 | This is an increase of 1.45% |
| Explained by: | | |
| Increase in Basic entitlement | 7,487 | |
| MPPF Uplift | 0 | |
| Increase in FSM | 121 | |
| Increase in IDACI | 175 | |
| Increase in EAL | 0 | |
| Increase in Low Attainment | 274 | |
| Increase in Lump Sum | 3,500 | |
| Decrease in MFG | (4,972) | |
| TOTAL | 6,586 | |

| School 10 (293 pupils on roll) | £ | Notes |
|---|------------------|--|
| What is the total MPPF guarantee for this school? | 1,249,645 | This is calculated as 293 pupils @ £4,265. £4,265 is the MPPF guarantee for primary schools in 2022/23 |
| MPPF Test Result | FAIL | |
| What is the actual MPPF for the school? | | |
| Basic entitlement | 945,775 | 293 pupils @ AWPU (incl CSSB transfer in) |
| FSM | 13,900 | |
| IDACI | 19,287 | |
| EAL | 1,335 | |
| Low Attainment | 70,948 | |
| Lump Sum | 121,300 | Lump sum per pupil is £413.99 |
| Actual MPPF total | 1,172,545 | Actual MPPF is £4,001.86 |
| Difference between MPPF guarantee and actual MPPF total | 77,100 | The actual MPPF is below the guarantee of £4,265 so the school receives an uplift |
| Budget increase | 24,905 | This is an increase of 2.02% |
| Explained by: | | |
| Increase in Basic entitlement | 27,083 | |
| MPPF Uplift | 0 | |
| Increase in FSM | 330 | |
| Increase in IDACI | 571 | |
| Increase in EAL | 35 | |
| Increase in Low Attainment | 2,198 | |
| Increase in Lump Sum | 3,500 | |
| Decrease in MPPF Uplift | (8,812) | |
| TOTAL | 24,905 | |