

## **CUMBRIAN SCHOOLS' FORUM SCHOOL BUDGETS WORKING GROUP**

**DRAFT Notes of the School Budgets Working Group held on 18 September 2019, Training Rooms A&B, Cumbria House, Carlisle, 9.30pm.**

**Present:** Lisa Balderstone (PRU), Jonathan Logan (PRU), Daniel Hinton (Special Schools), David Nattrass (Eden Primary), Sue Sanderson (Cabinet Member, Schools & Learning), Cathy Styles (South Primary)  
Dan Barton (AD Learning and Skills), Susan Milburn (LA), Amanda Chew (LA), Nicola Shiels (LA)

**Apologies:** Des Bird, Louise Donnelly-Stott, Steven Holmes, Matthew Jessop, John McAuley, Ty Power, Alan Rutter

1. **Appointment of Chair**

David Nattrass was appointed as Chair of the group for the forthcoming year.

2. **Appointment of Vice Chair**

Cathy Styles was appointed as Vice Chair of the group for the forthcoming year.

The appointments of Chair and Vice Chair would be ratified at the next meeting of the full Forum.

3. **Declarations of Interest**

There were no declarations of interest.

4. **Notes of the Meeting held on 2 October 2018**

The notes of the meeting of the School Budgets Working Group held on 2 October 2018 were agreed as an accurate record.

There were no matters arising.

5. **Schools Funding Formula 2020-21**

A report setting out information on the timeline for consultation with schools on the recommended proposals and basis of the schools funding formula for 2010-21, including modelling prior to the next full meeting of the Schools Forum was considered.

A national funding formula was introduced for schools from 2018-19 and in 2019-20 local authorities would continue to decide, following consultation with their schools and Schools Forum, whether this formula should be applied or that a locally determined formula is used.

Following consultation with all schools in November 2018 the School Forum members had recommended to Cabinet that the national funding formula be adopted in Cumbria and be used to allocate funding to primary and secondary schools in 2019-20 subject to any further changes notified by the DfE prior to that financial year.

It is a requirement that all maintained and academy schools are consulted on any changes to the local funding formula. Following the consultation, Schools Forum will be

asked to make a recommendation to Cabinet; Cabinet will decide on the final formula for 2020-21.

The proposed timeline was as follows:

<b>Date</b>	<b>Task</b>
18 September 2019	Schools Forum Budget Working Group consulted on the proposed basis for modelling the school funding formula for 2020-21 and the format of the consultation
15 October 2019	Schools Forum approve final consultation document for issue to schools
16 October 2019	Launch consultation with schools on arrangements for 2020-21 (incorporating any changes following the schools forum meeting)
13 November 2019	Consultation ends
26 November 2019	Schools Forum meeting (moved from 4 December) to allow recommendation to Cabinet, and to meet Cabinet reporting deadlines.
19 December 2019	Cabinet - report on School Funding 2020-21 presented and Cabinet decision to be made
Early January 2020	Following call-in period, notify schools of Cabinet decision on School Funding 2020-210
10 January 2020	Schools Forum Meeting to agree 2020-21 DSG budget
Mid-January 2020 (tbc)	Deadline for submitting School Funding 2019-20 Proforma (showing all individual school budgets for 2020-21) to ESFA

On 4 September a three year settlement was announce stating that the schools budget would increase by £14bn by 2022-23. However, in a change from previous years, the full details of the school funding arrangements had not yet been released. These were not expected to be published until early October 2019 whereas in previous years these had been made available in July.

The schools settlement would allow central government to continue to implement the schools National Funding Formula and move towards a 'hard' formula. The key aspects of the formula for 2020-21 were:

- The minimum per pupil funding level would increase from £3,500 to £3,750 for primary schools and £4,800 to £5,000 for secondary schools;
- All factors within the formula would increase by 4% with the exception of the Free Schools Meals factor which would increase in line with inflation;
- Premises factor would be based on 2019-20 actual APT data;
- The funding floor would be set at 1.84% per pupil although local authorities would continue to set a Minimum Funding Guarantee (MFG) of which must be between +0.5% and +1.84% in their local formula;
- There would be no gains cap, all schools would attract their full core funding allocations under the formula, however, local authorities could continue to set a gains cap in their local formula;

As in 2019-20, local authorities would continue to have discretion over their schools funding formulae in 2020-21 and, in consultation with schools, would ultimately

determine allocations in their areas. However, as a first step toward a 'hard' formula from 2020-21 the national minimum per pupil funding levels would be compulsory.

There would also be a £400m investment in further education in 2020-21 and in increase in early years spending to increase the hourly rate paid to childcare providers through the governments free hours offer.

The settlement also included £700m more in 2020-21 compared to 2019-20 funding for special educational needs. The allocation method had not yet been announced but if it was allocated on the same basis as the additional funding that had been made available in 2018-19 and 2019-20, it was estimated that Cumbria's allocation could be in the region of £5.4m.

However, there would continue to be significant pressure on the High Needs Block budget and it was still necessary to progress the options proposed at the meeting of the Schools Forum in June 2019 to consult all schools on the proposals to withdraw the targeted SEN funding and the transfer of 0.5% or up to 0.75% from the Schools Block to support the HN Block.

The full details of the schools funding arrangements for 2020-21 had not yet been published by the DfE so it had not been possible to model the potential impact on individual schools budgets. It was therefore proposed that once the DfE published the notional school level national funding formula, the data would be used to model the impact of transferring 0.5% and 0.75% on individual school budgets. It was also proposed that the consultation document would include the impact of ending the targeted SEN funding.

The late release of the school funding details for 2020-21 had caused some difficulty in meeting the required timescales and it had not been possible to prepare the modelling and draft consultation document for consideration by the School Budget Working prior to it being presented to the full Forum.

In considering the report, the groups expressed particular concern about the impact of the removal or phasing out of the targeted SEN funding would have on those schools that are the most inclusive. The national context was also once again noted and discussed.

The Schools Budget Working Group noted the school funding settlement based on the limited information that was available. The group were supportive of LA officers in the preparation of the consultation with all schools on the impact of the proposals to transfer of 0.5% or 0.75% of the Schools Block to the HN Block and the basis of the proposed modelling that would be undertaken when the information became available and ahead of the next meeting of the Schools Forum.

## 6. **DfE Financial Transparency Consultation**

A report that highlighted the key changes to current financial transparency arrangements for local authority maintained schools that the DfE were consulting on was presented.

On 17 July 2019, DfE launched a consultation proposing a number of changes to the current financial arrangements in maintained and academy schools.

The consultation highlighted that although both maintained and academy schools were funded through DfE specific grants the current financial transparency arrangements and levels of assurance were different. It was the DfE's view that the current financial arrangements in academy trusts were generally stronger than those in the maintained school sector and a number of changes impacting both the local authority and maintained schools were proposed.

The consultation, was seeking views on the new measures that the DfE were proposing to implement across the local authority maintained schools sector and whether there were any other changes that could be made to improve financial transparency.

A number of the proposals were already in place however, a number of the proposals would create an additional burden on local authorities and maintained schools. A letter had been sent to maintained schools via the School Portal informing them about the consultation on 9 September. The LA would be submitting a response and maintained schools were also encouraged to make a separate response by the deadline of 30 September 2019.

It was suggested that a copy of the LA response should be sent to schools, for information.

The School Budgets Working Group noted the report and would inform the maintained schools that they represented about the consultation, encouraging them to respond.

7. **Date of Next Meeting**

The next meeting of the School Budgets Working Group was scheduled to take place on Tuesday, 12 November 2010.

8. **Any Other Business**

There were no other items of business.

October 2019  
SAA/NS