



**Special Schools Forum**

**Wednesday, 11 December 2019 4.00 p.m.  
Boardroom - Municipal Building, Widnes**

A handwritten signature in black ink, appearing to read 'David W R', written over a light grey rectangular background.

**Chief Executive**

*Please contact Ann Jones - Tel: 0151 511 8276 or email:  
ann.jones@halton.gov.uk for further information.  
The next meeting of the Committee is on Wednesday, 15 January 2020*

**ITEMS TO BE DEALT WITH  
IN THE PRESENCE OF THE PRESS AND PUBLIC**

**Part I**

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***In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.***

**REPORT TO:** Schools Forum

**DATE:** 11<sup>th</sup> December 2019

**REPORTING OFFICER:** Senior Finance Officer

**SUBJECT:** Schools Block Funding Formula for 2020-21

**WARDS:** Borough wide

## **1.0 PURPOSE OF THE REPORT**

To report to the Schools Forum the Schools Block Funding Formula for 2020-21.

## **2.0 RECOMMENDATION: That**

- 2.1 The report is noted; and
- 2.2 That Schools Forum support the continuation of the National Funding Formula methods, principles and rules for mainstream primary and secondary funding allocations for 2020-21.

## **3.0 SUPPORTING INFORMATION**

### **3.1 Background**

The Schools Block of the Dedicated Schools Grant is ring-fenced and Local Authorities are required to fully devolve this block to their mainstream primary and secondary schools/academies. The only exception is where a request is made to transfer funds to the High Needs Block.

We moved to the National Funding Formula (NFF) in 2018-19 and have consulted with schools/academies on our recommendation to remain on this formula.

At this point in time, no cash values are available.

### **3.2 Transfer to the High Needs Block**

For 2020-21 on the basis of the indicative High Needs Block grant allocation we have decided not to request a transfer from Schools Block to the High Needs Block.

### **3.3 Funding Factors**

The funding factors and criteria for each factor within the NFF are as follows:

Basic Entitlement – allocated according to an age-weighted pupil unit with a minimum primary age pupil rate of at least £2,000 and a minimum secondary age pupil rate of at least £3,000.

Deprivation – calculated using the Income Deprivation Affecting Children Index (IDACI), Free School Meals (FSM) eligibility for those pupils who are currently eligible and those who have been eligible at any time in the last six years from the previous January census.

The New IDACI data published in September 2019 will not be used in the NFF for 2020-21, so that the DfE have sufficient time to review the effect of the changes. The IDACI data from 2015 will be used for 2020-21 and the DfE plan to use the 2019 data for 2021-22 onwards.

Prior Attainment – this factor is optional and acts as a proxy indicator for low level, high incidence SEN. This is applied as follows:

Primary pupils identified as not achieving the expected level of development in the Early Years Foundation Stage Profile.

Secondary pupils not reaching the expected standard in KS2 at either reading, writing or maths. From 2017-18 the secondary year groups are weighted to take account of the more challenging KS2 tests introduced in the 2015-16 academic year so they do not have a disproportionate influence within the total for this factor.

Looked After Children – this is not used within the NFF.

English as an Additional Language – paid where a pupil identified in the October census with a first language other than English, for three years after entry to the statutory school system.

Pupil Mobility – counts pupils who entered a school during the last three academic years but did not start in August/September. We do not use this factor.

Sparsity – this allocates funding to schools that are small and are a significant distance to their nearest compatible school. No schools in Halton qualify for funding under this factor.

Lump Sum – can be either be a flat lump sum for all phases or can be different for primary and secondary. The lump sum for the All Through school would be calculated as per the regulations if different lump sum values are used.

London Fringe – supports schools in the London Fringe area. Halton schools do not qualify for funding under this factor.

Split Sites – the factor supports schools that have unavoidable extra costs due to the school buildings being on separate sites. We do not use this factor.

LA Rates – local authorities must fund rates at their estimate of the actual cost. An adjustment may be made during the financial year, outside of the funding formula. The effect of such an adjustment on a school would be zero, since any rates adjustment will be offset by a change in the cost of the rates.

