



NOTICE OF MEETING

SCHOOLS FORUM

WEDNESDAY, 10 JULY 2019 AT 4.30PM

THE EXECUTIVE MEETING ROOM - THIRD FLOOR, THE GUILDHALL

Telephone enquiries to Jane Di Dino 023 9283 4060

Email: jane.didino@portsmouthcc.gov.uk

Membership

Schools Members

Two head teacher representatives - primary phase
One head teacher representative - secondary phase
One head teacher representative - special phase
Four academy representatives - primary proprietor
Five academy representatives - secondary proprietor
One academy representative - special proprietor
One governor - primary phase
One governor - secondary phase

Non School Members

Four Councillors (one from each political groups)
One 16-19 Education Providers representative
One Early Years Providers representative

(NB This agenda should be retained for future reference with the minutes of this meeting).

Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: www.portsmouth.gov.uk

AGENDA

- 1 **Apologies**
- 2 **Declarations of Interests**
- 3 **Minutes of the previous meeting and matters arising (Pages 5 - 8)**
- 4 **Membership Changes**

5 Maintained School Balances as at 31 March 2019 (Pages 9 - 24)

Purpose.

The purpose of this report is to inform the Schools Forum of the level of maintained schools' revenue and capital balances as at 31st March 2019.

RECOMMENDED that the Schools Forum notes the level of maintained schools' revenue balances and capital balances as at 31st March 2019 as shown in Appendices 2 & 3 and the monitoring action taken by the council.

6 Update on Early Years SEND Funding Review

This report is to follow.

7 2018-19 Dedicated Schools Grant Out turn Report and Revised Budget 2019-20 (Pages 25 - 38)

Purpose.

To inform the Schools Forum of the year-end out turn position as at the end of March 2019 for the Dedicated Schools Grant (DSG) and to propose revisions to the DSG budget for 2019-20.

RECOMMENDED that the Schools Forum:

- 1. Note the year-end out turn budget position for the DSG as at the end of March 2019 and the variance explanations contained within this report.**
- 2. Endorse the revised DSG budget for 2019-20 as set out in Appendix 1 and section 5.**

8 Future School Funding Arrangements 2020-21 (Pages 39 - 54)

Purpose

This purpose of this report is to provide the Schools Forum with an update on the latest developments in respect of the future school revenue funding arrangements for 2020-21 onwards.

RECOMMENDED that the Schools Forum:

- a. Note the progress being made towards the 2020 to 2021 local funding formula including the issue of the consultation to mainstream schools as set out in Appendix A.**

Note the outcomes of the consultation issued to mainstream primary schools and endorse the proposals set out in section 6.

- c. Note the progress being made towards the review of the High Needs funding methodologies.**

9 SEND Call for Evidence

This report will follow.

10 Any Other Business.

Members of the public are now permitted to use both audio visual recording devices and social media during this meeting, on the understanding that it neither disrupts the meeting or records those stating explicitly that they do not wish to be recorded. Guidance on the use of devices at meetings open to the public is available on the council's website and posters on the wall of the meeting's venue.

This page is intentionally left blank

Agenda Item 3

SCHOOLS FORUM

MINUTES OF THE MEETING of the Schools Forum held on Wednesday, 22 May 2019 at 4.30pm at the Guildhall, Portsmouth

Present

Jackie Collins	Head Teacher	Primary Phase
Dave Jones (Acting Chair)	Head Teacher	Primary Phase
Nathan Waites	Head Teacher	Secondary Phase
Ian Hunkin	Head Teacher	Special Phase
Nys Hardingham	Academies	Secondary Phase
Steven Labeledz	Academies	Secondary Phase
Natalie Sheppard	Academies	Secondary Phase
Alison Beane	Academies	Special Phase
Kara Jewell	Representative	Early Years
Mike Gaston	Representative	16-19 Years Provision
Claire Udy	Councillor	Independent
Judith Smyth	Councillor	Labour Party
Lynne Stagg	Councillor	Liberal Democrat Party

8. Apologies

Apologies were received from Simon Barrable (Mike Gaston deputised for him), Jason Crouch, David Jeapes, Kate Keeler, Sonia Nickerson, Stewart Vaughan and Councillor Horton.

9. Declarations of Interests

No declarations of interests were made regarding agenda items.

There are four declarations of interests forms outstanding.

10. Minutes and matters arising from the previous meeting on 16.01.2019

DECISION: The minutes for the meeting held on 16 January 2019 were confirmed as a correct record subject to the following amendments:

Item 1 - Mike Gaston did not deputise for Simon Barrable.

