

Schools Forum Document MB Appendix 1

CONSULTATION & INFORMATION ON MAINSTREAM PRIMARY & SECONDARY FORMULA FUNDING 2021/22 FINANCIAL YEAR

1. Introduction

1.1 This document sets out the Authority's proposals for:

- The calculation of budget shares for mainstream primary (reception to year 6) and secondary (year 7 to year 11) schools and academies in Bradford for the 2021/22 financial year (the "funding formula"). For those who may not wish to read the full detail of this document, an extended summary of the formula funding proposals is given in paragraph 3.
- The criteria to be used to allocate additional amounts from centrally retained funds within the Schools Block of the Dedicated Schools Grant (DSG), including from the Growth Fund and Falling Rolls Fund.

1.2 This document also asks for feedback on the continuation for the 2021/22 financial year of funds de-delegated from maintained primary and secondary schools. **Please be aware however, that due to the timescale necessary for confirmation, the Schools Forum has already decided to continue / not to continue de-delegation in 2021/22 from maintained primary schools for the purposes of subscribing to Fischer Family Trust.**

1.3 The deadline for responses to this consultation is **Tuesday 1 December 2020**. An analysis of responses received will be discussed at the Schools Forum meeting on 9 December. Please address all questions and responses to Andrew Redding 01274 432678 andrew.redding@bradford.gov.uk. A response form is included at Appendix 4.

1.4 Please note that separate consultation documents, on Early Years Block and High Needs Block funding arrangements for 2021/22, will be published on Bradford Schools Online. These consultations will be signposted from our latest news and updates page [here](#).

2. Background

2.1 The message "DO NOT PANIC" has been communicated in our consultations in recent years. This remains an important message. The Minimum Funding Guarantee (MFG) protects schools and academies against sharp reductions in per pupil funding in any single year due to technical formula or October Census data changes. The MFG remains in place in 2021/22 and its % level is one of the key decisions that must be taken.

2.2 In their most recent three year budget forecasting, on the advice of the Local Authority, maintained primary and secondary schools will have budgeted in 2021/22 for a 'headline' blanket increase of 2.0% per pupil in core formula funding and for a Minimum Funding Guarantee of positive 1.50%. Schools affected by the new mandatory minimum levels of per pupil funding will have estimated that these minimums will be set at £4,000 for the primary phase and £5,000 for the secondary phase. Most schools will have assumed that the additional funding provided through the Teacher Pay and Teacher Pensions Grants will continue (though most schools will have assumed that this funding will continue only on a cash flat per pupil basis).

2.3 The actual 2021/22 settlement, provided through the National Funding Formula (NFF) and as announced by the DfE in July 2020, is a little higher than these estimates, and is confirmed as follows:

- The continuation of both the Teacher Pay Grant and the Teacher Pension Grant is secured through the transfer of these currently separate funding streams into core formula funding. This is one of two

main technical changes in formula arrangements for 2021/22. This transfer means that schools and academies will continue to see year on year uplifts in this funding in line with the overall NFF settlement. It also means that this funding is protected going forward through the Minimum Funding Guarantee. However, this funding will no longer be separately identifiable.

- Core NFF formula funding variables are increasing by a 'headline' 3%. In reality, due to the DfE's rounding of values to the nearest £5, NFF variables are increasing between roughly 2.2% and 3.3%, excluding the base amounts per pupil (AWPU) and IDACI. The base amounts per pupil (AWPU) are increasing by greater %s due to the transfer of the Teacher Pay and Pensions Grants into core formula funding. IDACI variable values are changing by different %s due to the amendment of the bandings following the move to IDACI 2019 from IDACI 2014. The IDACI update is the other major technical change in formula arrangements for 2021/22.
- Prior to the transfer in of the Teacher Pay and Pensions Grants, the mandatory minimum levels of per pupil funding are confirmed at £4,000 for the primary phase (which is as previously anticipated and which represents a +6.7% increase on the 2020/21 minimum of £3,750) and £5,150 for the secondary phase (which is higher than estimated and which represents a +£3.0% increase on the 2020/21 minimum of £5,000). After the transfer of the Teacher Pay and Pensions Grants, the final mandatory minimums in 2021/22 are £4,180 for the primary-phase and £5,415 for the secondary phase.
- The Minimum Funding Guarantee can be set between positive 0.5% and positive 2.0%. As we set out further in section 3 of this document, we propose to set the MFG in 2021/22 at the maximum of positive 2.0%. This is +0.5% higher than we estimated when advising maintained schools on their three year budget forecasting.

2.4 We are still currently in a period of change, the most significant being the movement towards a 'hard' National Funding Formula (NFF) for the calculation of mainstream primary and secondary core formula funding. The latest statement from the DfE on this move is, "The government will shortly put forward proposals to move to a 'hard' NFF in future, which will determine schools' budgets directly, rather than through local formulae set independently by each local authority. This will level up the school funding system so that all schools across the country are funded on a comparable basis. We will consult wider with local authorities, schools and others to make this transition carefully."

2.5 So, further announcements are expected (in the autumn) but, at this moment, the timing of further movement to the hard NFF and its 'end product' is uncertain. What this hard NFF will absolutely look like when it does come is also a little uncertain. We would expect it to be similar to the NFF as currently constructed, though the DfE has stated that elements of this formula are under review. The DfE has also very clearly stated previously that the future direction of NFF, how much money it allocates and how the protections currently within it continue or release (including the Minimum Funding Guarantee), will be influenced by the outcomes of spending reviews. A further multi-year spending review is expected this autumn.

2.6 The exact and final positions in 2021/22 of the remaining longstanding separate pre-16 additional grants – Pupil Premium Grant, Primary PE & Sports Premium and Universal Infant Free School Meals – are also still to be announced. Announcements on these grants, when they come, will be signposted on Bradford Schools Online.

2.7 The movement towards hard NFF began at April 2018. To give context to the proposals that we put forward now for next year, it is helpful to summarise briefly the key decisions that we have taken at and since this date:

- In 2018/19, we replaced our local formula with the DfE's NFF, using this to calculate individual formula allocations for both primary and secondary phases. We have continued this mirroring policy in 2019/20 and 2020/21, adopting all incremental changes in the NFF construction and uplifts in formula variable values.
- We have retained our existing local approaches in the areas of formula funding that NFF does not yet cover. These are:
 - a. Business rates (actual cost).

- b. Split sites.
 - c. PFI (Building Schools for the Future).
 - d. Growth Funding (at individual school level).
 - e. Falling Rolls Funding.
 - f. Notional SEND definition.
 - g. SEND Funding Floor.
- The DfE established a new pupil mobility NFF factor in 2020/21, which we adopted in full for the secondary phase. For the primary phase, whilst we adopted the new methodology, we did not fully adopt the reduced NFF variable value (but we reduced towards it), with the intention that we would move to the NFF variable in 2021/22.
 - We set a Minimum Funding Guarantee (protecting individual schools and academies year on year):
 - a. 2018/19 at positive 0.4% per pupil
 - b. 2019/20 at 0% per pupil
 - c. 2020/21 at positive 2.34% per pupil (we applied to the Secretary of State to do this)
 - In 2018/19, we retained a ceiling (capping gains for individual schools year on year) at positive 3.0% per pupil. However, we removed this ceiling in 2019/20 and did not apply one in 2020/21.
 - In 2018/19, we established the DfE's new minimum levels of per pupil funding at the full phase values of £3,500 (primary) and £4,800 (secondary). At this time, and in 2019/20, these were optional minimums. In 2020/21, however, these minimums became mandatory and were uplifted to £3,750 for primary and £5,000 for secondary.
 - We established a Falling Rolls Fund for the primary phase in 2019/20 and have continued to have this in place in 2020/21.
 - We did not transfer monies from the Schools Block to the High Needs Block in 2018/19. This was primarily because we transferred a significant amount (£5.7m) in 2017/18, which was then 'locked in' to our DSG NFF block allocation going forward. We did transfer £2m (0.48%) in 2019/20 but we did not transfer any monies in 2020/21. In setting the MFG at positive 2.34% in 2020/21, which was 0.5% higher than permitted under the normal regulations, our intention was to 'give back' to schools the money we transferred in 2019/20.

