

Bury Schools' Forum – Update on National Funding Formula (NFF) 2021/22

Proposed technical changes to the 2021-22 Schools, High Needs and Central Schools Services Blocks of the Dedicated Schools Grant (DSG) National Funding Formula will consist of:

1. Increasing support to small and remote schools using the Sparsity factor:

2021/22 will see an increase to the Sparsity factor for eligible Primary schools only, as this is where greater financial pressures are being reported.

Currently Bury has no schools meeting the eligibility criteria for this factor which is based on distance between schools

2022/23 will see the second phase of the review to this factor considered in respect to amending the eligibility criteria to reduce the distance threshold and also move from a 'crow flies' to a 'road distance' measurement.

Bury will review eligibility for any of its schools and academies following release of the actual criteria which will be subject to DfE consultation during 2021.

2. Rolling both the Teachers' Pay Grant (TPG) and the Teachers' Pension Employer Contribution Grant (TPECG), together with the Supplementary fund into the Schools, High Needs and Central Schools Services Blocks

Both TPG and TPECG will be rolled into the DSG Blocks for 2021/22.

Very briefly, taking into account the full year effect of the combined grants, plus recognition of the Supplementary fund, this will add approximately:

- £180 per-pupil for Primary Schools
- £265 per-pupil for Secondary Schools
- £660 per place for Special Schools and PRU
- Academies will continue to receive the separate grant directly for April to August

Indicative figures for schools and academies will be worked through after the allocations are released in July

3. Technical update to the Income Deprivation Affecting Children Index (IDACI)

The IDACI dataset and mapping of postcodes into national Lower Super-Output areas is not undertaken each year. The current formula funding for schools and academies is based on the IDACI 2015 data.

For 2020/21 the latest IDACI 2019 data will be used and is intended to ensure the NFF continues to target schools most likely to need additional funding generated through this factor.

To minimise any turbulence created by using the refreshed dataset, the DfE will ensure the IDACI Banding structure from A to G maintains the overall funding proportion allocated for Deprivation funding through the NFF. This will require technical adjustments to Lower Super-Output boundaries and we will work through the impact on Bury's schools and academies in due course after the data is released.

4. Maintained Nursery School (MNS) Protection

The DfE expect MNS Protection will continue in 2021/22 but this will be subject to review given the significant variances in both methodology and amounts allocated based on historical allocations in Local Authorities still with Maintained Nursery School provision.

Further details will be provided in due course.

5. Hard National Funding Formula

The hard NFF will not be applied to the 2021/22 funding year and will be considered for 2023/24 onwards

6. Dedicated Schools Grant Block allocations 2021/22

DSG allocation for 2021/22 will be notified to Local Authorities in July 2020.