

SCHOOLS FORUM AGENDA ITEM

For Action



For Information



Brief Description of Item (including the purpose / reason for presenting this for consideration by the Forum)

This report asks Members to consider the outcomes of the consultations on Schools Block formula funding and centrally managed funds (concluded on 29 November) and the Early Years Single Funding Formula (concluded on 20 December). This report includes information on early years funding, and the immediate position of the funding of maintained nursery schools, which was announced by the DfE on 31 October.

An update will be provided verbally on the status of the Forum's application to the ESFA to set the Schools Block Minimum Funding Guarantee at +2.34% in 2020/21, which is 0.5% higher than the maximum +1.84% permitted by the Finance Regulations.

Date (s) of any Previous Discussion at the Forum

The Schools Block consultation document and modelling was presented in outline to the Schools Forum meeting 16 October 2019. The full document was published on 17 October.

An outline of draft proposals on Early Years Block funding was also presented to the Forum on 16 October. The DfE made an announcement on 31 October about funding for 2020/21. As agreed with the Forum, the Authority initiated a consultation on our EYSFF after the DfE's announcement, on 4 November.

Background / Context

Appendix 1 provides a summary of the Authority's proposals for the Schools Block (primary & secondary) funding formula for 2020/21. Our consultation document also set out the proposals for the continuation of de-delegated and other centrally managed funds. These are discussed in more detail in Document LI.

Appendix 3 provides a summary of the Authority's proposals for the Early Years Single Funding Formula for 2020/21. It also sets out what was announced by the DfE on 31 October in relation to early years and the funding of maintained nursery schools. Members are asked to note this information specifically, as it has not been previously presented to a Schools Forum meeting. Maintained nursery schools remain protected on a full year basis in 2020/21. However, the position after 2020/21 still remains unclear. Members should be aware that the overall uplift provided by the DfE for the early years funding settlement for 2020/21 is lower than that provided for in the Schools Block and in the High Needs Block. Our DSG rate of funding for 3&4 year olds increases by 1.31% and our rate of funding for 2 year olds increases by 1.54%.

Responses to the Consultations

As has been the case in previous years, the number of formal responses received to both the Schools Block and the Early Years Block consultations is low. The restrictions of the pre-election period have perhaps contributed to this year's very low response rate in that the Authority has not been able to support the publication of the documents with detailed presentations to all forums in the way that we have in previous years. Informally, a number of colleagues we have talked to have also stated that they don't quite know how to respond to the consultations given the political uncertainty. This being said, the Authority has attended a number of forums to signpost the consultations. The set of proposals across the Schools Block and Early Years Block are relatively simple, relating to values of increases rather than structural changes, and previously in these circumstances response rates have been low.

Members are encouraged to present to the meeting any feedback they have collected from their discussions with colleagues.

We received 4 responses to the Schools Block consultation. 3 of these responses used the questionnaire and all proposals were either strongly agreed or agreed on balance.

We received 4 responses to the Early Years Block consultation, which support our proposals. The Authority carried out in September a separate consultation on the new Early Years Inclusion Fund (EYIF), which was implemented for 2019. 23 providers and schools responded and feedback will be taken forward to help improve our guidance and the application process. A theme in the responses was concern about the sufficiency of the rate of funding. This will be kept under review. The purpose of EYIF is to replicate 'element 2' in the high needs funding system and as such, we have aligned the hourly rate of funding to the value of element 2, which is currently £6,000 per 1 FTE on a full year basis.

Details of the Item for Consideration

Our Approach to the ESFA Regarding setting a higher Schools Block Minimum Funding Guarantee in 2020/21

The Schools Forum agreed on 16 October for a 'disapplication' request to be submitted to the ESFA in order to seek approval to set a Minimum Funding Guarantee for primary & secondary schools and academies at a level higher than the + 1.84% permitted by the normal Regulations. A request was submitted on 29 October. This requested that we be permitted to set the MFG at + 2.34% in 2020/21. The indicative additional cost of this (using 19/20 data) we presented to be £0.82m and is afforded within the Schools Block headroom available in 2020/21. At the time of writing this report, the ESFA has not responded to confirm its approval or otherwise. An update will be provided verbally at the meeting.

Impact of 'Levelling up' in the Primary Phase to £4,000 per pupil in 2021/22

For the Forum's awareness, we published shortly after the main Schools Block consultation document an additional model, which illustrated the impact on individual primary schools and primary academies of the DfE's further 'levelling up' of primary per pupil funding to a minimum of £4,000 in 2021/22. This increase will have a significant impact on the funding level of a number of our schools and academies. Although the overall context for this increase is not yet known i.e. the value of the overall financial settlement for schools in 2021/22, it is important that schools have an awareness of the impact that the levelling up policy potentially will have on them. This additional modelling has been updated for the 2020/21 actual position (using October 2019 Census data) and is copied here for the Forum's awareness at Appendix 2.

Implications for the Dedicated Schools Grant (DSG) (if any)

As set out in Document LG (DSG breakdown).

Recommendations

- (1) The Forum is asked to consider the outcomes of the Schools Block consultation and whether any of the proposals on the primary and secondary funding formulae for 2020/21 should be changed in the light of responses.**
- (2) The Forum is asked to consider the outcomes of the Early Years Block consultation and whether any of the proposals on the Early Years Single Funding Formula for 2020/21 should be changed in the light of responses.**

List of Supporting Appendices / Papers (where applicable)

Appendix 1 – Primary and Secondary 2020/21 Formula Arrangements Consultation – Summary
Appendix 2 – Illustrative Impact of 'Levelling Up' to £4,000 per pupil in the Primary Phase in 2021/22
Appendix 3 – Early Years Single Funding Formula 2020/21 Consultation - Summary

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