2.8 The combination of our transfers from the Schools Block to the High Needs Block, our mirroring of the DfE's NFF, year on year change in the data recorded in / sourced from the annual October Census and the DfE's mandatory minimums has created the following landscape in Bradford in 2020/21:

- Primary phase: 121 out of 156 schools (78%), including academies, were funded on the Minimum Funding Guarantee (at 2.34%) at a total value of £6.00m. 25 (16%) schools were funded at the £3,750 minimum level, receiving £1.91m in total via this factor. All other schools were funded above £3,750 per pupil.
- Secondary phase: 11 out of 31 schools (35%), including academies, were funded on the Minimum Funding Guarantee (at 2.34%) at a total value of £1.37m. 3 schools were funded at the £5,000 minimum level, receiving £0.71m in total via this factor. All other schools were funded above £5,000 per pupil.
- All through schools: 1 out of the 4 academies (25%) was funded on the Minimum Funding Guarantee (at 2.34%) at a total value of £0.21m. All of these academies were funded above the £4,271 minimum level.

From these summary statistics, it is easy to see how important decisions regarding the Minimum Funding Guarantee are, especially for the primary phase, in 2021/22.

2.9 There are a couple of outstanding issues that were created by our movement to NFF that we identified needed closer attention and that we have continued to monitor. These are:

- The knock on implications for our Notional SEND definition, where our movement to NFF, because of the increased weighting this gives low prior attainment, has meant that the values of Notional SEND budgets for all schools substantially increased in 2018/19. How we define Notional SEND is shown in Technical Annex (Appendix 2). Following further analysis and benchmarking work, we have determined not to amend our Notional SEND definition until the outcomes of the DfE's Call for Evidence (conducted in July 2019), and of the DfE's wider and fuller EHCP and SEND system and funding reviews, are known. These outcomes are still to be published at the time of writing this document. Given the wide range of approaches to defining Notional SEND across authorities currently, we anticipate that the DfE will either more closely restrict definitions or may even fully prescribe for authorities how Notional SEND is to be identified within mainstream core formula funding.
- The knock on implications for our SEND Funding Floor, where our movement to NFF, because of the increased weighting this gives Additional Educational Needs (AEN), has meant that most schools would not receive SEND Floor funding. We have continued to protect 2017/18 actual allocations, pending review. We have held off acting on a review in anticipation that, like Notional SEND, the DfE will either more closely restrict or will fully prescribe an approach, and that this will happen soon. However, as the status of the DfE's reviews is not confirmed, we feel it is appropriate to begin to more seriously consider our local review of our SEND Funding Floor, to ensure that it is fit for purpose from April 2021 should the DfE not prescribe a national methodology. As the SEND Floor is funded from the High Needs Block, not from the Schools Block, we discuss this further and set out proposals within our separate consultation on high needs funding for 2021/22.

3. Formula Funding Proposals for 2021/22

3.1 There are **5 key decisions** we need to take on Bradford's 2021/22 mainstream primary and secondary funding formula arrangements. These are very similar to the decisions that were needed for 2020/21.

3.2 The 5 decision are:

1. Whether we transfer budget from Schools Block to the High Needs Block and, if we do, the value of this transfer.
2. Whether we continue to closely mirror the DfE's NFF, as we have done since April 2018.
3. Whether we continue our existing local approaches to the factors not yet covered by the NFF.
4. The value (% level) of Minimum Funding Guarantee, which can be set between positive 0.5% and positive 2.0%.
5. Whether we retain, with their existing criteria and methodologies, the funds currently managed centrally within the Schools Block.
 - a. Growth Fund
 - b. Falling Rolls Fund (primary phase)
 - c. Funds de-delegated from maintained primary and secondary schools

3.3 Please be aware that the following changes are mandatory (they are directed by the DfE) and, as such, are not for local determination. We are not consulting on these matters; we are just showing the impact:

- The transfer of the Teacher Pay and Teacher Pension Grants into core formula funding.
- The move to IDACI 2019 from IDACI 2014 and the subsequent amendment of the NFF bandings.
- The increases in the primary and secondary phase minimum levels of funding per pupil.

3.4 Running alongside our 5 decisions, it should be noted:

- In 2019/20, we permanently removed the 'Ceiling', removing any capping of year on year gains for individual schools and academies, and we do not intend to revisit this decision.
- The DfE established a new pupil mobility NFF factor in 2020/21. For the primary phase, whilst we adopted the new methodology, we did not fully adopt the reduced NFF variable value (but we reduced towards it). We propose now that we move to the NFF variable value in 2021/22. Any losses for individual schools and academies are covered through the Minimum Funding Guarantee.
- The basic construct of the national high needs funding system – a notional value of £4,000 for element 1 and £6,000 for element 2 – remains in place and unchanged from 2020/21 arrangements. The DfE's 'Call for Evidence' has not yet had an impact on the main reference points and thresholds of this system. We put forward proposals regarding the funding of top up for EHCPs for 2021/22 within our separate high needs funding consultation.
- The Schools Forum is to fully conclude its discussions on whether and how the DSG can / should support undersubscribed schools that are not covered by the Falling Rolls Fund. These discussions will continue in the autumn and may have implications for the criteria applied to the de-delegated funds for Schools in Financial Difficulty and Exceptional Circumstances. We do not expect that these discussions will result in amendment to the Falling Rolls Fund, as set out in paragraph 7.
- The Schools Forum has previously agreed to closely monitor developments within the NFF in respect of PFI (BSF) funding and has recently considered a report on the financial pressures associated with Building Schools for the Future. The role of the Dedicated Schools Grant in the funding of PFI (BSF) is proposed to remain unchanged in 2021/22. However, this is a matter that the Schools Forum wishes to continue to monitor and review alongside how the 'hard' NFF mechanism develops in this area.
- The Authority is currently looking at an amendment to the timetable used for the calculation of funding adjustments following permanent exclusion in an academy setting. We expect to consult directly with academies on this shortly.

3.5 Against the 5 decisions, the Authority proposes the following. Within these proposals, in certain places, we refer to 'subject to final affordability'. The modelling using the existing October 2019 Census dataset indicates that the proposals set out below are affordable. However, the cost of formula funding in 2021/22 will change once the October 2020 Census dataset is used e.g. FSM%s go up and down, prior attainment scores change. We cannot predict with total accuracy what the change in cost will be and the cost won't be confirmed until the dataset is released by the DfE in December. Therefore, in this consultation, we must place caveats in certain places.

Decision 1 - Whether we transfer budget from the Schools Block to the High Needs Block in 2021/22

3.6 This is the first question in our consultation because a transfer directly affects the amount of funding available to spend within the Schools Block and therefore, what formula funding uplift and Minimum Funding Guarantee we can afford to propose.

3.7 The DfE has now taken some important steps, at a national DSG level, towards recognising that there is a significant High Needs Block funding issue. Bradford received a 17% per pupil increase in High Needs Block funding in 2020/21 and we estimate we will receive a 12% per pupil increase in 2021/22. Although no announcements have yet been made about the position of high needs funding after 2021/22 and therefore, there is still some concern about affordability going forward, these settlements put Bradford's High Needs Block for next year in a fundamentally much stronger position.

3.8 As a result, the Local Authority does not propose to transfer Schools Block funding to the High Needs Block in 2021/22. This means that the full Schools Block settlement will be retained for spending within this Block.

