



Schools Forum
11 December 2019

**Report from the Strategic Director
of Children and Young People**

**SCHOOLS BLOCK – CONSULTATION ON 2020/21 LOCAL
FUNDING FORMULA FOR MAINSTREAM SCHOOLS**

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	N/A
No. of Appendices:	2
Background Papers:	
Contact Officer(s): (Name, Title, Contact Details)	Andrew Ward, Head of Finance – CYP, 0208 937 6462 Dena Aly, Senior Finance Analyst – CYP, 0208 937 2179

1. Purpose of the Report

1.1. This report provides Schools Forum with responses to the consultation on local arrangements for the 2020/21 Funding Formula for mainstream schools (appendix 1), and seeks views from Schools Forum on how to proceed with setting the Schools Block budget for 2020/21.

2. Recommendations

2.1. Schools Forum is asked to note the consultation responses provided in appendix 2 and summarised in this covering report.

2.2. Schools Forum is asked to support the proposed model of funding and allocation of the additional estimated £3.5 million Schools Block expected for 2020/2021 to enable officers to prepare a Schools Block budget paper for the January Schools Forum:

- 2.2.1. £1.355M to be allocated to the Pupil Growth budget to support rising rolls – principally demographic rise in Secondary pupil numbers
- 2.2.2. £1.645M to be allocated to Primary schools via the proposed mobility funding factor and via the increased pupil funding rates
- 2.2.3. £0.500M to be allocated to Secondary schools via the proposed mobility funding factor and via the increased pupil funding rates.

3. Summary

- 3.1. Schools Forum on the 6th November 2019 received information on proposed funding arrangements for the 2020/21 financial year, including the provisional DSG block funding allocations.
- 3.2. The provisional funding allocations announced by the DfE in October indicate that the Schools Block will increase by just under £3.5m, or 1.5%. Under the current arrangements the funding of in-year growth through the rising rolls mechanism would require approx. £1m of additional budget, which would leave the balance to allocate to schools.
- 3.3. The government is still moving towards implementing a full National Funding Formula, but local formulas will remain in place for 2020/21. The main change to the guidance for local funding formula is that a new mobility funding factor has been created and is available for use by Local Authorities to fund schools facing additional costs as a result of having a more mobile pupil population.
- 3.4. Schools Forum on the 6th November agreed to consult with all schools about allocating additional funds through the formula and if a mobility funding factor should be included.
- 3.5. The consultation, which is attached to this report, sought schools views on how to balance allocation of the estimated £3.5m additional funds against 3 identified cost pressures:
 - In-year pupil mobility
 - Growth in the numbers of Secondary Pupils
 - General inflationary cost pressures in schools
- 3.6. The consultation was necessarily short given the timings of funding announcements and the budget setting timetable. The consultation received responses from 9 of the 86 schools in Brent, of which 5 were Primary schools and 4 were secondary schools. The full responses are anonymised and are attached to this report as well as being summarised below.
- 3.7. The Education and Skills Funding Agency Schools revenue funding Operational Guidance advises that members of the Schools Forum should take into account consultation responses on local funding formula, but are not obliged to follow majority views from the consultation.

4. Consultation responses

- 4.1. The responses to the consultation are provided in appendix 2, and are summarised below for each question in turn.
- 4.2. **Question 1: Do you feel a reasonable balance has been struck between the competing issues and needs in allocating the £3.5 million as per table 2 of this consultation? If not, how would you prefer to rebalance them?**

- 4.3. Of the 9 responses, 5 agreed that the balance outlined in the consultation was reasonable.
- 4.4. There was 1 primary school which wanted more funding allocated to the pupil mobility funding factor.
- 4.5. There was 1 primary school that felt the additional funds should be considered a 'windfall' and used to fund short term pressures. For clarity, officers disagree and consider it most likely that this funding will be recurring in future years, and absorbed into the base line funding.
- 4.6. There were divergent views given from Secondary Schools on the funding made available for growth. One response stated the view that funds should be directed to schools with full pupil rolls. Another response felt that more funding than proposed should be directed to supporting pupil growth.
- 4.7. **Question 2: Given the context of funding constraints and general cost pressures, do the mobility allocations modelled in appendix B provide those schools most affected by pupil mobility with adequate amounts to have an impact?**
- 4.8. Of the 9 responses, 5 indicated that the allocations were too low. The detailed comments made on this are included in appendix 2.
- 4.9. Of the 9 responses, 3 indicated that the respondents thought that the allocations were adequate.
- 4.10. There was 1 response that made no comment on this question.
- 4.11. **Question 3: Considering the funding lag for growing school populations that is inherent in the national system of funding, are you in favour of continuing to move a portion of the Schools Block into a growth fund that supports expanding schools?**
- 4.12. Of the 9 responses, 4 were in favour of continuing to use a growth fund.
- 4.13. Of the 9 responses, 4 can be characterised as not being in favour and seeking alternative use of the funds. The proposed alternatives uses varied.
- 4.14. There was 1 response which suggested central government should fund growth. Officers confirm that this is not currently an option that can be considered in setting the Schools Block budget.
- 4.15. **Question 4: Are the proportional increases to pupil led funding factors a fair method of distributing the increased funding that is available?**
- 4.16. Of the 9 responses, 6 were in favour of allocating the balance of the additional resources to schools using proportional increases to the pupil led funding factors.
- 4.17. Of the responses, 2 did not agree that this is a fair method.
- 4.18. There was 1 response which recognised the inherent tension in the system between allocating against need, and allocating equitable funding per pupil.

5. Schools Forum response to the consultation

5.1. It is recommended that Schools Forum support the proposed model and allocation of funding, so that once October pupil census data is released later in December, officers can prepare the 2020/21 Funding Formula and Schools Block budget in time for the January 2020 School Forum.

5.2. If Schools Forum is unable to agree to support this recommendation, the default position will be to prepare a Schools Block budget which maintains the current funding formula and growth funding arrangements.

5.3. The budget setting timetable is given below.

Table 1 – Budget setting timetable

Date	Action
11 Dec 2019	School Forum decides on changes to Funding Formula.
Week commencing 16 Dec 2019	Pupil Census data is released by the DfE, drafting of Funding Formula will commence.
8 Jan 2020	School Forum papers dispatched
15 Jan 2020	Draft Funding Formula and Schools Block budget presented to the Schools Forum for debate and amendment. High level Early Years Block and High Needs Block budgets presented. Subject to above, Schools Forum recommend the budget to the Council.
21 Jan 2020	Funding Formula to be submitted to DfE for ratification by ESFA.
10 Feb 2020	LB Brent Cabinet Budget meeting
26 Feb 2020	Schools Forum presented with final detail on Early Years and High Needs Block budgets.
February	Maintained schools to be sent funding statements by the 29 February 2020

5.4. All School Forum Members can vote on the Funding Formula, excluding the 16-19 Provider and Trade Union Representatives.

6. Financial Implications

6.1. The financial implications have been set out in the consultation document appended to this report.

7. Legal Implications

7.1. There are no legal implications for this report.

8. Equality Implications

8.1. Not applicable.

9. Consultation with Ward Members and Stakeholders

9.1. Not applicable.

10. Human Resources/Property Implications (if appropriate)

10.1. Not applicable.

Report sign off:

Gail Tolley

Strategic Director of Children and Young People