

# KENT COUNTY COUNCIL – RECORD OF DECISION

**DECISION TAKEN BY:**

**Richard Long,**

**Cabinet Member for Education and Skills**

**DECISION NO:**

20/00112

**For publication** [Do not include information which is exempt from publication under schedule 12a of the Local Government Act 1972]

**Key decision: YES**

*Key decision criteria. The decision will:*

- a) Change the budget for the service or function in excess of £1,000,000; and
- b) It effects the community living or working within two or more electoral divisions.

**Subject Matter / Title of Decision**

School Funding Arrangements for 2021-22

**Decision:**

As Cabinet Member for Education and Skills, I agree to:

- a. Transfer 1% of the Schools Block (which equates to approximately to £10.0m) into the High Needs Block for 2021-22.
- b. In relation to the Kent local funding formula for schools:
  - i. Continue to provide a Primary lump sum rate of £120,000 (before the area cost adjustment).
  - ii. Continue with the Falling Roll fund for 2021-22.
  - iii. Set the local Minimum Funding Guarantee percentage at 0.5% for 2021-22 for primary and secondary schools.
  - iv. Set the Ever 6 Free School Meals Factor for 2021-22 as per the value in the table below:

	2021-22 (£ per pupil)
Primary	£333.23
Secondary	£609.43

- v. Set the Basic Entitlement Factor for 2021-22 as per the value in the table below:

	2021-22 (£ per pupil)
Primary	£3,093.17
KS3	£4,364.06
KS4	£4,918.44

- vi. All other factors within the current local funding formula to be set as per the National Funding Formula (NFF), with most increasing by 3% compared to 2020-21.
  - vii. Update the calculation of the Notional SEN budget to include both the Minimum Per Pupil Level and Minimum Funding Guarantee factors.
- c. Increase the base rate paid to Early Years providers for Free entitlement provision by 6p for three- and four-year olds and 8p for two-year olds. Maintain deprivation supplements at the same rates as 2020-21.
- d. Increase the factor values of the Special Schools funding formula by 3%, and in addition to abolishing the lower place funding rate for pupils with Social, Emotional Mental Health needs. All SEMH places will now be funded at the higher place funding rate.
- e. Delegate authority to the Corporate Director of Children, Young People and Education to make any further necessary changes to funding rates in light of any final affordability issues.

**Reason(s) for decision:**

Background:

In September 2019, the Chancellor set out details of a three-year Spending Round for schools' commencing on 1 April 2020, which confirmed national school funding will increase by £7.1 billion (compared to 2019-20) by 2022-23. On the 20 July 2020, The Chancellor reconfirmed the intention to increase school budget by an additional £2.2 billion for 2021-22. Kent County Council is expected to receive the following changes in funding in 2021-22:

- an additional £47m of Schools Block Funding (in addition to the transfer of the Teacher's Pension Employer Contribution Grant and Teachers Pay Grant funding previously paid as separately).
- An additional £21m of High Needs Block Funding (in addition to the transfer of the Teacher's Pension Employer Contribution Grant and Teachers Pay Grant funding previously paid as separately).
- An estimated additional £1m of Early Years Block Funding

The Government's intention remains to have all primary and secondary school budgets to be based on a single formula set nationally by Government, with no Local Government involvement. For 2021-22 the Government is continuing with a *soft* NFF. This means that Local Authorities will continue to set a local funding formula to distribute their schools block funding, in consultation with their local schools and their Schools' Funding Forum, however, there have been further movements towards the hard-National Funding Formula which limits the variables within the formulae, and some rates, where local decisions can be made.

Within the current soft NFF arrangements, Local Authorities are able to transfer funding from the Schools Block to the High Needs Block with the agreement of Schools' Funding Forum and in certain circumstances the Secretary of State.

The Government requires schools to be consulted on an annual basis regarding any proposed changes to Local Funding Formula for all schools and the request to transfer funding from the school's block to high needs block.

Financial Implications:

The cost of the new funding formula will be fully met from the increases in the Dedicated Schools Grant and will not be a cost to Council Funding.

**Legal implications:**

There are no legal implications, but the Council is required to set the schools budget in accordance with Education Act 2002 and the Conditions of DSG Grant 2021-22.

**Equalities implications:**

An EqIA assessment has been undertaken.

**Other Alternatives Considered and risks if decision isn't taken:**

The Council has a legal obligation to set the schools budget each year.

**Cabinet Committee recommendations and other consultation:**

The Children's and Young People Cabinet Committee considered the decision on 18 November 2020 prior to it being discussed at the Schools' Funding Forum on 4 December 2020 and 12 February 2020.

An all-schools consultation took place between 2 and 26 November 2020. This was open to all Kent schools. Results were shared with the Schools' Funding Forum on 4 December 2020.

**Any alternatives considered and rejected:**

All options were considered in the consultation that took place in November 2020. The consultation document, an illustration tool showing the impact of proposals on individual school budget, an on-line response form and an equality impact assessment can be access via the following link: [www.kent.gov.uk/schoolfundingconsultation](http://www.kent.gov.uk/schoolfundingconsultation). The consultation document contains full details of the proposals and this decision is based on the feedback from respondents and detailed discussions at the Schools' Funding Forum on 4 December 2020.

**Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:**

None



23 February 2021

.....  
signed

.....  
date