Decision 2 – Whether we continue to closely mirror the DfE’s 2021/22 National Funding Formula

3.9 The table below shows the DfE’s NFF factors in 2021/22, as these are applied to Bradford (so adjusted for area costs - ACA), compared against those used for 2020/21. The key changes are:

- The values of the NFF pupil-led factors have been uplifted in line with the DfE’s NFF settlement – by a headline 3% - for all factors except for the FSM factors, which have been increased by a nominal 2%, and for the Base £APP (AWPU) and IDACI factors, which are adjusted differently due to technical changes. The final factor values have then been adjusted so that the overall weightings (proportions of total spend nationally by factor) previously established within the NFF are maintained. The DfE has then also rounded values, prior to the application of the ACA, to the nearest £5.
- The Base £APPs (AWPUs) have been initially uplifted by the nominal 3% settlement but have then been further increased to absorb the transfer of the Teacher Pay and Teacher Pensions Grants. This is where the funding for these grants now sits within the main NFF. The Primary Base £APP has been increased by £180; the Key Stage 3 and Key Stage 4 Base £APPs have both been increased by £265.
- The minimum levels of funding per pupil have been increased from £3,750 to £4,180 (primary) and from £5,000 to £5,415 (secondary). These minimums now also include the £180 (primary) and £265 (secondary) per pupil additional sums relating to the transferred Teacher Pay and Pensions Grants.
- The IDACI bands and values have been adjusted to absorb the move to the IDACI 2019 data. The new banding methodology ensures that the proportion of pupils attracting funding through each band remains broadly unchanged from 2020/21. The DfE has increased the factor values of some bands by more than 3% to ensure that average funding, per eligible pupil, allocated in total through the IDACI factor nationally increases by 3%.

Factor	NFF £ 2021/22	NFF £ 2020/21	£Diff	% Diff
Primary – Base £APP	£3,123.50	£2,857.46	+ £266.04	+ 9.31%
Secondary – Key Stage 3 Base £APP	£4,404.70	£4,018.64	+ £386.06	+ 9.61%
Secondary – Key Stage 4 Base £APP	£4,963.79	£4,561.73	+ £402.06	+ 8.81%
Lump Sum – Primary & Secondary	£117,819	£114,418	+ £3,401	+ 2.97%
Primary - Deprivation – FSM Ever 6	£575.09	£560.09	+ £15.00	+ 2.68%
Primary - Deprivation – Flat FSM	£460.07	£450.07	+ £10.00	+ 2.22%
Secondary - Deprivation – FSM Ever 6	£840.13	£815.13	+ £25.00	+ 3.07%
Secondary - Deprivation – Flat FSM	£460.07	£450.07	+ £10.00	+ 2.22%
Primary - Deprivation – IDACI F	£215.03	£210.03	+ £5.00	+ 2.38%
Primary - Deprivation – IDACI E	£260.04	£250.04	+ £10.00	+ 4.00%
Primary - Deprivation – IDACI D	£410.07	£375.06	+ £35.01	+ 9.33%
Primary - Deprivation – IDACI C	£445.07	£405.06	+ £40.01	+ 9.88%
Primary - Deprivation – IDACI B	£475.08	£435.07	+ £40.01	+ 9.20%
Primary - Deprivation – IDACI A	£620.10	£600.10	+ £20.00	+ 3.33%
Secondary - Deprivation – IDACI F	£310.05	£300.05	+ £10.00	+ 3.33%
Secondary - Deprivation – IDACI E	£415.07	£405.06	+ £10.01	+ 2.47%
Secondary - Deprivation – IDACI D	£580.09	£535.09	+ £45.00	+ 8.41%
Secondary - Deprivation – IDACI C	£630.10	£580.09	+ £50.01	+ 8.62%
Secondary - Deprivation – IDACI B	£680.11	£625.10	+ £55.01	+ 8.80%
Secondary - Deprivation – IDACI A	£865.14	£840.13	+ £25.01	+ 2.98%
Primary - English as an Additional Language (3)	£550.09	£535.09	+ £15.00	+ 2.80%
Secondary - English as an Additional Language (3)	£1,485.24	£1,440.23	+ £45.01	+ 3.13%
Primary – Low Prior Attainment	£1,095.18	£1,065.17	+ £30.01	+ 2.82%
Secondary – Low Prior Attainment	£1,660.27	£1,610.26	+ £50.01	+ 3.11%
Primary - Pupil Mobility	£900.14	£875.14	+ £25.00	+ 2.86%
Secondary – Pupil Mobility	£1,290.21	£1,250.20	+ £40.01	+ 3.20%
Primary – Minimum £APP	£4,180	£3,750	+ £430	+ 11.47%
Secondary – Minimum £APP	£5,415	£5,000	+ £415	+ 8.30%

3.10 So, the NFF in 2021/22 retains the same dynamic as in the last three years, including its focus on Additional Educational Needs (AEN), low prior attainment within AEN, and the lower value of lump sum, which is one of the most significant factors in terms of impact on the primary phase.

3.11 The Authority's case, which was originally put forward for moving to fully replicate the DfE's NFF back in 2018/19, was strongly supported. Schools and academies have continued to strongly support our close mirroring of the NFF in 2019/20 and in 2020/21. Therefore, we believe schools and academies will continue to support the principle that, in this period prior to the establishment of the 'hard' NFF, our local formula funding arrangements should move in line with the DfE's NFF as this uplifts and incrementally develops. 99 (out of 151) authorities in the last three years have moved closer to NFF and / or are now within 1% of NFF variable values. This includes 63 other local authorities that are directly mirroring the NFF as we are.

3.12 For 2021/22, we propose therefore, **subject to final affordability, that we will amend our local formula to mirror the 'NFF 2021/22' factor values shown in the table above.** If we are not able to fully afford these % increases, because of the cost of data change recorded in the October 2020 Census, we will reduce the values of the factors on a pro-rata basis. **We do not propose to alter in 2021/22 our core NFF-based mainstream primary and secondary funding formula in any other way.**

3.13 The indicative impact of these amendments, including the total impact of the adjustment in the IDACI bandings, is shown in Appendix 1. Please also refer to the explanation of the modelling in paragraph 4.

Question 1 - Do you agree that our local formula in 2021/22 should mirror the DfE's 2021/22 NFF and that this formula should be used to calculate primary and secondary school and academy mainstream formula funding allocations? If not, please explain the reasons why not.

Decision 3 – Whether we continue unchanged our existing local approaches to the factors not yet covered by the NFF

3.14 **Business rates** will continue to be funded at actual cost and this is not a matter under consultation.

3.15 **We propose to continue in 2021/22 our current formulae for the allocation of split sites funding.** Please see the technical annex at Appendix 2. We propose to increase the values of the variables within the split site formula in line with the NFF settlement (3%), subject to final affordability.

3.16 **We propose to continue to pass through the specific BSF DSG affordability gap values using our current method** (please see Appendix 2), continuing the adjustment to ensure that the amounts passed on to academies by the ESFA on an academic year basis are equivalent to the amounts that the Authority requires academies to pay back on a financial year basis. The DfE is currently looking how PFI funding can be brought into the NFF but there is no timescale for this yet.

3.17 As explained in the introduction, **we propose to continue to use our existing methodology for the definition of Notional SEND budgets for mainstream primary and secondary schools and academies within the Schools Block funding formulae.** We are minded not to propose any amendments and until the outcomes of the DfE's reviews are known. Please see Appendix 2. We discuss the SEND Funding Floor, and set out proposals, within our separate consultation on high needs funding for 2021/22.

Question 2a - Do you agree with the proposal to continue to use our existing formula for the allocation of split sites funding? If not, please explain the reasons why not.

Question 2b - Do you agree with the proposal to continue to use our existing formula for the apportionment of BSF DSG affordability gap funding? If not, please explain the reasons why not.

Question 2c - Do you agree with the proposal to continue to use our existing methodology for the definition of notional SEND budgets? If not, please explain the reasons why not.

Decision 4 – The % level of the Minimum Funding Guarantee (MFG)

3.18 The Minimum Funding Guarantee (MFG) is the mechanism through which the Authority can ensure a minimum percentage increase in funding per pupil for all schools and academies in 2021/22. Typically, we seek to set this minimum at the maximum that is affordable and with reference to the minimum provided by the DfE within its NFF settlement as well as to how we estimate costs in schools will grow, especially following nationally determined teacher and support staff pay awards.

3.19 The MFG will now protect both core-formula funding and Teacher Pay and Pension Grant allocations. This is done by adding into the 2020/21 MFG baseline for each school and academy the Pay and Pension Grant allocations, including supplementary pension allocations, received in 2020/21.

3.20 The DfE permits the Minimum Funding Guarantee to be set in 2021/22 between positive 0.5% and positive 2.0%. 2.0% would mean, for example, that a school or academy that is funded on the MFG and that has the same total pupil numbers recorded in October 2020 as in October 2019 will receive in 2021/22 the cash value of its 2020/21 core-formula funding, plus its 2020/21 Teacher Pay and Pension Grants, uplifted by 2.0%.