Private Finance Initiative (PFI) contracts – this factor is to support schools that have unavoidable extra premises costs because they are a PFI school. It was agreed upon the commencement of the PFI that funding would be provided on a per pupil basis. RPIX can now be applied to this factor, within the totality of the Schools Block Premises grant.

Exceptional Premises – to support the cost of a joint-use sports facility by one school. As we have previously received approval for the use of this factor within the last six years (for 2016-17), we are able to continue to use it.

### 3.4 Minimum level of per-pupil funding (MPPF)

A consultation was issued earlier in the Autumn Term on proposals to make this a compulsory factor. The DfE planned to issue the results of the consultation in November 2019 but due to the announcement of the General Election, this has been delayed. However, we have been advised to include the proposals within our calculations on the basis that it is easier to remove it than to add it in at a later point when the results can be announced.

For 2020-21 the MPPF has been set at £3,750 for primary schools and £4,800 for KS3 year groups and £5,300 for KS4 year groups (giving a value of £5,000 for secondary schools with the standard Year 7 to Year 11 structure). The only factors not included in the calculation for the MPPF are premises and growth funding.

### 3.5 Minimum Funding Guarantee (MFG)

For 2020-21 we are able to set the MFG between the range of plus 0.5% to plus 1.84%. The MFG calculation remains as in previous years.

The consultation with schools once again asked for the decision on the level of MFG to be made by Schools Forum at the January meeting once we know the actual funding levels. It is difficult to recommend a level of MFG with only indicative allocations based on the previous years' census data.

3.6 De-delegation

De-delegation of funding for certain services will again be requested at the January meeting of Schools Forum. We will provide the rate of such de-delegation and the impact on each maintained school. It will then be for the maintained school representatives to decide on which services they agree to fund in this manner.

3.7 Consultation with Schools

As required, we have consulted with schools/academies. The consultation was issued on 12<sup>th</sup> November and closed on 26<sup>th</sup> November.

We received responses from 22 schools.

To the question “Do you agree that we continue to adopt the NFF method, principles and rules for the funding formula to be applied to primary and secondary schools and academies for 2020-21?” all 22 schools responded positively with no comments.

To the question “Do you agree to Schools Forum determining the level of the Minimum Funding Guarantee at the January meeting?” 21 of the 22 schools responded positively with no comments. This question was not answered by 1 school.

3.8 Impact of Purdah

Due to the upcoming General Election, the DfE have informed LAs that there is likely to be a delay in the release of the October census data upon which next year’s budgets are calculated. It is also likely that the announcement of the final Schools Block grant allocation will be delayed – it is normally released around the 18<sup>th</sup> December.

Therefore, there is a possibility that the Schools Block allocations for each school may not be finalised in time for the January Schools Forum meeting. As much preparation work as possible has been done to minimise the possibility of this but it is dependent upon the release of the data and grant allocations.

As a result of this we have been informed by Tom Goldman, Deputy Director of the Funding Policy Unit at the Department for Education that they will consider extending the deadline for the submission of Schools Block Funding Formula, currently set for 21<sup>st</sup> January 2020.

**4.0 FINANCIAL IMPLICATIONS**

4.1 We are required to set a funding formula that complies with the regulations set out in the Schools revenue funding 2020 to 2021 Operational guide issued in September 2019. As such, the whole of the Schools Block grant allocation must be passed to mainstream primary and secondary schools/academies through the adopted funding formula.

**5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

**5.1 Children & Young People in Halton**

It is essential that schools and education support services receive sufficient funding to allow them to support all children and young people.

**5.2 Employment, Learning & Skills in Halton**

None.

**5.3 A Healthy Halton**

None.

**5.4 A Safer Halton**

None.

**5.5 Halton's Urban Renewal**

None.

**6.0 RISK ANALYSIS**

6.1 We need to comply with the regulations otherwise we could have formula imposed on us.

**7.0 EQUALITY AND DIVERSITY ISSUES**

7.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.