

## CENTRAL BEDFORDSHIRE SCHOOLS FORUM

**Date of Meeting: 13 September 2018**

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**Schools forum – Schools funding formula consultation 2019/20**

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**Public**

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Purpose of this report: the dedicated schools grant (DSG) for LAs will be allocated in four blocks (schools, high needs, early years and central schools services). Each will be calculated on the basis of a different national formula.

The local authority must engage in open and transparent consultation with all maintained schools and academies in its area, as well as with its schools forum, about any proposed changes to the local funding formula for the schools block including the method, principles and rules adopted. The consultation document sets out Central Bedfordshire's proposals for schools funding for the 2019/20 financial year.

### **RECOMMENDATIONS**

**Schools Forum is asked to comment on the consultation document and agree for it to be circulated for consultation with all schools from 17 September 2018**

#### **1 The national funding formula for 2019/20**

- 1.1 The consultation document summarises the structure of the schools block (p 3), which has 14 factors, and has not changed from 2018/19. The major changes are to minimum funding levels for schools, the funding 'floor' and a gains 'cap' (see page 4).
- 1.2 The consultation informs school managers and governors about minor changes, before explaining the regulation capping the movement of any schools block funding to a maximum of 0.5 per cent. This must be agreed by Schools Forum: without agreement, the local authority must apply to the Secretary of State for Education for permission to do so.
- 1.3 The consultation should include a demonstration of the effect of modelling such changes on individual maintained schools and academies. The local authority is responsible for making the final decisions on the formula and must ensure there is time to gain political approval before the due deadlines. In Central Bedfordshire it is the council's Executive that determines the allocation of the dedicated schools grant (DSG). Schools Forum's role is to advise the Executive of its view of the best way to allocate the funding formula.

#### **2 Central Bedfordshire's proposed formula for 2019/20**

- 2.1 The formula for the current (2018/19) financial year forms the starting point for the 2019/20 proposals, and the current schools block distribution is shown in the table on page 6. The consultation timetable is on page 7: the consultation starts on 17 September and ends on 19 October 2018.

- 2.2 The proposals will be finalised following consideration of the responses to the consultation, before being considered by Children’s Services Overview and Scrutiny Committee on 20 November and determined by Executive on 4 December. The final budget will be sent to the Education and Skills Funding Agency (the deadline for which is 21 January 2019) before individual school budgets are sent to schools (by 28 February 2019).
- 2.3 There are two ‘compulsory factors’ for the 2019/20 schools block:
- **basic entitlement** (called the age weighted pupil unit, abbreviated to AWPU): the proposal is that this will be funded by the remaining budget after applying all the other proposed factors; and
  - **deprivation**, for which no changes are proposed.
- 2.4 There are a wide range of optional factors – for Looked After Children, pupil mobility, the lump sum, split sites, rates, sparsity, and exceptional premises factors; the council does not propose any changes to these.
- 2.5 The key changes are as follows:
- Greater flexibility in the Minimum Funding Guarantee (MFG) was introduced in 2018/19. Local authorities can set the MFG between plus 0.5 per cent and minus 1.5 per cent. It is proposed to be set at minus one per cent – in 2018/19 it was zero per cent.
  - It is proposed to request Schools Forum to agree the transfer of 0.5 per cent of the schools block into the High Needs Block to meet the demand for spend.
  - We are proposing to introduce the Low Prior Attainment factor at 50 per cent of the NFF rate to smooth the transition to the full NFF.
- 2.6 The consultation report ends with a summary of proposed changes, and contains a modelling of the proposed factors, using the October 2017 pupil count, to give an indication to schools of the effect of the implementation of the proposals.

### **3 Financial and risk implications**

- 3.1 The DSG is a council budget, and it is the responsibility of the council to set the schools budget annually. There is a risk to the council if either Schools Forum or the Secretary of State for Education does not agree to the transfer of 0.5 per cent of the schools block to fund the High Needs Block.

### **4 Governance and delivery implications**

- 4.1 The council has a legal duty to set the four blocks of the DSG by the 21 January 2019.

### **5 Equalities implications**

- 5.1 The PSED requires public bodies to consider all individuals when carrying out their day to day work in shaping policy, in delivering services and in relation to their own employees. It requires public bodies to have due regard to the need to eliminate discrimination, harassment and victimisation, advance equality of opportunity, and foster good relations between in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

5.2 Council officers have considered the needs of a range of vulnerable groups, including children looked after by the council, pupils with low prior attainment, English as an additional language and children who have high rates of mobility.

## **6 Implications for work programme**

6.1 There are no implications for the work programme.

## **7 Conclusion and next steps**

7.1 Council officers will consider the responses to the consultation and determine the proposed formula for the schools block for comment by Children's Services OSC and determination by Executive at its meeting on 4 December 2018.

## **8 Appendices**

8.1 Proposed school funding for 2019/20 (including an appendix setting out the effect of the proposals on all schools (maintained and academy).

## **9 Background papers**

9.1 None