Item 5 - The spelling of Kara Jewell's name be corrected.

Item 6 - It was also noted that it is important to improve special school provision in the city and reduce reliance on out of city provision which is very expensive.

11. Membership Changes

Alison Egerton, Group Accountant gave the following update on membership:

- There are vacancies for one primary academy and one primary governor. There has been no response to requests for representatives. A note will be sent to the Primary Head Teacher's conference seeking interest.
- Dave Jones' tenure ceases on 1 July.
- Stewart Vaughan's tenure ceases in December.

12. Schools Forum Constitution

Alison Egerton, Group Accountant introduced the report.

There were no questions from members.

DECISION: The Schools Forum retain the current constitution attached at Appendix A of the report which took effect from 24 May 2018.

14. Schools Funding Arrangements 2019-20 Growth Fund

Alison Egerton, Group Accountant introduced the report and in response to questions she and Mike Stoneman, Deputy Director of Children, Families and Education clarified the following points:

The funding received in 2019-2020 is higher than normal because it includes the movement of pupils to the University Technical College (which is now full) and the final year of the Mayfield School expansion.

The surplus will reduce over the next three years as the growth in the secondary sector increases.

Retaining this surplus allows for capacity in the system to cover any unexpected school expansions, cover any future reduction in growth funding and to offset any overspend of the DSG if necessary.

The growth fund is reviewed every year.

Officers did not want to set a rate that would have to be reduced the following year. This provides certainty for schools when they are preparing their forecasts.

It would be for the Schools Forum to decide at the end of the year whether to retain the surplus and carry it forward to future years.

Kara Jewell noted that this proposal is similar to what happened with the Early Years funding.

It is essential that the DSG is balanced at the end of the year. If not, a deficit recovery plan would be put in place and future funding reduced. There will be a Government spending review of the DSG in 2020/21.

It is very unlikely that the government would try to claw back any surplus Growth Fund.

Pupil funding is calculated on the number of pupils enrolled at the October census. Growth funding is a contribution towards the funding gap between the pupils starting school at the beginning of the academic year and the school receiving their budget via the funding formula in the following April (maintained schools) or August (Academy Schools).

DECISION: The Schools Forum approved the changes to the Growth Fund criteria and the move to a banded payment system as set out in appendix 1 new criteria, to be implemented from the start of the autumn term 2019.

15. Scheme for Financing Schools 2019-2020

Graham Smith, Group Accountant introduced the report.

There were no questions from members.

DECISION

The Schools Forum members representing maintained schools approved the revised Scheme for Financing Schools attached at Appendix 1, to come into force on 1 June 2019.

16. Timing of meetings

Alison Egerton explained that there had been some issues in the last two years when changes to the DSG have been received over the Christmas period and it was difficult to fit in time to consult with schools.

She proposed that relevant reports be brought to the Schools Forum for endorsement before the Cabinet Member for Education's decision meetings.

DECISION

The Schools Forum agreed to ensure that its meetings be held before the Cabinet Member for Education's decision meetings.

17. DSG Budget Monitoring third quarter 2018-2019

Alison Egerton introduced the report.

There were no questions from members.

DECISION: The Schools Forum noted the report.

18. School funding reform 2020-2021

Alison Egerton gave a verbal update on the school funding reform 2020/21.

Consultation with schools will take place over the next two months.

Proposals include:

To maintain minimum funding level per pupil as set by the Department for Education.

The council is looking to maintain per pupil funding next year and is planning to set a zero percent minimum funding guarantee.

The high needs sector is aware of the DfE's call for evidence regarding SEND.

A draft response will be brought to the July Schools Forum meeting for comments. The deadline for submitting the response is the end of July.

Julia Katherine is setting up a range of working groups to revisit some of the proposals to manage the High Needs block differently. There are no proposals to use this process to look at savings. A report would be brought to the July Schools Forum for discussion ahead of any recommendations in the Autumn.

Ian Hunkin explained that the working group had met and was looking at the transition practices. He assured the forum that it was not about saving money.

There were no questions.

DECISION: The Schools Forum noted the update.

19. Any Other Business

There was no other business.

The meeting concluded at 5:20pm

.....
Chair

Agenda Item 5



Portsmouth
CITY COUNCIL

Title of meeting:	Schools Forum
Date of meeting:	10 July 2018
Subject:	Maintained School Balances as at 31 st March 2019
Report from:	Alison Jeffery, Director of Children families and Education
Report by:	Alison Egerton, Group Accountant
Wards affected:	All Wards
Key decision:	No
Full Council decision:	No

1. Purpose of report

1.1. The purpose of this report is to inform Schools Forum of the level of maintained schools' revenue and capital balances as at 31st March 2019.