3.21 The DfE's has used a floor (a minimum increase) of +2.0% in its notional 2021/22 NFF calculations for individual schools and academies. The DfE has also set out its aim to increase the salaries of early career teachers (to bring MPS 1 to £30,000 at September 2022), with further movement towards this expected at September 2021 within an overall national teacher's pay award that is anticipated to be in the region of (and not lower than) 3%. This continues from the award of 3.1% nationally at September 2020, which will follow through into 2021/22 budgets. Many individual schools and academies will likely need to absorb a greater than 3% increase in teacher costs in 2021/22, depending on their staffing profiles. Recognising the cost impact that this specific award will have on school budgets, and the high proportion of our schools and academies (especially in primary phase) that are funded on the MFG, we aim to pass through the DfE's minimum 2.0%.

3.22 So, subject to final affordability, we propose to set the Minimum Funding Guarantee (MFG) in 2021/22 at the maximum level of positive 2.0%. The impact of this is shown in Appendix 1, illustratively, at individual school and academy level. Where we cannot afford 2.0% in addition to the full mirroring of the NFF (decision 2), due to the cost of data change from the October 2020 Census, we will discuss with the Schools Forum how to provide for the right balance of uplift between schools on and off the MFG and how to deliver the maximum value of MFG possible.

Question 3 - Do you agree with the proposal, subject to final affordability, to set the Minimum Funding Guarantee at the maximum positive 2.0% in 2020/21? If not, please explain the reasons why not.

Decision 5 – Whether we retain, with their existing criteria and methodologies, the funds currently managed centrally within the Schools Block

3.23 The DfE's National Funding Formula does not yet include a methodology, which prescribes how Growth Funding should be allocated at individual school or academy level. Local authorities in 2021/22 therefore, retain the responsibility for determining arrangements locally, albeit within tight Regulations. Local authority compliance with these Regulations is checked annually by the ESFA. **Our proposed Growth Fund arrangements and criteria are set out in the documents embedded under paragraph 6. These are unchanged from current arrangements.**

3.24 We established back in 2019/20 a Falling Rolls Fund for our primary phase.. **Our proposed Falling Rolls Fund arrangements and criteria are set out in the document embedded under paragraph 7. These are unchanged from current arrangements.**

3.25 This document also asks for feedback on the continuation for the 2021/22 financial year of funds de-delegated from maintained primary and secondary schools. **Our proposed de-delegated fund arrangements and criteria are set out in paragraph 5 and Appendix 3. These are unchanged from current arrangements.**

Question 4 - Do you agree with the proposed criteria and methodology for the allocation of the Growth Fund to schools and academies in 2021/22? If not, please explain the reasons why not.

Question 5 - Do you agree with the proposed criteria and methodology for the allocation of the Falling Rolls Fund to primary-phase schools and academies in 2021/22? If not, please explain the reasons why not.

Question 6 – Should sums continue or cease to be de-delegated from maintained school budgets in 2021/22 for the purposes listed? Please explain the reasons why if you believe that these should cease or change.

4. Consultation Impact Modelling

4.1 As the set of formula funding decisions that are required to be taken for 2021/22 are relatively simple, the modelling attached with this document is also relatively simple. **Appendix 1a** is a single sheet model, which shows actual formula funding, plus Teacher Pay and Pension Grant allocations, for each primary and secondary school and academy for the current 2020/21 financial year compared against the illustrative positions for 2021/22 incorporating the Authority's proposals and the transfer of the Teacher Pay and Pensions Grants into core formula funding. **Appendix 1b** is a ready reckoner, which provides a by factor breakdown of the totals (shown in columns 4 and 10 in Appendix 1a) for each school and academy. To clarify:

- All modelling for academies uses the Authority's calculated financial year figures not the academic year GAG allocations calculated by the EFSA (which the Authority does not see).
- The total in Appendix 1a for 2020/21 (column 2) is the core formula funding allocation excluding business rates, split sites and PFI. This total also excludes High Needs funding, Growth Funding, Early Years funding, Post 16 funding and all other additional separate grants (PPG, UIFSM, Teacher Pay Grant, Teacher Pensions Grant etc). We have then shown in column 3 the actual Teacher Pay and Pension Grant allocations for 2020/21 and then added column 2 and column 3 together to give an overall total for 2020/21 in column 4. The figure in column 4 is directly comparable with the illustrative figure given in column 10 for 2021/22. The figure in column 10 also excludes business rates, split sites and PFI, as well as High Needs funding, Growth Funding, Early Years funding, Post 16 funding and other additional separate grants (PPG, UIFSM etc). The figure in column 10 does include Teacher Pay and Pension Grants as these are now allocated through the main core funding formula.
- All mainstream primary and secondary schools and academies must note for their budget construction that they will not receive separate allocations in 2021/22 (for maintained schools from April 2021 and for academies from September 2021) for the Teacher Pay and Pensions Grants. Where schools and academies now move to use in their budget planning the illustrative 2021/22 figures shown in our modelling they must remove these grants as separate funding streams, otherwise formula funding and grant income will be double counted. This includes removing any Supplementary Pension Grant funding previously received.
- The 2021/22 illustrative allocations (Appendix 1a columns 10 to 14) are calculated using an estimate of pupil numbers that will be recorded in the October 2020 Census (column 9) i.e. the cash differences between 2020/21 and 2021/22 allocations include the impact of the estimated growth or reduction in pupil numbers between October 2019 and October 2020.
- The 2021/22 illustrative allocations for IDACI (Appendix 1a column 14) are calculated on the data provided by the DfE using IDACI 2019 and the new bandings. However, the IDACI data that will be used to calculate 2021/22 allocations for each school and academy is still to be updated for the pupil-level data recorded in the October 2020 Census.
- Apart from pupil numbers, all other data used to calculate the 2021/22 illustrative allocations e.g. FSM%, IDACI and prior attainment %s, is sourced from the October 2019 Census. Actual 2021/22 allocations will be calculated on updated data sourced from the October 2020 Census. This annual data update could quite significantly affect the total formula funding received by an individual school

or academy, especially those that are not funded via the Minimum Funding Guarantee or those that do not receive any uplift to the DfE's minimum per pupil funding levels.

4.2 The key at the bottom of Appendix 1a explains what is shown in each column. The modelling helps identify in particular:

- The illustrative impact of the update in the IDACI data (column 15). This is the clean impact before any losses are protected by the Minimum Funding Guarantee. Schools and academies that gain here may typically see higher overall cash and % / per pupil funding increases, depending on their positions against the Minimum Funding Guarantee and the impact of other changes.
- The range of % uplifts that may be received by schools and academies next year in total cash and per pupil terms (columns 17 and 20), incorporating changes in pupil numbers between October 2020 and October 2019. To aid understanding, column 21 also gives the % change in per pupil funding when the 2021/22 allocations are calculated using the same pupil numbers as used for 2020/21.
- How proposals, combined with the estimated changes in the IDACI 2019 data and in pupil numbers at October 2020, affect the cash values of formula funding allocations by school and academy in 2020/21 (column 16).
- The schools and academies funded in 2020/21 on the existing £3,750 (primary) and £5,000 (secondary) minimums (column 7) and those that benefit through the increase in these minimums to £4,180 + 6.7%* (primary) and £5,415 + 3.0%* (secondary) in 2021/22, including the primary phase schools and academies that are funded on these minimums for the first time (column 13). Columns 5 and 11 show the total per pupil funding values for 2020/21 and 2021/22 respectively to enable schools to see how their values relate to the existing and uplifted minimums. * Please note these are the % increases excluding the uplift in these minimums specifically to absorb the Teacher Pay and Pensions Grants (inclusive of these grants the increases are + 6.36% primary and + 2.85% secondary; inclusion of the grants slightly reduces the % increases because the grant values have been added into the 2021/22 minimums at 2020/21 values, not uplifted for inflation).
- The schools and academies funded in 2020/21 on the Minimum Funding Guarantee (MFG) that may remain on the MFG in 2021/22 to receive the proposed minimum 2.00% per pupil increase. Schools and academies that are funded on the MFG in 2020/21 have a positive figure in column 6. Schools and academies that may remain on the MFG in 2021/22 also have a positive figure in column 12. If the figure in column 6 is zero then the school is not currently on the MFG in 2020/21. If the figure in column 12 is zero then the school is modelled to be off the MFG in 2021/22.
- The schools and academies currently funded in 2020/21 on the Minimum Funding Guarantee (MFG) that may come off the MFG in 2021/22 because the size of uplift (+2.2 to +3.3%) in National Funding Formula variable values is greater than the 2.00% MFG. This means that they may receive an increase, which is above 2.00% per pupil but which is lower than the 'headline' NFF settlement, because the value of MFG protection previously allocated is deducted from the school's total gain. If the figure in column 6 is positive and the figure in column 12 is zero then the school is modelled on current October 2019 based-data to come off the MFG in 2021/22 as a result of the NFF funding uplift combined with the impact of the change in IDACI data.
- The schools and academies that are not currently funded on either the Minimum Funding Guarantee or the per pupil minimums i.e. they are funded purely on the National Funding Formula, and may remain so in 2021/22, depending on their data recorded in October 2020. These schools and academies have zeros in all of columns 6, 7, 12, and 13. They may receive increases in funding per pupil that are more in line with the overall 'headline' National Funding Formula uplift. However, they are also more directly affected by year on year census data change and their 2021/22 positions could change significantly where the data recorded in the October 2020 Census is substantially different from what was recorded in October 2019.

