

Wiltshire Council

School Funding & SEN Working Group
9 January 2023

Schools Forum
19 January 2023

Additional School Capital Funding for 2022-23 - Funding & Methodology

Purpose of the Paper

1. At the December 2022 Schools Forum meeting, members were advised that additional Capital funding was being made available to schools for the 2022-23 year, however there was limited detail at that point.
2. This paper serves to update Schools Forum and outline the level of additional funding and how it will be allocated to schools in the 2022-23 year.

Introduction to Additional Capital Funding for 2022-23

3. In December, the Department for Education (DfE) announced an additional £500m of capital funding for schools and further education institutions for the 2022-23 year. The additional funding is for all schools that currently receive Devolved Formula Capital (DFC) allocations.
4. The DfE confirmed that the funding must be spent on Capital projects but prioritising projects that improve a school estate's energy efficiency. Where the school judge this is not appropriate based on local circumstances, schools have discretion to spend this on other capital projects. The DfE have issued [guidance](#) to schools on improving their energy efficiency and reducing energy costs.
5. Whilst the DfE expect schools to spend the additional grant in the 2022-23 year, the funding can be carried forward into 2023-24 year as it is subject to the same conditions as all DFC allocations, which allow for any unspent grant to be carried forward.
6. Payment of the additional DFC grant to schools should have been made in late December 2022 / early January 2023.

School Funding Rates

7. Funding will be allocated to schools using a very simple formula which comprises the following three elements.
 - A basic rate per pupil calculated at £20.06 per 'weighted pupil' – pupil numbers are taken from the Spring 2021 census and weighted based upon their phase of education as below
 - Primary – weighting of 1.0 per pupil
 - Secondary – weighting of 1.5 per pupil
 - Post-16 – weighting of 2.0 per pupil
 - Special – weighting of 4.5 per pupil
 - PFI Schools – weighting of 0.5 per pupil
 - A lump sum element paid to all schools (irrespective of size) - £10,000
 - An uplift of 8% for Voluntary Aided (VA) Schools

8. The example below sets out how the funding is calculated.

$$\mathbf{\pounds 10,000 + (\pounds 20.06 \times \text{Weighted Pupil Numbers}) \times \text{VA Factor}}$$

Each school receives a fixed sum of £10,000 and a variable amount based on their weighted pupil numbers.

For example, a school with 50 primary pupils and 500 secondary pupils would be treated as having $(50 \times 1) + (500 \times 1.5) = 800$ weighted pupils.

The school would receive $800 \times \pounds 20.06 = \pounds 16,048$, in addition to the per-school sum of £10,000, to give a total allocation of £26,048.

If the school were a VA school, then the VA factor of $\times 1.08$ would be applied to give a total of £17,332.

The VA Factor

9. The VA factor is specific to Voluntary Aided schools. VA governing bodies are legally responsible for their own capital works. The Secretary of State may assist, but by law can contribute no more than 90% of costs. Therefore, the DfE deduct 10% from VA allocations for DFC. The VA schools do not have access to a VAT refund scheme and so the DfE increase their allocations to reflect this, by uplifting by 20% for the VAT element. The net impact is a VA factor of $\times 1.08$, which in effect increases their DFC allocation by 8%.

10. Local authorities (LAs) receive the DFC allocations for maintained schools and then pass on these allocations to the schools. Academy trusts, VA bodies (Diocese), and other institutions receive their DFC directly from the DfE.

Proposal

11. Schools Forum is asked to note the report.

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