2. Recommendations

2.1. It is recommended that Schools Forum notes the level of maintained schools' revenue balances and capital balances as at 31st March 2019 as shown in Appendices 2 & 3 and the monitoring action taken by the council.

3. Background

3.1. Each year schools are given delegated budgets which are calculated using a locally agreed fair funding formula. These budgets are supplemented by specific government grants (e.g. Pupil Premium) and through the income generated by the school. Delegated revenue budgets are intended to be spent during the year on the existing cohort of pupils, although it is prudent for a school to retain a small surplus to provide for future uncertainties.

3.2. Schools do spend the vast majority of funds directly on the education of their pupils. However, there are a number of genuine reasons why schools may accumulate a balance at the year-end; for example, to provide for planned building works or to provide consistency in staffing levels during funding fluctuations relating to predicted changes in numbers on roll.

- 3.3. In some cases, factors outside of the control of the school can cause increases in balances; for example, large capital building schemes may slip from one year into the next.
- 3.4. Whilst devolved formula capital allocations are ring fenced for capital purposes only, schools may use revenue balances to support capital schemes. In 2018/19, schools allocated some £0.683m (£1.049m 2017/18) of revenue funding to capital purposes.
- 3.5. Schools were surveyed during the spring term to ascertain future commitments against estimated closing balances in order to provide data in accordance with Consistent Financial Reporting (CFR) requirements. This data has since been updated to reflect actual, rather than estimated, closing balances.
- 3.6. In 2014 Schools Forum agreed to discontinue the "balance control mechanism" (i.e. a "clawback" system) and to implement proposals to strengthen the monitoring arrangements. An extract from the current Scheme for Financing Schools is shown at Appendix 1 which highlights the 'controls on surplus balances' together with the items that can be deemed to be committed within the year-end balances.

4. Revenue Balances

- 4.1. The following table illustrates the level of schools' revenue balances over the last three years:

Sector	No. of schools as at 31/3/17	Balance as at 01/04/17 £	% of 2016/17 budget allocation	No. of schools as at 31/3/18	Balance as at 01/04/18 £	% of 2017/18 budget allocation	No. of schools as at 31/3/19	Balance as at 01/04/19 £	% of 2018/19 budget allocation
Nursery & Primary schools	35	5,082,528	11.46	24	4,028,254	13.24	21	3,690,390	13.14
Secondary schools	4	1,590,543	8.27	2	379,974	3.57	2	749,157	6.59
Special schools	2	(598,094)	(14.10)	2	(892,921)	(17.22)	2	70,285	1.30
Total	41	6,074,977	8.96	28	3,515,307	7.60	25	4,509,833	10.06

- 4.2. Since presenting the balances report last year, the following schools have converted to Academy status and their surplus balances have transferred to the new Academy Trusts:

- Penhale Infant School
- Meon Infant School
- Meredith Infant School

- 4.3. In order to provide a consistent comparison between 2017/18 and 2018/19, the balances for these schools have been excluded from the restated 2017/18 figures in the table below.

Sector	Balance as at 01/04/18	% of 2017/18 budget allocation	Balance as at 01/04/19	% of 2018/19 budget allocation
Nursery & Primary schools	3,713,748	12.56	3,690,390	13.14
Secondary schools	379,974	2.41	749,157	6.59
Special schools	(892,921)	(17.22)	70,285	1.30
Total	3,200,800	6.33	4,509,833	10.06

- 4.4. It is important to note that the total schools' balances of £4.5m as at 1 April 2019 include £0.176m (£0.320m 2017/18) of community related balances e.g. Community Improvement Partnerships, community lettings, breakfast and after school clubs etc. leaving £4.3m (£3.2m 2017/18, including schools which have since converted to academy status) of "curriculum" balances relating to core activity. Of this, a further £1.199m (£0.767m 2017/18) has been committed to specific projects or initiatives, leaving a balance of £3.13m, or 7.4% of the 2018/19 budget allocation, as genuinely uncommitted. This exceeds the CIPFA guideline of between 2-3% of budget for uncommitted balances.
- 4.5. Three schools had year-end deficit balances at the end of 2017-18; as at the end of 2018-19 all three schools had a net surplus balance. Of the three schools concerned:
- The Harbour School is converting to academy status during 2019-20 and monthly meetings are being held to support the school in maintaining the surplus position.
 - The Willows Centre for Children is expected to close at the 31 August 2019 and reopen as part of an expanded Cliffdale Primary Academy (part of Solent Academies Trust). The authority is maintaining a watching brief on the financial position of the school to ensure that stability is maintained over the final term.
 - The authority has written to Mayfield School congratulating them on fulfilling their licenced deficit recovery plan, but acknowledging the surplus is small and offering support and advice to enable them to maintain/improve their position.