4.3 On the basis of the illustrative modelling in Appendix 1a, the formula funding landscape in Bradford in 2021/22 is as follows:

- Primary phase: 91 out of 156 schools (58%), including academies, are funded on the Minimum Funding Guarantee (at 2.00%). 40 schools are funded at the £4,180 minimum level. All other schools are funded above £4,180 per pupil.
- Secondary phase: 9 out of 31 schools (29%), including academies, are funded on the Minimum Funding Guarantee (at 2.00%). 3 schools are funded at the £5,415 minimum level. All other schools are funded above £5,415 per pupil.
- All through schools: 1 out of the 4 academies (25%) is funded on the Minimum Funding Guarantee (at 2.00%). All of these academies are funded above the composite minimum level.

4.4 If you would like to discuss the modelling in more detail, or discuss the data on which allocations are calculated, please contact Andrew Redding.

5. 2021/22 Schools Block De-Delegated Funds

5.1 The Finance Regulations continue to significantly restrict the extent to which the Dedicated Schools Grant (DSG) Schools Block can be held and managed centrally. The Government's intention is to ensure maximum delegation of the DSG to maintained schools and academies at the start of each year. The Regulations do allow funding for certain types of expenditure to be 'de-delegated', or passed back to the centre, from maintained school budgets within the Schools Block. This only applies to schools maintained by the Local Authority and the Schools Forum must agree annually to de-delegate on a phase specific basis.

5.2 Previously, the Schools Forum has established Schools Block de-delegated funds to:

- take advantage of the economies of scale brought about by central management and bulk purchase e.g. Fischer Family Trust subscription.
- provide services that schools would find difficult or less cost effective to replace on an individual basis e.g. trade union facilities time.
- protect schools, especially smaller schools, against unpredictable expenditure e.g. maternity and paternity cover.
- provide funds to be available to support schools in financial difficulty or those facing exceptional circumstances, allocated using agreed criteria.
- cover the costs in schools of authority-level re-organisation, including safeguarded salaries and also the cost of deficit budgets of closing schools or deficits held by schools that convert to academy status under sponsored arrangements.

5.3 Decisions to de-delegate within the Schools Block must be taken annually.

5.4 The Schools Forum will further discuss the position of de-delegated funds for 2021/22 over the autumn term. This document asks for your feedback so this can be considered as part of these discussions. This consultation asks for your views only on whether funds should continue to be de-delegated. Please be aware that the values of these funds, where they continue, will be considered further. We would generally expect the values of funds to match anticipated cost pressures and to take account of the impact of maintained schools converting to academy status.

5.5 Please be aware however, that due to the timescale necessary for confirmation, the Schools Forum has already decided to continue / not to continue de-delegation in 2021/22 from maintained primary schools for the purposes of subscribing to Fischer Family Trust.

5.6 Maintained schools are reminded that:

- Schools Forum members representing maintained secondary schools agreed for the 2017/18 DSG round to the cessation of de-delegation for the Maternity / Paternity 'insurance' scheme, Fischer Family Trust, Exceptional Circumstances and School Staff Public Duties and Suspensions from the

secondary phase. It is assumed that the Schools Forum and maintained secondary schools will not wish to revisit this decision.

- Schools Forum members representing maintained primary schools agreed to the cessation of de-delegation for behaviour support services at 1 September 2018. Maintained schools now have the choice to buy into these services directly.
- The DfE operates a Risk Protection Arrangement (RPA). The RPA is an alternative to commercial insurance. The DfE has extended the RPA to maintained schools, who have been able to buy into this scheme since 1 April 2020. This is on an optional individual school-by-school basis. The Local Authority, where this is agreed by the Schools Forum, is permitted to de-delegate for the purposes of accessing the RPA on behalf of all its maintained schools. However, we do not envisage de-delegating for this purpose.

5.7 The following 'de-delegated' funds are held in the current 2020/21 financial year:

- FSM Eligibility Assessments (primary and secondary).
- Fischer Family Trust – School Licences (primary only).
- School Maternity / Paternity 'insurance' (primary only).
- Trade Union Facilities Time (primary & secondary).
- Trade Union Health and Safety Representative Time (primary & secondary).
- School Staff Public Duties and Suspensions Fund (primary only).
- School Re-Organisation Costs (primary and secondary).
- Exceptional Costs & Schools in Financial Difficulty (primary only).

Further information on these funds, including values held in 2020/21 and the criteria by which they are allocated, is given in Appendix 3.

5.8 We do not propose at this time amendment in 2021/22 to the criteria for the allocation of de-delegated funds.

5.9 If funding is not de-delegated for the purposes listed in 5.7 above, then the funding will remain within maintained school budgets for schools to provide for the cost of services from their own resources, including purchasing services where available through the Local Authority. The Authority is aware that the views of individual schools may be influenced by the extent of value they feel they receive from accessing these funds currently. In making final recommendations, the Schools Forum will consider specific responses to this consultation along with the overall most effective approach for maintained schools across the District. Please contact your Schools Forum representatives if you have any specific comments on these funds.

5.10 The Schools Forum has recently considered a detailed assessment of the Authority's current Trade Union Facilities Time arrangements, and has concluded that these arrangements are effective and continue to offer value for money.

5.11 Colleagues in maintained primary schools will be aware of the warnings that have been given previously about the viability of current arrangements for supporting maternity / paternity costs. We have warned, as happened in the secondary sector, that we may be moving towards the position where existing arrangements are no longer financially efficient or viable. This is due to the growth in cost at the same time as a reducing number of maintained schools. The maternity / paternity scheme will remain in place for 2021/22, subject to agreement through this consultation. However, the continuation of this from April 2022 will be reviewed. Schools will be given warning where a decision is taken to cease this fund and we will discuss with the Schools Forum how schools can be given sufficient time to respond.

6. Schools Block Growth Fund

6.1 We operate a Growth Fund within the Schools Block, which supports both maintained schools and academies that are expanding for basic-needs purposes, at the request of the Local Authority, to manage more effectively the financial pressures brought by expansion. This fund helps to maintain a stable financial platform for schools and academies across the District in support of raising standards.

6.2 The DfE's National Funding Formula does not yet include a methodology, which prescribes how Growth Funding should be allocated at individual school or academy level. Local authorities in 2021/22 therefore, retain the responsibility for determining arrangements locally, albeit within tight Regulations. Local authority compliance with these Regulations is checked annually by the ESFA.

6.3 Our proposed Growth Fund arrangements and criteria are set out in the documents embedded below. These are unchanged from the current arrangements. Please note that the values highlighted in red within the documents are indicative.



