

KENT COUNTY COUNCIL – RECORD OF DECISION

DECISION TAKEN BY:

Rory Love,

Cabinet Member for Education and Skills

DECISION NO:

23/00125

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 2024-25

Decision:

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

- a. Transfer 1.2% of the Schools Block (which equates to approximately to £15.2m) into the High Needs Block for 2024-25.
- b. In relation to the Kent Local Funding Formula for schools in 2024-25:
 - i. Continue with the Falling Roll fund. This will be fully funded from the Department for Education allocation for 2024-25 this equates to approximately £0.5m.
 - ii. Set the local Minimum Funding Guarantee (MFG) percentage at 0.5% for primary and secondary schools.
 - iii. Set the Minimum Per Pupil Funding Level (MPPFL) as per the value in the table below. This is equivalent to 0.9% the National Funding Formula:

	2024-25 (£ per pupil)
Primary	£4,568.51
Secondary (KS3)	£5,719.06
Secondary (KS4)	£6,274.02

- iv. All other factors within the current local funding formula to be set as per the National Funding Formula (NFF) less 1.7%.
- v. Set the SEN Notional Budget calculation using the following National Funding Formula factors: 5% Basic Entitlement, 70% of Ever 6 Free School Meal, Deprivation and Mobility Factors, and 100% Low Prior Attainment Factor, and 43% MPPFL & MFG Factors

c. In relation to Kent's High Needs Formula Rates:

- i. 2% inflationary increase for High Needs Formula budgets including SEN Inclusion Fund, Mainstream top up funding, Specialist Resource Provisions in mainstream schools, Specialist Teaching & Learning Service, Special Schools, Alternative Provision, FE colleges, and Specialist Post 16 Provisions.
 - ii. The threshold for the additional mainstream top up funding (also known as SEN Notional Budget top up) will be set based on the size of the school:
 - Primary school (school roll up to 175): 40% schools notional SEN budget.
 - Primary school (school roll between 176 and 315): 45% of schools notional SEN budget.
 - Primary school (school roll over 315): 50% of schools notional SEN budget.
 - Secondary schools: 50% of schools notional SEN budget
- d. 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 and further feedback from the Schools Funding Forum.

Reason(s) for decision:

Background:

In response to the Government confirming the additional funding for schools, Kent County Council is set to receive approximately £25m in 2024-25 to increases in funding rates for primary and secondary school budgets, along with £8m to reflect changes in pupil numbers. The High Needs block will also increase by a £12m (equivalent to 3.7%). This decision will confirm how this additional funding will be distributed to schools in line with Government guidelines.

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 2024-25 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.

The Council is responsible for setting the funding formula rates for High Needs funded school places including mainstream top-up funding, specialist resource provisions, maintained and academy special schools, post 16 providers.

The decision is linked to the key priority "Levelling up Kent" within the 'Framing Kent's Future (2022-26)'

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.

Whilst the decision relates to the distribution of ring-fenced grant, this decision is linked to achieving the overall objectives of 'Securing Kent's Future – Budget Recovery Strategy' whereby proposals will support the financial recovery of the High Needs Block of the Dedicated Schools Grant.

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 2024-25.

The Secretary of State has agreed the 1.2% transfer of the Schools Block to the High Needs Block and the Minimum Per Pupil Funding Rate.

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 and endorsed the decision on 18 January 2024.

An all-schools consultation took place in November 2023. This was open to all Kent schools.

<https://letstalk.kent.gov.uk/kent-school-funding-formula-2024-25>

Recommendations were shared with the Schools' Funding Forum on 1 December 2023, 18 January 2023 and 2 February 2024.

Any alternatives considered and rejected:

All options were considered in the consultation that took place in November 2023. Proposed changes to the primary and secondary schools funding formula have been limited to avoid any excessive deviation from the National Funding Formula (NFF) used by Government to allocate school funding to local authorities for distribution to schools. This is in line with previous recommendations from both schools & the Schools Funding Forum who have supported the general principle that "our Local Funding Formula should move towards the NFF, but at the same time continue to utilise local flexibility to address areas of local concern".

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: <https://letstalk.kent.gov.uk/kent-school-funding-formula-2024-25>

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 1 December 2023, 18 January 2023 and 2 February 2024.

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

None



7/3/24

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Signed

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date