5. Review of Specific School Balances

- 5.1 The school revenue balances as at 31st March 2019 are shown by school at Appendix 2. Whilst the authority has seen a welcome reduction in the number of schools with reducing or low balances since 2018-19, there are still some schools which are causing some concern. Additionally there are some schools that meet the criteria of having excessive balances. The following sections set out the explanations for the level of balances and any action being taken.

Reducing or low balances

- 5.2 During 2016-17 Schools Forum requested that the council contact the Chair of Governors for schools with reducing or low balances as at 31st March 2016. This process now forms part of the annual review of school balances.
- 5.3 Of the five schools that were contacted at the end of 2017-18, two schools (Willows Centre for Children and Southsea Infant) have seen an increase in their level of balances by the end of the 2018-19 financial year, indicating that the plans put in place by the school and governing body are starting to have an effect. Three schools (Corpus Christie Catholic Primary, Bramble Infant & Nursery and St Swithun's Catholic Primary) have seen a continued reduction in their balances when compared to 2017-18.
- 5.4 As part of the year-end monitoring process of school balances, a review was undertaken to identify those schools that have shown a continued or significant reduction (defined as 25% or more) in their level of balances and whose balances form less than 8% (primary and special schools) or 5% (secondary schools) of their budget share .
- 5.5 Two schools were identified as meeting the above criteria; one converted to academy on 1 April with a surplus balance, the other school (Bramble Infant and Nursery) had already contacted the authority prior to year-end to discuss the school's financial position.
- 5.6 A number of schools have balances that have remained stable for a few years, but the balance is less than 8% of the school's budget share. The authority has written to these schools, recognising their careful management and providing an opportunity to meet to discuss the school's long term strategy to remain financially sustainable and to offer any help and advice where possible. Of the schools concerned (Corpus Christie Catholic Primary, Craneswater Junior and St Swithun's Catholic Primary) the authority is already working with St Swithun's, providing support and advice with regards to the long term financial sustainability. Craneswater Junior School has indicated that they are likely to request a meeting in the near future, whilst the authority will keep a watching brief on Corpus Christi Catholic Primary School.
- 5.7 In addition to the schools identified the authority has been contacted by other schools that are concerned about the long term financial sustainability of the school and are starting to develop plans to manage their costs whilst maintaining the quality of Education. The authority is meeting with these schools to understand their plans and provide the advice and support required.
- 5.8 In summary, the schools and governing bodies contacted have indicated that they are aware of the financial situation and are taking action to address the financial pressures facing the schools.

Schools Resource Management Advisor

- 5.9 In April 2019, the DfE wrote to Portsmouth City Council about the work the City Council was undertaking to improve the long term financial help of schools in the City. The letter explained that they have been effective at utilising Schools Resource Management Advisors (SRMAs) to support Academy Trusts, schools and local authorities elsewhere within the country to provide tailors advice on how to make use of resources.
- 5.10 The letter offer funded SRMA support, and a subsequent conversation with the DfE identified this would equate to 6 days and provide support to two schools. The support would be in the form of an initial visit and review of supporting paper work such as budgets, benchmarking etc. followed by a report with recommendations
- 5.11 As the SRMA's work will support and complement the work already been undertaken with schools the authority has taken up this offer and has requested the DfE to review two schools where the City Council feels a new approach may be beneficial.

Excessive balances

- 5.12 The Scheme for Financing Schools categorises Primary & Special Schools who have uncommitted balances in excess of 8% of budget share as having excessive balances. For Secondary Schools, the threshold is 5% of budget share.
- 5.13 Of the 13 Primary and Special schools with uncommitted balances over 8%, five have balances below 10%, six have balances between 10% and 20% and two have uncommitted balances over 20%.
- 5.14 For Secondary Schools, only one of the two maintained schools had uncommitted balances in excess of 5% of budget share.
- 5.15 The table below highlights the three schools whose total balances exceed 20% of their budget share allocation. All these schools had uncommitted balances which were also deemed to be excessive (i.e. above the 8% and 5% thresholds).