Growth Funding
2021 - primary criteri



Growth Funding
2021 - secondary crit

6.4 For reference, the value of the Schools Block Growth Fund in 2020/21, broken down between phases and types, prior to the recovery through recoupment of the cost of allocations to academies for the period April – August 2020, is shown in the table below:

	Primary	Secondary	Total
Existing Known Expansions	£329,253	£434,013	£763,266
Existing Bulge Classes	£168,680	£0	£168,680
New Expansions	£200,000	£800,000	£1,000,000
Pre-Opening Costs	£0	£0	£0
Diseconomies of Scale	£0	£427,000	£427,000
Total Value 2020/21	£697,933	£1,661,013	£2,358,946

We will confirm the value of the Schools Block Growth Fund for 2021/22 as part of the DSG setting process, which will be concluded with the Schools Forum in January 2021.

7. Falling Rolls Fund 2021/22 (Primary Phase)

7.1 The Schools Forum established a Falling Rolls Fund for the primary phase in 2019/20. We propose to continue to operate this Fund in 2021/22 using the established criteria, which are presented in the embedded document below. This will continue for the primary-phase only.



Falling Rolls Fund
2021-22.docx

8. Consultation Responses

8.1 Please use the responses form at Appendix 4 to submit your views on the proposals outlined in the consultation. If you wish to discuss these proposals in more detail, or have any questions, please contact Andrew Redding using the contact details shown in paragraph 1.

8.2 Please ensure that your response is submitted by the deadline of **Tuesday 1 December 2020**. Any responses received after this deadline date may not be included in the analysis presented to the Schools Forum.

9. Next Steps

9.1 Following consideration of the responses to this consultation, and of the final recommendations of the Schools Forum, the structures of the primary and secondary funding formulae to be used to calculate budget shares in 2021/22, and the criteria for the allocation of Schools Block funds, will be set by the Council's Executive.

9.2 Discussions on the DSG funding position for 2021/22 will continue with the Schools Forum between now and January 2021. You are recommended to keep in touch with these discussions by visiting the Schools Forum webpage on the Council's Minutes site [here](#).

9.3 It is anticipated that the Schools Forum will make its final recommendations on 2021/22 arrangements on Wednesday 13 January 2021.

10. Appendices

Appendix 1a – Summary Financial Overview (Modelling)

Appendix 1b – By Factor Breakdown (Ready Reckoner)

Appendix 2 – Technical Annex

Appendix 3 – Schools Block De-Delegated Funds (Maintained Schools)

Appendix 4 – Responses Questionnaire

Appendix 2 – Technical Annex

This appendix contains more technical detail on the definitions and calculations of factors that are contained within Bradford Council's 2020/21 financial year primary & secondary school and academy mainstream funding model.

Notional SEND (Mainstream Schools Block Primary & Secondary)

Local authorities are required to define for each primary and secondary school and academy the value of formula funding that is 'notionally' allocated for SEND (for meeting the first £6,000 of needs for pupils with EHCPs and the needs of pupils without EHCPs). How Bradford currently defines notional SEND (the %s of funding in each factor that make up this budget) is shown in the table below.

Formula Factor	% Primary	% Secondary
Prior Low Attainment	100%	100%
Free School Meals Factor	23.1%	10.2%
IDACI Factor	22.4%	19.2%
Base £APP	7.5%	6.3%

In addition, 6% of a school's or academy's allocation under the Early Years Single Funding Formula, for schools and academies that have nursery provision, is also defined to be available for supporting SEND in early years.

SEND Funding Floor (Mainstream Primary & Secondary)

The SEND Floor provides a 'top up' in circumstances where the SEND formula does not allocate a minimum level of funding, after the cost of EHCPs has been removed. This is re-calculated on a monthly basis for changes in EHCP positions. SEND formula funding is defined as the notional SEND in the table above but does not include the 5.5% (primary) / 4.5% (secondary) of the Base £APP element. The Floor tops up funding to these minimums:

- For Primary schools and academies: £19,931 or £69.10 per pupil (whichever is greater).
- For Secondary schools and academies £75,337 or £69.10 per pupil (whichever is greater).

The values of SEND Floor allocations for individual primary and secondary schools and academies are currently protected at 2017/18 cash levels i.e. schools and academies in 2020/21 received at least the value of allocation they received in 2017/18.

Split Sites (Mainstream Primary & Secondary)

Our split sites factor operates as follows:

a) The criteria used to define a split site are as follows:

- *Essential* - two or more distinctly separate campuses where there is no single continuous boundary and where the campuses are split by a through road.
- Additional criteria (for weighting of funding):

Category A - where it is impossible not to move a proportion (either 25% or 50%) of total school / academy pupils between the campuses within the school day

Category B - where the campuses are more than 400 metres apart

b) The criteria used to allocate funding to a school / academy operating across a split site based on the categories defined above, are as follows:

Category	Primary Lump	Primary APP	Secondary Lump	Secondary APP
<i>Essential</i>	£8,855.34	0.00	£10,173.92	0
<i>A</i>	0	£112.04	0	£118.22
<i>B</i>	£19,163.05	£9.52	£21,381.22	£13.29

- Split sites funding is paid to all individual schools and individual academies that meet the above criteria.
- Federated maintained schools are not eligible for split sites funding.
- Where two schools have amalgamated and the new school is operating across a split site, the school is not eligible for split sites funding whilst it is in receipt of the additional lump sum (in the year immediately after amalgamation).
- Funding is only applicable for Reception to Year 11 mainstream provision.
- We would not expect split sites funding to apply to co-located or offsite SEND resourced provisions or AP centres.

PFI (Building Schools For the Future)

Our Private Finance Initiative (PFI) / BSF formula factor (mainstream secondary) simply apportions the DSG's contribution to the affordability gap of the Building Schools for the Future (BSF) programme across applicable secondary schools / academies.

The formula for splitting the total contribution between BSF schools / academies is as follows: (Total affordability gap to be funded by the DSG / Total cost of school unitary charges) x Individual school's unitary charge as a % of the total unitary charge.

Other Technical Matters

The following aspects of the current mainstream primary and secondary formula funding framework remain in place in 2021/22:

- DSG sourced formula funding allocations for primary (reception to year 6) and secondary (pre 16) will be calculated on the October (2020) Census.
- Unlike formula funding, the Pupil Premium Grant will continue to be allocated on January (2021) Census pupil numbers.
- Local authorities must allocate at least 80% of the delegated schools block funding through the pupil-led factors, which include the base amount per pupil, deprivation, low prior attainment, English as an additional language, pupil mobility and looked after children factors. We allocated 91.7% of the delegated schools block funding via the pupil-led factors in 2020/21, and the modelling included in this consultation indicates that we continue at least at this % in 2021/22.
- The Minimum Funding Guarantee (MFG) continues to be the only protection mechanism available for individual primary and secondary school and academy formula allocations.
- The existing framework for the funding of High Needs pupils continues. A High Needs pupil is still defined, for financial purposes, as one whose education costs more than £10,000 per year. The first elements of funding for High Needs pupils continue to be already delegated within budget shares. A top up is then allocated separately, on a monthly basis, for the cost of additional support above the £6,000 threshold. This is set out in more detail on our consultation on high needs funding.
- Allocations for academies and free schools will continue to be paid directly by the Education & Skills Funding Agency (ESFA). The ESFA will use the pro-forma submitted by the Authority in January each year to calculate individual allocations.

Appendix 3: Purposes of Schools Block De-Delegated Funds Retained in 2021/22

1. FSM Eligibility Assessments:

This fund covers the work the Local Authority's Benefits Team does in relation to Free School Meals eligibility for pupils in maintained primary and secondary schools. It covers staffing and ICT costs associated with:

- The processing of all applications for FSM for all maintained schools
- Checking & verifying claims, notifying parents of successful and unsuccessful claims
- Notifying schools of successful claims and changes to existing claims
- Assisting schools with eligibility, take up and administrative issues & providing guidance
- Promoting maximum take up of FSM eligibility, including cross checking pupil FSM data with other Authority benefits systems

The Local Authority makes use of a nationwide FSM checking system, which means that paper evidence does not have to be supplied by parents. Applications for all children who attend Bradford schools can be processed quickly via the Council's website, telephone, personal visit or in writing. Currently, schools do not have direct access to this checking system.

