

REPORT TO: School Forum

DATE: 17th January 2018

REPORTING OFFICER: Senior Finance Officer, Financial Management Division

SUBJECT: Schools Block funding for 2018-19

1.0 PURPOSE OF REPORT

1.1 To report to the School Forum the Schools Block funding for 2018-19.

2.0 RECOMMENDATION: That

- (1) the report be noted; and
- (2) the level of Minimum Funding Guarantee to be applied to school budgets for 2018-19 is agreed.

3.0 SUPPORTING INFORMATION

3.1 Background

In November we held an extra Schools Forum meeting to discuss the outcome of the consultation with schools regarding which funding formula option to recommend to Executive Board. Following discussion, it was agreed to recommend that an Interim Funding Formula be used and modelling work commenced the day after the meeting.

However, after a few weeks it was evident that we could not, within the constraints of the Schools Block regulations, build an Interim Funding Formula that did not adversely affect the funding for more schools than would be adversely affected by the NFF with transitional protection. After discussion, it was decided that we should return to Executive Board in December and ask that we use the National Funding Formula with transitional protection. This was in line with the majority of responders to the consultation and would minimise both the number of schools adversely affected by the change in formula and the level of their loss in funding.

3.2 Grant allocation 2018-19

The grant allocation has been announced for Schools Block as £84,318,746. Therefore the 0.5% to be transferred to the High Needs Block is £421,594 leaving £83,897,152 for distribution to primary and secondary schools and academies through the National Funding Formula with transitional protection. This is an increase of £1,177,586 from the allocation of £82,719,566 for 2017-18.

The Central Schools Service Block allocation has been announced at £676,852 for 2018-19. This is the first year the funding for such services has been separated from Schools Block funding.

3.3 Pupil Numbers

Pupil numbers in primary and secondary schools has again risen from 17,669 in

2017-18 to 17,957, which is an increase of 288 pupils.

3.4 **Current position**

The October census data was released on Friday 15th December and the grant allocations on Tuesday 19th December. Work so far has concentrated on the High Needs Block deficit. Therefore the Schools Block calculations are not currently available but will be tabled at the meeting.

In line with regulations, the Central Schools Block allocations will also be tabled at the meeting along with the rates for the De-delegated budgets which can now be finalised.

3.5 **Minimum Funding Guarantee**

The MFG protection can be varied between minus 1.5% as per previous years to plus 0.5%. This is to allow local authorities flexibility to meet the NFF requirements.

As per the consultation held with schools during the Autumn Term and agreement at the last Schools Forum meeting, Schools Forum are required to agree the level of MFG to be applied for 2018-19. The recommendation for the level of MFG will be tabled at the meeting as it will not be known until the Schools Block calculations are completed.

3.6 **Finalisation of Schools Block Budgets and notification of Indicative budgets to schools**

The ESFA require our Schools Block funding formula to be submitted by Thursday 18th January. Once the submission is made, indicative Schools Block budgets will be distributed to all Head Teachers subject to ESFA approval. The ESFA must approve the funding formula (or reject it with reasons) by the end of February. Once approval is received, we will confirm Schools Block budgets to Head Teachers as quickly as possible.

High Needs Block and Early Years Block budgets will be notified to Head Teachers as soon as they are available, but it is not envisaged this work will be completed until March.

4.0 **POLICY IMPLICATIONS**

4.1 None

5.0 **OTHER IMPLICATIONS**

5.1 None