School	Balance as at 01/04/19 £	% of 2018/19 budget allocation
Primary		
Fernhurst Junior	312,639	22.13
Portsmouth Primary	523,824	24.64
St John's Catholic Primary	356,537	34.94
TOTAL	1,193,000	

5.16 Of the four schools that had high balances last year and which were reported in detail, three continue to hold high balances (Portsdown Primary, Fernhurst Junior and St John's Catholic Primary) and are analysed in detail below.

5.17 Explanations for the four schools this year with significant balances are set out below.

Fernhurst Junior

5.18 Fernhurst Junior has seen an increase in their balances between March 2018 and March 2019 of £8,116.

5.19 Of the total balance of £312,639, £22,139 relates to community balances, the school has indicated that a further £188,300 (13.33% of their budget share for 2018/19) is committed.

5.20 The school has indicated on their year-end return that their committed balance will mainly be used for:

- £185,000 to maintain staffing levels of the current cohort, supporting a high level of pupils with specific needs (SEND and pupil premium), to cover the additional costs relating to teachers' pension contributions and pay awards and to provide cover due to a number of personnel on maternity leave.
- £3,300 repairs to the community lodge roof

5.18 The remaining uncommitted balance of £124,339 equates to 8.8% of the budget share. The school has indicated that they are holding the uncommitted monies for a number of reasons including:

- A contingency for potential emergency building works
- Maintaining staffing during potential fluctuations in staffing and funding ahead
- Continued improvement of the community lodge and resources available to the after school club.

5.19 The school has indicated that based on their current estimates and spending plans that they will be in deficit by 2020-21, but state that they are exploring opportunities to increase income and control staffing costs to maintain flexibility within the schools budget.

Portsdown Primary

5.20 Portsdown Primary's year-end balances have decreased slightly from £552,819 at the end of March 2018 to £523,824 at the end of March 2018.

5.21 The school are indicating that of this balance £95,722 (4.5%) is committed.

5.22 The school has indicated on their year-end return that the committed balance will be mainly used as follows:

- £60,000 to provide consistency in staffing levels for anticipated increase in the number on roll.
- £9,000 for the decoration and replacement of a carpet following the installation of a replacement boiler.
- £3,000 for replacement of classroom chairs and tables
- £4,500 for the promotion of both the school and nursery
- £6,582 relating to a purchase order for the expansion of the school office space.
- £12,640 relating to a purchase order to replace the nursery floor.

5.23 The remaining £428,102 equates to 20.13% of the schools budget share. The school has indicated in their March 2019 Statement of Intent that in addition to the items identified in paragraph 5.22 above they are holding the uncommitted monies for a number of purposes which they intend to complete over the next three years including:

- £20,000 replacement of interactive white boards that are nearing the end of their life.
- £6,000 tablets for pupils to support reading.
- £10,000 on-going roof repairs.

5.24 They are also holding the following contingencies:

- Potential changes to the Inclusion centre commissioning arrangements
- Manage the impact of any change in funding due to the introduction of the national Funding Formula
- Cover on-going increased staffing and pension costs.
- Potential contributions from revenue to capital budgets to support projects identified through the schools modernisation capital programme (approximately £53,800).

5.25 The school has confirmed that all planned commitments against the 2017-18 committed year-end balance had all been completed by 31 March 2018.

St John's Catholic Primary

5.26 St John's year-end balances have increased by £20,969 from £335,568 at the end of March 2017 to £356,537 at the end of March 2018. The school have indicated that only £4,725 (0.46%) of their balance is committed. The school has indicated on their year-end return that the committed balance will be mainly used as follows:

- £4,725 relates to a purchase order for a new inventory recording system.

5.27 With regards to the remaining uncommitted balance of £351,812, this equates to 34.47% of the school's budget share. The Governing body have been considering their expenditure plans for 2019-20 and have identified a number of potential areas of expenditure in their response. Plans include:

- Refurbishment of the school playground
- Installation of CCTV.
- Continuing with the programme to maintain the fabric of the school roof including replacing roof tiles and flat roof maintenance.
- Replacing pumps in the boiler room
- Refurbishing the toilets.

5.28 As part of the financial monitoring and budget setting process the school continues to undertake a benchmarking exercise to ensure their expenditure plans are in line with schools of a similar type and size both locally and nationally. This is helping them to manage their budgets and support budget planning.

