**Message sent on behalf of Matt Dunkley CBE - Corporate Director for Children, Young People and Education.**

To:  Headteachers and School Business Managers

Dear Colleague,

# **2022-23 School Budgets**

I am pleased to inform you that on Monday 28th February 2022 the 2022-23 School Budgets were published on KELSI; [2022-23 School Budgets](https://www.kelsi.org.uk/school-finance/financial-support-and-planning/budgets/budgets-2022-23).  We have also provided a separate budget template for Kent Academies which provides details of the relevant payments the Council is responsible for making, which can be accessed via the same link.

This year’s school budget reflects the Government’s multi-year commitment to increase school funding, with an additional £50m in the schools’ block for 2022-23 to increase schools core budgets by an average of 3% per pupil. Separately, the Government has also confirmed it will provide mainstreams schools with an additional supplementary grant totalling approximately £33m for Kent primary and secondary schools (increasing the overall average per pupil funding increase to just under 6%).

**The good news is that all primary and secondary schools will see an increase in their per pupil funding**.

Kent is also expected to receive an additional £33m of funding in the High Needs block however this is still insufficient to meet our deficit on the High Needs block and we will continue to work with the Schools Funding Forum, along with the Department of Education, over the coming year to develop robust plans in how Kent will deliver a balanced budget in future.

The key headlines this year are as follows:

* We are continuing to provide a falling roll fund to offer temporary protection to mainstream schools who experience a sudden reduction in their pupil numbers, and the school places in that area are needed in the next three years.
* We are transferring 1% of the Schools budget into the High Needs budget to help to support the system of SEN support across the county including ensuring sufficient funding for the [County Approaches to Inclusive Education](https://www.kelsi.org.uk/special-education-needs/inclusion/countywide-approach-to-inclusive-education).
* We have been able to increase all the pupil led factor values in the formula for all schools to ensure all schools benefit from the additional funding.
* We are providing the governments minimum per pupil funding levels of £4,265 in Primary schools and £5,525 in Secondary schools
* We are continuing to set the Minimum Funding Guarantee at +0.5%, to ensure all schools receive an increase.
* We are increasing the Formula Funding Rates for our specialist provisions (including Specialist Resource Provisions, Special Schools and Alternative Provision) by 4% to help with the social care levy and other inflationary pressures.

Many thanks to all who responded to our school’s budget consultation completed during the autumn term. This year’s budget incorporates these views along with the views of the Schools’ Funding Forum.

We have produced a separate guidance note explaining the calculation of school funding in more detail which can also be accessed here [Schools Funding Guidance 2022-2](https://www.kelsi.org.uk/school-finance/financial-support-and-planning/budgets/budgets-2022-23)3.

In accordance with the Scheme for Financing Schools, maintained schools are required to submit their Three-Year Financial Budget Plan to the Council (via The Schools Financial Services team within The Education People) by 31 May 2022.

Although the government have published planned increases to the overall national Schools’ budget for 2023-24 and 2024-25, we do not yet know the detail of what this will mean for individual schools. In terms of future cost increases, we also do not know future pay awards for teachers or support staff. Therefore, after careful consideration, our recommendation to schools is to assume a funding uplift of 3% per annum in years 2 and 3. Mainstream schools in receipt of Minimum Funding Guarantee should assume an uplift of 0.5%. Special schools in receipt of Minimum Funding Guarantee should assume no uplift. Further, we recommend schools assume an uplift to salary costs of +3% in future years having reflected the governments recommendations for teaching salaries and the county council decision on non-teaching staff pay which will be announced ahead of budget setting.

Schools will be able to revise their medium-term planning assumptions as and when further information is released. The three-year financial planning tool is interactive and allows schools to provide their own pupil forecasts for both 2023-24 and 2024-25.

If you experience difficulties when setting the budget for your school, please contact Ian Hamilton on 03301 651 001 or email via schoolsfinancialservices@theeducationpeople.org

The [budget planning](https://www.kelsi.org.uk/school-finance/financial-support-and-planning/budgets/budgets-2022-23) page on KELSI include a list of contact names for specific queries. Please contact Karen Stone, Finance Business Partner on 03000 416733 or email via karen.stone02@kent.gov.uk if you have any questions on overall policy issues.

Yours sincerely

**Matt Dunkley CBE**

Corporate Director for Children, Young People and Education