

REPORT TO: Schools Forum
DATE: 16th October 2019
REPORTING OFFICER: Senior Finance Officer
SUBJECT: Funding for 2020-21
WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

To report to the Schools Forum the Dedicated Schools Grant funding for 2020-21.

2.0 RECOMMENDATION: That

2.1 The report is noted.

3.0 SUPPORTING INFORMATION

3.1 Funding for 2020-21

The Schools revenue funding 2020-21 operational guide was issued on 12th September and we have also been receiving information through the North West LMS Group as some colleagues attend national meetings.

We are still required to model the impact of the funding formula for each school and to consult with all Halton schools and academies prior to consultation with Schools Forum, before asking the Executive Board to make the decision on the formula for next year.

We are currently modelling the funding formula and preparing the consultation document with the aim to issue the consultation after the autumn half term break.

3.2 Confirmed updates – Schools Block

The Minimum Per Pupil funding levels will be set at £3,750 for Primary schools and £5,000 for Secondary schools. There is an intention for the DfE to make these mandatory funding levels and as such have issued a consultation on how best to implement this change which closes on 22nd October.

The funding floor will be set at 1.84%. This minimum increase in 2020-21 allocations will be based on the individual school's NFF allocations in 2019-20.

Where the NFF is used in full, the formula's core factors will increase by 4% with the exception of the free school meals factor (to be

increased at inflation) and premises costs which will continue to be allocated at LA level on the basis of actual spend in the 2019-20 APT. For 2020-21 each local authority will continue to set a local schools formula in consultation with local schools. The government has confirmed its intention to move to a single 'hard' national funding formula to determine every school's budget.

The Minimum Funding Guarantee can be set between +0.5% and +1.84%.

The funding floor factor available for use in the 2019-20 funding formula has been removed for the 2020-21 funding formula. This is because the funding floor baselines for the 2020-21 allocations will be the 2019-20 allocations.

Provisional allocations are due to be issued in October.

3.3 High Needs Block

We are waiting on the release of the High Needs Block operational guidance which is due shortly, however we have had some confirmed information as below.

The funding floor will be set at 8% so we will see an increase of at least that percentage, based on the 2019-20 high needs allocations.

The gains cap is set at 17%, allowing local authorities to benefit from increases up to this level, calculated on the bases of per head of population.

Provisional allocations are due to be issued in October.

3.4 Central Schools Services Block

No changes have been proposed to the regulations for this block.

We are expected to gain approval from Schools Forum for CSSB budgets as in previous years.

There has been no confirmation as yet on the level of funding for the CSSB in 2020-21 although provisional allocations are expected in October.

3.5 Early Years Block

As in previous years, the operational guide and indicative allocations are expected to be released in December.

3.6 Teachers Pay Grant and Teachers Pension Grant

Both grants will continue to be paid separately for 2020-21 and the rates for next financial year will be published in due course.

- Teachers Pension Grant 2019-20 – supplementary claims

- Round 1 for Mainstream primary and secondary schools will have evidence collated in December 2019 to January 2020 and claims will be paid in March 2020. Schools will get a tool to submit their own claims. Maintained Nursery Schools claims will need to be signed off by the LA prior to submission.
- Round 2 for Special schools and academies plus centrally employed teachers. For both, evidence to be collated in April 2020 and claims to be paid in June 2020 so a year-end adjustment will be required. The LA is to submit these claims.

3.7 Next steps

Modelling work will be completed and the consultation issued to schools on the proposed funding formula for 2020-21. This will then be presented to Schools Forum prior to a decision being requested from Executive Board.

4.0 **FINANCIAL IMPLICATIONS**

- 4.1 It is hoped that the overall DSG allocations will be increased and that such increases should provide some financial stability to schools, providers and departments.

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 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.