5.29 During the review of the schools with excessive balances, officers sought to obtain assurance from both the school and the accounting records, where possible, that last year's commitments were fulfilled in relation to planned capital works, e.g. as at Portsdown Primary.

5.30 With regards to the 2018-19 balances, our review identified that schools were concerned about future funding levels and long term financial sustainability. Where schools have high balances it is noticeable that the level of increase between 2018-18 and 2018-19 has been smaller than in previous years. Schools are using their balances to provide flexibility to enable the management of in-year pressures and long term financial planning, only using the balance to complete their plans when they are confident of their long term position.

6. Capital Balances

6.1 Devolved capital allocations are ring fenced and schools are expected to spend them on priority capital needs of school buildings. These allocations will therefore be held as capital balances until they are used and may be supplemented by funding from other sources.

6.2 An analysis of schools' current capital balances is given at Appendix 3 together with proposed spending plans as returned in the school survey. Where spending plans exceed balances there will need to be additional funding proposals.

6.3 The table below illustrates the level of school capital balances for the last three years:

Sector	No. of schools as at 31/3/17	Balance as at 01/04/17 £	No. of schools as at 31/3/18	Balance as at 01/04/18 £	No. of schools as at 31/3/19	Balance as at 01/04/19 £
Nursery & Primary schools	35	1,005,712	24	573,715	21	742,769
Secondary schools	4	1,046,055	2	1,276,329	2	1,497,639
Special schools	2	(28,552)	2	(19,395)	2	14,424
Total	41	2,023,214	28	1,830,649	25	2,254,887

Note: the above totals are the aggregate of surplus and deficit balances.

- 6.4 As with the revenue balances, in order to provide a consistent year-on-year comparison, the closing balances in respect of those schools who converted to Academy status have been excluded from the restated 2017/18 figures in the table below.

Sector	Balance as at 01/04/18 Restated £	Balance as at 01/04/19 £
Nursery & Primary schools	570,404	742,769
Secondary schools	1,276,329	1,497,693
Special schools	(19,395)	14,424
Total	1,827,338	2,254,887

- 6.5 The increase in overall balances is partly due to the £421,900 additional devolved capital funding provided by Central Government in December 2018, where schools will not have had time to formulate and implement any spending plans.

7. Reasons for recommendations

This report is for information only and Schools Forum are asked to note the contents of the report.

8. Equality impact assessment (EIA)

This report does not require an Equality Impact Assessment as the proposals contained within this report are for information only and do not have any impact upon a particular equalities group.

9. Legal comments

There are no legal implications arising from the recommendation in this report.

10. Finance comments

Financial comments have been included within the body of this report.

.....
Signed by:
Alison Jeffery - Director of Children's Services

Appendices:

- Appendix 1: extracts from the current Scheme for Financing Schools
- Appendix 2: schools' revenue balances at 31st March 2019
- Appendix 3: schools' capital balances and commitments at 31st March 2019

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
School Balances Files and Spreadsheets	Education Finance
Scheme For Financing Schools	PCC website

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

.....
Signed by:

Extracts from the current Scheme For Financing Schools

4.2 Controls on surplus balances

As schools are moving towards greater autonomy and should not be constrained from making early efficiencies and to support medium term budgeting in a tighter financial climate, the balance control (clawback) mechanism for excessive balances continues to be withdrawn.

Schools will be deemed to have excessive balances, when Primary and Special Schools have uncommitted balances in excess of 8% and Secondary Schools 5% of their budget shares.

The control framework for monitoring school balances and their intended use requires that:

- a. Schools will continue to be asked to provide a breakdown of their year-end balances between committed and uncommitted, as well as an analysis of the intended use of any committed balances. The Education and Children's Finance team will continue to co-ordinate the process.
- b. A School Balances report will be presented to both the Cabinet member for Children's and Education and Schools Forum, following the completion of the year-end closedown process. This report will provide an analysis of the balances by school and schools with significant balances may be highlighted specifically within the report.
- c. Those schools identified as potentially breaching the balance thresholds, will be asked to provide further evidence of the planned use of their balances. The information will be reported back to Elected Members, the Schools Forum and the Education Department.
- d. The Education Department will consider this information as part of its school performance and improvement service provision, school challenge and specific reviews.

In determining whether school balances are committed, schools are only permitted to assign as committed, items listed in Annex 6.

School Forum may revisit the balance control (clawback) mechanism and the above control framework from time to time and where they believe significant and excessive balances have accumulated.