If this de-delegated fund is not held in 2021/22, schools will either need to undertake FSM assessment themselves or purchase services. The Local Authority offers a traded service to academies.

2. Fischer Family Trust – Primary School Licences:

This fund pays for maintained primary schools' subscriptions to Fischer Family Trust (FFT). FFT provides a unique service to schools and the local authorities. This services analyses previous national end of key stage data and the contextual data of schools and uses this to provide estimates of outcomes at pupil level for the next key stage result. These pupil level results are aggregated at school and at local authority level. Over time these estimates have come to be held in high regard and the work of the FFT is valued by schools and local authorities. The purchasing of the data through the Local Authority has recently offered significant savings.

De-delegation for this purpose ceased from the secondary phase at 31 March 2017.

If this de-delegated fund is not held in 2021/22, maintained primary schools will need to purchase their own licences to access FFT data, on an individual basis or as a cluster of schools. **Please be aware however, that due to the timescale necessary for confirmation, the Schools Forum has already decided to continue / not to continue de-delegation in 2021/22 from maintained primary schools for the purposes of subscribing to Fischer Family Trust.**

3. Primary School Maternity / Paternity 'insurance':

This fund has historically acted as an 'insurance' pot, where maintained primary schools are reimbursed for the costs of the salaries of staff on maternity / paternity leave, so that the cost of cover / supply arrangements can be afforded from the school's budget. The Schools Forum has previously discussed the delegation of this pot to schools on a number of occasions and has always concluded that the protection this centrally managed fund offers is vital, especially to smaller schools, against the disproportionate and unpredictable nature of maternity / costs.

De-delegation for this purpose ceased from the secondary phase during 2017/18.

If this de-delegated fund is not held in 2021/22, maintained primary schools will not be reimbursed for the salary costs of staff on maternity / paternity leave and would have to make alternative arrangements to manage this costs, for example, by including maternity cover within the school's supply insurance arrangements or by working in clusters to share the cost of staffing cover.

Colleagues in maintained primary schools will be aware of the warnings that have been given previously about the viability of current arrangements for supporting maternity / paternity costs. We have warned, as happened in the secondary sector, that we may be moving towards the position where existing arrangements are no longer financially efficient or viable. This is due to the growth in cost at the same time as a reducing number of maintained schools. The maternity / paternity scheme will remain in place for 2021/22, subject to agreement through this consultation. However, the continuation of this from April 2022 will be reviewed. Schools will be given warning where a decision is taken to cease this fund and we will discuss with the Schools Forum how schools can be given sufficient time to respond.

4. Trade Union Facilities Time & Health and Safety Facilities Time:

There is a legal obligation (under The Trade Union and Labour Relations (Consolidation) Act 1992) for an employer to provide facilities for recognised trade unions to function within the workplace, including an obligation to grant time off with pay. The recognised unions in schools are:

- Teacher Trade Unions - NUT, NASUWT, ATL, ASCL, NAHT, VOICE, and
- The Trade Unions representing support and other professional school staff – UNISON, GMB and UNITE

To meet this obligation, Bradford Council has agreed to release a number of staff for part or all of their time from their school duties to carry out their duties as elected lay officials. This applies to the recognised trade unions in schools with significant memberships. Historically the agreed ratio for facility time has been 1 day per 400 members, which has been used as a mutually acceptable, in principle, starting point for the joint management and trade union discussions. Current facility time arrangements with respect to school employees provide a total of 7.3 FTE as follows:

- NUT has 2.1 FTE lay officials (10.5 days per week)
- NASUWT has 1.8 FTE lay officials (9 days per week)
- ATL has 1 FTE lay official (5 days per week)
- NAHT has 0.4 FTE lay official (2 days per week)
- UNISON has 1.3 FTE lay officials (6.5 days per week)
- GMB has 0.6 FTE lay officials (3 days per week)
- ASCL has 0.1 FTE lay official (1 day a fortnight)

If this de-delegated fund is not held in 2021/22, individual maintained primary and secondary schools will need to consider how they will meet their statutory obligations to allow trade unions to represent and consult with their members and with the school as the employer, as local branch trade union representatives would no longer be available without cost. For example, each trade union has the right to appoint a trade union representative within a school to carry out statutory functions, and seek time off for these representatives to be trained to carry out these duties.

In order to comply with the letter and the spirit of the Health and Safety Regulations, Bradford Council and the Trade Union Health and Safety Lay Representatives in Bradford made a Health and Safety Agreement in 1989. Nominated accredited Trade Union and lay Health and Safety representatives continue to carry out Health and Safety inspections in schools, with the aim being to inspect each school once a year, and are released for all or part of their time from their school responsibilities to carry out these duties. Safety Representatives also carry out site management visits in relation to building work and work with the Council's Health and Well Being Team on occupational matters and undertake the role of investigating accidents, disease and other medical matters. A total of 6 days per week (1.2 FTE) of facilities time is currently funded within the DSG for these purposes.

If this de-delegated fund is not held in 2021/22, individual maintained primary and secondary schools will need to consider how they will meet their employer statutory obligations around health and safety.

The Schools Forum has recently considered a detailed assessment of the Authority's current Trade Union Facilities Time arrangements, and has concluded that these arrangements are effective and continue to offer value for money.

5. School Staff Public Duties and Suspensions Fund:

This fund has historically acted, on a similar basis to maternity / paternity payments, as an 'insurance' type pot for maintained primary schools to be reimbursed for staffing costs associated with public duties (magistrates / court duties) and, more significantly, where an employee is suspended from duty following a Child Protection allegation and where the Police are undertaking an investigation. In the case of suspensions, schools are reimbursed for 50% of the cost of the salary of the member of staff suspended.

De-delegation for this purpose ceased from the secondary phase at 31 March 2017.

If this de-delegated fund is not held in 2021/22, maintained primary schools will not be reimbursed for the salary cost of staff and would have to make alternative arrangements to manage this cost.

6. School Re-Organisation Costs:

This fund serves two purposes and the proposed criteria for allocating funding in 2021/22 are unchanged from 2020/21:

- School staff safeguarded salaries: funding is allocated based on the actual cost of agreed safeguards for individual staff in primary and secondary schools. Only safeguards that have been previously agreed are funded from the DSG. So there is no 'eligibility' criteria as such, other than these safeguards must have been already established and agreed with the Authority following re-organisations. Every year, schools are asked to confirm whether or not safeguards for individual staff are still applicable e.g. where a member of staff has left, the safeguard ceases to be paid. The total cost of safeguards reduces year on year and is expected to eventually cease.
- Deficit of Closing Schools: where a maintained primary school closes with a deficit budget, or where a maintained primary school with a deficit budget converts to academy status under a sponsored agreement, the deficit returns to the Authority. The de-delegated fund is established to meet the cost of this from the DSG. Please note that there is no de-delegation from the secondary phase for this purpose. Please also note that de-delegation for this purpose from the primary phase was 'paused' in 2020/21.

If this de-delegated fund is not held in 2021/22, maintained primary schools will not be reimbursed for the additional salary cost of staff placed through re-organisation and the Authority would need to discuss with the Schools Forum how any deficits of maintained primary schools, that are not repaid by the school incurring the deficit, are alternatively managed.

7. Exceptional Costs & Schools in Financial Difficulty:

This fund is in place for maintained primary schools to enable additional financial support to be provided, in a transparent and controlled way, to specific schools that may face difficult circumstances and unreasonable cost pressures and also to support schools that require immediate intervention around standards that may not be able to identify funds from their own budgets.

De-delegation for this purpose ceased from the secondary phase at 31 March 2017.

