

REPORT FOR SCHOOLS FORUM

1.	Date of meeting:	15th January 2022
2.	Title:	Schools supplementary grant 2022 to 2023: methodology
3.	Directorate:	Finance and Customer Services

1. PURPOSE OF THE REPORT

That members are made aware of the new Schools Supplementary Grant

2. RECOMMENDATION(S)

That members of Schools Forum note the content of the report.

3. Introduction

The autumn 2021 spending review confirmed £1.6 billion funding for schools and high needs, for the 2022 to 2023 financial year, above the previous DSG settlement for that year.

In the 2022 to 2023 financial year, schools will be allocated £1.2 billion of this additional funding (£6m to Rotherham), to provide support for the costs of the Health and Social Care Levy and wider costs. This funding will be allocated through the schools supplementary grant 2022 to 2023.

In addition to the schools supplementary grant, local authorities have been allocated £325 million additional high needs funding for 2022 to 2023 (£1.7m to Rotherham), on top of the dedicated schools grant high needs block allocations, calculated under the national funding formula.

The additional high needs funding allocations include funding for the Health and Social Care Levy and wider cost pressures in special schools and alternative provision. These schools will not receive the schools supplementary grant, but should discuss with the local authority any increases as part of the top-up funding paid from our high needs budget.

4. Eligibility for the grant

The schools supplementary grant will fund the following providers:

- maintained nursery schools
- primary and secondary maintained schools

- primary and secondary academies and free schools
- all through maintained schools
- all through academies
- 16 to 19 maintained schools
- 16 to 19 academies
- city technology colleges

The schools supplementary grant will only be payable to public sector employers. This means that further education colleges, sixth form colleges, independent learning providers, as well as private and voluntary sector early years providers will not be eligible to receive this funding.

5. Paying the grant

School-level allocations of the schools supplementary grant for the 2022 to 2023 financial year will be published in spring 2022.

We'll pay the funding for maintained mainstream schools to local authorities, who'll be required to pay it to individual schools at the rates published.

The ESFA will pay funding at the published rates directly to mainstream academies.

Local authorities and academies will receive their payments from spring 2022 - we'll confirm timings for the payment of the grant when we confirm school allocations.

This additional funding will be provided in each year of the current spending review period. Our intention is that payment of this additional funding in the form of a separate grant will be for 2022 to 2023 only. The funding will be incorporated into core budget allocations for 2023 to 2024 where possible. So, for 5 to 16 schools, this will mean the funding being rolled into the schools national funding formula (NFF) for 2023 to 2024.

Both local authority-maintained mainstream schools and mainstream academies will receive allocations under the schools supplementary grant, covering the financial year 2022 to 2023.

In recognition of the funding cycle for academies, which follows the academic year (rather than the financial year, as for local authority-maintained schools), academies will receive an additional allocation of the schools supplementary grant to cover April to August 2023, this is the period in advance of the funding being rolled into academies' core budget allocations through the NFF.

Schools will have the flexibility to prioritise their spending of the schools supplementary grant to best support the needs of their pupils and staff and address cost pressures, including those associated with the Health and Social Care Levy.

6. Funding rates

As set out above, £1.2 billion of additional funding is to be allocated to schools through the schools supplementary grant.

The funding for early years and post-16 provision in schools is provided in respect of the Health and Social Care Levy. The additional funding for mainstream school

provision for pupils aged 5 to 16 is provided in respect of both the Health and Social Care Levy and wider cost pressures. This means that the funding rates in the schools supplementary grant are higher for 5 to 16 provision than early years or post-16.

The early years and post-16 elements of the schools supplementary grant will be allocated on a simple per-pupil basis.

Funding for 5 to 16 mainstream schools makes up the bulk of the additional £1.2 billion to be allocated through the schools supplementary grant. The 5 to 16 funding rates consist of the following three elements, which are based on factors already in the schools national funding formula:

- a basic per-pupil rate (with different rates for primary, key stage 3 and key stage 4)
- a lump sum paid to all schools, regardless of pupil numbers
- a per-pupil rate for pupils who are recorded as having been eligible for free school meals at any point in the last six years (FSM6), with different rates for primary and secondary pupils.

When confirming the school-level allocations of the schools supplementary grant we will apply an area cost adjustment (ACA) to the funding rates below to take into account geographical variation in labour costs. The ACAs will be those used for the schools NFF for 2022 to 2023.

The ACAs used in the schools NFF are published at annex A of the [schools block national funding formula technical note](#). The base funding rates provided below will be multiplied by the relevant ACA to determine the school-level allocations.

Rate for early years

The base per-pupil funding rate for early years provision in schools, and for maintained nursery schools, will be £24 per pupil.

Rates for 5 to 16 schools:

The base funding rates for 5-16 schools will be:

- basic per-pupil rate of £97 for primary pupils
- basic per-pupil rate of £137 for key stage 3 pupils
- basic per-pupil rate of £155 for key stage 4 pupils
- lump sum of £3,680
- FSM6 per-pupil rate of £85 per eligible primary pupil
- FSM6 per-pupil rate of £124 per eligible secondary pupil

Rates for post-16

The base per-student funding rate for 16-19 provision in schools, including 16 to 19 schools and academies, will be £35 per student.

7. Allocations

School-level allocations will be published in spring 2022 and will show the total funding allocated for each applicable phase of provision. Conditions of grant will be published alongside the school-level allocations.

For early years, allocations will be calculated by multiplying the per-pupil funding rate (with the ACA applied) by the pupil count using data from the January 2022 census.

For 5 to 16 school provision, allocations will be calculated by multiplying the relevant funding rates (with the ACA applied) by the pupil count, and FSM6 pupil count, using data from the October 2021 school census. The allocations will also include the lump sum amount.

For post-16, allocations will be calculated by multiplying the per-student funding rate (with the ACA applied) by the student count using data from the 2022 to 2023 16 to 19 allocations.

Schools which are closing in the 2022 to 2023 financial year will have their allocations pro-rata for the portion of the year that they are open.

8. Name and contact details

Neil Hardwick
Head of Finance (CYPS)
Tel: 01709 254508
email neil.hardwick@rotherham.gov.uk

Vera Njegic
Principal Finance Officer (Schools Finance)
Tel: 01709 822042
email vera.njegic@rotherham.gov.uk