Annex 6 –PERMITTED SPECIFIC PURPOSES FOR THE USE OF SURPLUS FUNDS

- Valid orders placed through the financial system, but for which the goods have not been received.
- Funds held on behalf of other schools by fund holder schools (e.g. cluster funding).
- Balances held for specific community projects e.g. nursery provision, children's centres, extended services.
- Contribution towards capital works with the school (where alternative capital resources have been exhausted). A clear statement of intent signed by the Chair of Governors (subject to clawback if not delivered in stated timescales - maximum 3 years).
- Providing consistency in staffing levels where numbers on roll are predicted to fluctuate within the next year (note that a reasonable commitment would be £3,000 per pupil and forecast variations in pupil numbers should be given).
- Unexpected funds received by the school near the year-end which will be utilised for a specific purpose in the following financial year.

APPENDIX 2
SCHOOLS REVENUE BALANCES AS AT 31 MARCH 2019

DFE No.	Balance as @ 31/03/2018	% of 2017/18 Budget Share Allocation	School Name	2018/19 Budget Share	Analysis of Balance		Balance as @ 31/03/2019	% of 2018/19 Budget Share Allocation	Uncommitted as % of Budget Share Allocation	Committed as % of Budget Share Allocation
					Uncommitted	Committed				
PRIMARY & NURSERY SCHOOLS										
2008	289,119	12.55%	Copnor Primary	2,473,418	247,380	73,655	321,035	12.98%	10.00%	2.98%
3420	54,450	4.58%	Corpus Christi Catholic Primary	1,220,049	44,902	2,499	47,402	3.89%	3.68%	0.20%
2689	169,295	8.64%	Cottage Grove Primary	1,993,097	139,254	47,700	186,955	9.38%	6.99%	2.39%
2716	101,607	7.00%	Craneswater Junior	1,598,328	59,403	30,000	89,403	5.59%	3.72%	1.88%
2665	127,719	16.98%	Cumberland Infant	745,482	39,679	74,634	114,313	15.33%	5.32%	10.01%
2648	110,469	12.38%	Devonshire Infant	875,081		91,501	91,501	10.46%		10.46%
2714	304,523	22.19%	Fernhurst Junior	1,412,435	124,339	188,300	312,639	22.13%	8.80%	13.33%
2637	87,403	11.74%	Bramble Infant	779,258	43,902	14,000	57,902	7.43%	5.63%	1.80%
2719	137,445	13.21%	Manor Infant	1,056,483	112,426		112,426	10.64%	10.64%	
2673	135,383	14.09%	Medina Primary	960,372	77,168	25,000	102,168	10.64%	8.04%	2.60%
2654	67,754	9.53%	Meon Infant							
2645	99,534	8.98%	Meredith Infant							
2006	153,962	8.58%	Milton Park Primary	1,813,991	220,963		220,693	12.17%	12.18%	
2697	147,218	12.81%	Penhale Infant							
2765	552,819	26.90%	Portsmouth Primary	2,126,264	428,102	95,722	523,824	24.64%	20.13%	4.50%
2680	50,335	6.17%	Southsea Infant	804,799	82,256		82,256	10.22%	10.22%	
3214	322,922	21.46%	St Georges Beneficial C of E Primary	1,555,941	196,861	35,750	232,611	14.95%	12.65%	2.30%
3422	335,568	32.47%	St John's Catholic Primary	1,020,539	351,812	4,725	356,537	34.94%	34.47%	0.46%
3212	150,170	9.64%	St Jude's C of E Primary	1,582,805	137,466	24,773	162,239	10.25%	8.68%	1.57%
5207	269,123	15.65%	St Pauls Catholic Primary	1,662,128	148,220	92,568	240,788	14.49%	8.92%	5.57%
3423	76,342	6.76%	St Swithun's Catholic Primary	1,143,904	6,801	49,000	55,801	4.88%	0.59%	4.28%
2698	106,002	9.71%	Stamshaw Infant	1,078,610	28,711	51,100	79,811	7.40%	2.66%	4.74%
2699	77,890	9.68%	Wimborne Infant	836,580	78,049	13,971	92,020	11.00%	9.33%	1.67%
2705	101,201	7.83%	Wimborne Junior	1,346,732	177,146	30,924	208,070	15.45%	13.15%	2.30%
	4,028,254		Total Primary & Nursery	28,086,297	2,744,838	945,822	3,690,390	13.14%	9.77%	3.37%
SECONDARY SCHOOLS										
4303	-72,131	-1.21%	Mayfield Secondary	6,268,827	25,665	6,187	31,852	0.51%	0.41%	0.10%
5413	452,105	9.68%	St Edmunds Catholic Secondary	5,102,446	470,306	247,000	717,305	14.06%	9.22%	4.84%
	379,974		Total Secondary	11,371,273	495,971	253,186	749,157	6.59%	4.36%	2.23%
SPECIAL SCHOOLS										
7472	-848,668	-19.92%	Harbour	4,409,149	49,748		49,748	1.13%	1.13%	
7750	-44,253	-4.79%	Willows Nursery	982,796	20,537		20,537	2.09%	2.09%	
	(892,921)		Total Special	5,391,945	70,285		70,285	1.30%	1.30%	

