

SCHOOLS FORUM

15th December 2020

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Mainstream Schools Funding 2021-2022

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| Lead Officer | Richard Morgan |
| Contact details | e-mail SchoolsStrategic_FinanceTeam@BATHNES.GOV.UK |
| Forum asked to decide / steer / be informed | Decide and to recommend |
| Time Needed | 15 Minutes |

Introduction

Following the 2021-2022 B&NES Schools Funding Consultation – Autumn 2020 with mainstream schools that was completed on 16th November 2020, the forum is asked to comment on schools' responses and to decide on planned actions for 2021-2022

Recommendation

The Forum is asked to

- 1) Comment on the responses to the consultation and recommend to the cabinet member the preference the forum would take with regard to the details of the formula.
- 2) Decide on the request to support the continued 0.5% contribution from the Schools Block to the High Needs Block for 2021-2022

Report

The consultation document was issued to schools on the 9th October 2020 in order to communicate proposed formula changes for 2021-2022 and covered the following 2 main topics.

- A. Proposed changes to the school's formula for 2021-2022 that will be used to fund all mainstream schools and academies
- B. Continuation of utilisation of school block resources to support High Needs

Set out below for each of these topics is the decision-making powers and the required actions by the Schools Forum.

The Formula for 2021-2022

As in previous years, each local authority will continue in consultation with maintained schools and academies, to set a local schools funding formula in 2021-22, in order to calculate the distribution of funding available for mainstream schools. While local authorities will continue to have discretion over the design of the majority of the funding formulae, B&NES made the decision in 2020-21 to move fully to the NFF methodology.

The government has confirmed it will, later this year, put forward plans to move to a 'hard' NFF in the future, which will determine school funding allocations directly, rather than local funding

formulae. The DFE will work closely with local authorities and other stakeholders in making this transition and further information on that process will follow in due course

The autumn 2020 consultation document set out the DFE confirmed technical changes in the NFF announced in July 2020 which the DFE plans to reflect in school funding regulations and the LA proposed changes in the local authority schools formula for 2021-22 that will be used to fund all B&NES mainstream schools. It also discussed the continuation of the utilisation of school block resources to support the high needs block.

The consultation responses can be viewed at **Appendix 4.1**

The Forum is asked to recommend a course of action to the Cabinet Member for Children and Young People for the following two areas **A and B**.

A. Proposed changes to the Schools formula for 2021-22 NFF

If you look at **Appendix 4.1** you will see that the majority of schools voted in agreement to all the questions in the consultation including agreeing to as close as possible 3% increase in the allowable NFF factor values. The only question that the majority of school voted against was Question 4. This question asked "Should resources allocated by the DFE for the LA schools block not be sufficient to support the NFF in full, do you agree that the LA introduce a cap on gains for 2021-22 to restrict schools with the largest gains to balance the schools block allocation?"

38% of schools that responded voted Yes, 60% voted No and 2% did not vote.

The school's forum is asked to steer LA officers with regard to the detail of the formula as follows:

1. Should the schools block allocation for 2021-22 allocated by the DFE not be sufficient to support the NFF in full, should LA Officers introduce a CAP at a relevant percentage to balance the schools funding formula allocations to the resources available?
OR
Should LA Officers scale back the allowable NFF factor values by a relevant percentage to balance the schools funding formula allocations to the resources available
2. Should LA Officers increase funding values for the allowable LA premises factor for split sites by 3% in the funding formula for 2021-22? The current values for 2020-21 are £40,408 lump sum and £15.15p per pupil. One secondary school qualifies for the lump sum plus per pupil funding and 3 primary schools receive per pupil funding only.
3. If the forum agrees to question 2 above, should LA Officers scale back the allowable LA premises factor for split site by a relevant percentage to balance the schools funding formula allocations to the resources available?

B. Utilising Schools Block funding for High Needs

For 2021-2022 Local authorities will continue to be able to transfer up to 0.5% of their school's block funding into the high needs block with school's forum approval. Transfers above 0.5%, or any amount without school's forum approval will require Secretary of State Approval even if ministers agreed the same amount in the past two years.

As you should be aware the LA consulted on the transfer of 0.5% from the school's block to the High Needs Block in 2018-19, 2019-20 and 2020-21 following consultation, which the school's forum agreed. The resources that transferred in 2020-21 were approximately £560k.

The LA consulted with schools to ask if they agree to extend the current arrangement to transfer 0.5% of the school's block to the high need block for 2021-22 and 100% of the schools that responded to the consultation agreed to this proposal.

The consultation responses can be viewed at **Appendix 4.1**

The Forum is asked to decide whether or not to approve a 0.5% transfer of school's block funding to the High Need Budget for 2021-2022. The requested transfer would amount to an estimated £580k.

If the Forum turns down the proposal to transfer any funding from the school's block to the high needs block the LA can request Secretary of State Approval under the Financing of Schools Regulations.