The purpose of this fund is to provide support for the budgets of maintained primary schools in the following circumstances:

- Exceptional growth in pupil numbers not picked up within the terms of the Growth Fund.
- 1 Form of Entry (or smaller) primary schools, where the cost of external HR investigations places the school in financial difficulty i.e. would reduce the forecasted carry forward balance below £20,000 *
- Priority 3 or 4 schools, where additional intervention / support is required and where the school's budget cannot meet the costs without placing the school in financial difficulty i.e. would reduce the forecasted carry forward balance below £20,000 *

- Local Authority statutory interventions e.g. costs of an IEB.
- Any other circumstance, where the exceptional nature of this is agreed by the Schools Forum and where to not provide financial support would place the school in a financially difficult position that it is likely to have a detrimental impact on outcomes for children. *

* £20,000 is a reasonable safety net to apply for all schools i.e. a school with £20,000 holds adequate reserve to meet small value additional unexpected costs.

The financial impact of exceptional in year pupil numbers growth is the most common reason for schools requesting exceptional funding. The criteria for allocating funding in such circumstances in 2021/22 are unchanged from 2020/21 and are as follows:

- The main factor taken into account is the extent of additional cost pressure faced by a school. This is assessed on the information provided by the school on what action has been needed to meet a growth in pupil numbers.
- The extent of increase in numbers: actual numbers and % of roll (vs. the phase average).
- Whether the Local Authority has directed the additional pupils to the school.
- How the additional pupils are distributed across the school.
- Whether this is a one off issue i.e. the potential extent for exceptional growth and further cost pressure in future years.
- In judging exceptional funding for children admitted on appeal, what the specific circumstances are at the school which require the school to make additional provision in the first year.
- The school's carry forward balances position.
- The change in the school's expenditure shown in the Start Budget vs. Q1 vs. Q2 vs. Q3 monitoring reports.
- The Priority category of the School (is the school in Priority 3 or 4?)
- Whether the school has received financial support or funding from elsewhere.

2020/21 Schools Block De-Delegated Funds: Values

The table below shows the cash budget values that were de-delegated in total from maintained school budgets in the current financial year. These figures are those at the start of the year, before reductions have been made following the conversions of maintained schools to academy status during 2020/21.

Fund	Primary £	Secondary £	Total Value £
FSM Eligibility Assessments	£40,959	£11,048	£52,007
Fischer Family Trust – School Licences	£23,150	n/a	£23,150
School Maternity / Paternity 'insurance'	£483,041	n/a	£483,041
Trade Union Facilities Time	£128,298	£33,555	£161,853
Trade Union Health and Safety Rep Time	£19,605	£5,128	£24,733
School Staff Public Duties & Suspensions Fund	£26,172	n/a	£26,172
School Re-Organisation Costs – Safeguarded salaries	£22,067	£3,071	£25,138
School Re-Organisation Costs – Deficit Budgets *	£0	n/a	£0
Exceptional Costs & SIFD	£73,300	n/a	£73,300
Totals	£816,593	£52,801	£869,395

* please note that de-delegation was paused in 2020/21

The values in the above table were generated in 2020/21 by de-delegating, from individual maintained school budgets, on a flat amount per pupil basis, with the exception of FSM Eligibility Assessments fund, which has been de-delegated on an amount per Ever 6 FSM formula pupil, as follows:

Fund	Primary £app	Secondary £app
FSM Eligibility Assessments (per FSM)	£5.80	£5.14
Fischer Family Trust – School Licences	£0.82	n/a
School Maternity / Paternity 'insurance'	£17.18	n/a

Trade Union Facilities Time	£4.56	£4.56
Trade Union Health and Safety Rep Time	£0.70	£0.70
School Staff Public Duties & Suspensions Fund	£0.93	n/a
School Re-Organisation Costs – Safeguarded salaries	£0.78	£0.42
School Re-Organisation Costs – Deficit Budgets *	£0.00	n/a
Exceptional Costs & SIFD	£2.61	n/a
Total Per Pupil	£27.58	£5.68
Total Per FSM (Ever 6)	£5.80	£5.14

* please note that de-delegation was paused in 2020/21

Each maintained school has contributed from its 2020/21 delegated budget share the amounts per pupil (£app) shown above multiplied by its number of reception to year 11 pupils, or by its number of Ever 6 FSM formula pupils for FSM Eligibility Assessments.

APPENDIX 4: RESPONSES FORM

CONSULTATION & INFORMATION ON PRIMARY & SECONDARY FUNDING FORMULAE 2021/22 FINANCIAL YEAR

Name _____ School / Academy _____

Please choose your phase below:

PRIMARY

SECONDARY

THE DEADLINE FOR RESPONSES TO THIS CONSULTATION IS TUESDAY 1 DECEMBER 2020

Please send completed questionnaire responses to:

School Funding Team (FAO Andrew Redding)
City of Bradford Metropolitan District Council
Britannia House (1st Floor)
Hall Ings
Bradford
BD1 1HX

Tel: 01274 432678

Fax: 01274 435054

Email: andrew.redding@bradford.gov.uk

Please complete the questionnaire by marking the appropriate boxes. There is a space below each question for you to record comments.

Question 1 - Do you agree that our local formula in 2021/22 should mirror the DfE's 2021/22 NFF and that this formula should be used to calculate primary and secondary school and academy mainstream formula funding allocations? If not, please explain the reasons why not.

Strongly Agree

On Balance Agree (some reservations)

Strongly Disagree

If not, please provide further explanation here:

Question 2a - Do you agree with the proposal to continue to use our existing formula for the allocation of split sites funding? If not, please explain the reasons why not.

Strongly Agree **On Balance Agree (some reservations)** **Strongly Disagree**

If not, please provide further explanation here:

Question 2b - Do you agree with the proposal to continue to use our existing formula for the apportionment of BSF DSG affordability gap funding? If not, please explain the reasons why not.

Strongly Agree **On Balance Agree (some reservations)** **Strongly Disagree**

If not, please provide further explanation here:

Question 2c - Do you agree with the proposal to continue to use our existing methodology for the definition of notional SEND budgets? If not, please explain the reasons why not.

Strongly Agree **On Balance Agree (some reservations)** **Strongly Disagree**

If not, please provide further explanation here:

Question 3 - Do you agree with the proposal, subject to final affordability, to set the Minimum Funding Guarantee at the maximum positive 2.0% in 2020/21? If not, please explain the reasons why not.

Strongly Agree **On Balance Agree (some reservations)** **Strongly Disagree**

If not, please provide further explanation here:

Question 4 - Do you agree with the proposed criteria and methodology for the allocation of the Growth Fund to schools and academies in 2021/22? If not, please explain the reasons why not.

Strongly Agree **On Balance Agree (some reservations)** **Strongly Disagree**

If not, please provide further explanation here:

Question 5 - Do you agree with the proposed criteria and methodology for the allocation of the Falling Rolls Fund to primary-phase schools and academies in 2021/22? If not, please explain the reasons why not.

Strongly Agree **On Balance Agree (some reservations)** **Strongly Disagree**

If not, please provide further explanation here:

Question 6 – Should sums continue or cease to be de-delegated from maintained school budgets in 2021/22 for the purposes listed? Please explain the reasons why if you believe that these should cease or change.

	YES - de-delegate	NO
FSM Eligibility Assessments	<input type="checkbox"/>	<input type="checkbox"/>
School Maternity / Paternity 'insurance'	<input type="checkbox"/>	<input type="checkbox"/>
Trade Union Facilities Time	<input type="checkbox"/>	<input type="checkbox"/>
Trade Union Health and Safety Rep Time	<input type="checkbox"/>	<input type="checkbox"/>
School Staff Public Duties and Suspensions Fund	<input type="checkbox"/>	<input type="checkbox"/>
School Re-Organisation Costs	<input type="checkbox"/>	<input type="checkbox"/>
Exceptional Costs & Schools in Financial Difficulty	<input type="checkbox"/>	<input type="checkbox"/>

(please note that subscription to Fischer Family Trust is not listed as the decision has already been made by the Schools Forum)

Please provide any additional comments here:

Please use the space below to record any further comments you would like to make on the proposals, which you have not included in your other responses.

Please send completed questionnaire responses to Andrew Redding by Tuesday 1 December 2020:

- *E-mail:* andrew.redding@bradford.gov.uk
- *Fax:* 01274 435054
- *Post:* School Funding Team (FAO Andrew Redding)
City of Bradford Metropolitan District Council
Britannia House (1st Floor)
Hall Ings
Bradford
BD1 1HX