The figures in the table above may not sum exactly due to rounding

APPENDIX 3
SCHOOLS CAPITAL BALANCES AS AT 31 MARCH 2019

Balance as @ 31/03/2018		Balance as @ 31/03/2019	Spending Plan	Description of Plan	Projected Balance
PRIMARY & NURSERY SCHOOLS					
9,805	Copnor Primary		14,577	Replacement of Heating system (payment 2 of 3)	
			5,500	New entrance door into kitchen servery	
			6,000	Refurbishment to KS2 staff toilets & medical room	
			20,000	Purchase of new minibus	
		31,750	46,077		(14,327)
(3,980)	Corpus Christi RC Primary				
		233	0		233
1,840	Cottage Grove Primary		4,854	Secure system Citicom, instillation Easter 19	
		7,723	4,854		2,869
(26,740)	Craneswater Junior				
		(24,749)	0		(24,749)
40,002	Cumberland Infant		46,737	Boiler replacement	
		46,737	46,737		(0)
892	Devonshire Infant		9,670	ICT Project	
		9,670	9,670		0
(5,466)	Fernhurst Junior				
		14,380	14,380	Gable End/Roof works	(0)
19,353	Goldsmith Infant				
		23,178	0		23,178
13,911	Manor Infant				
		31,272	0		31,272
22,642	Medina Primary		11,579	AWP resurface and banner printer	
		11,681	11,579		102
26,485	Milton Park Primary				
		26,657	0		26,657

Balance as @ 31/03/2018		Balance as @ 31/03/2019	Spending Plan	Description of Plan	Projected Balance
38,000	Portsdown Primary		17,920	Boiler design, Yr 2 from Yr 2	
			48,000	Est contribution to boiler condition works	
			20,000	ICT Interactive classroom boards	
			6,000	ICT table to support pupils	
			10,000	On going roof repair	
		64,113	101,920		(37,807)
8,265	Southsea Infant		9,130	Server	
			1,320	Replacement of playground sleepers to brick	
		17,199	9,130		8,069
47,917	St Georges Beneficial Primary		40,000	Modular building for FSU	
			10,000	Deposit/lease payment to new minibus	
		96,158	40,000		56,158
296,389	St Johns RC Primary		3,222	New internal entrance doors	
			7,260	New water heater in boiler room	
			150,000	Refurbishment of school playground	
			7,500	CCTV at entrance	
			50,000	Replace roof tiles, re-felt	
			5,000	Replace pumps in boiler room	
			25,000	Refurbish toilets	
		296,389	247,982		48,407
40,303	St Jude's CE Primary		10,000	4 Whiteboards	
			2,320	External doors to Hall, plus Y6 window	
			8,000	Décor (Hall, sound boards, stairwells)	
			15,000	Refurbishment girls downstairs toilet	
			8,000	Pastoral refurbishment	
		50,862	43,320		7,542
12,356	St Paul's RC Primary		4,925	Salix lighting replacement	
			20,000	Playground equipment and grounds	
			25,000	IT Equipment	
			3,000	Minibus	
		14,314	52,925		(38,611)
0	St Swithun's RC Primary	0	0		0
27,931	Stamshaw Infant	11,292	0		11,292

Balance as @ 31/03/2018		Balance as @ 31/03/2019	Spending Plan	Description of Plan	Projected Balance
68	Wimborne Infant		23,000	Walkway between Infant & Junior	
		13,739	23,000		(9,261)
429	Wimborne Junior		3,929	Contribution towards works already carried out by PCC Yr3 of Yr3	
			7,855	Contribution towards works already carried out by PCC Yr2 of Yr2	
		173	11,784		(11,611)
573,715	Total Primary	742,769	669,018		79,411
SECONDARY SCHOOLS					
(1,625)	Mayfield				
		38,287	0		38,287
1,277,954	St Edmunds RC		1,209,099	New RE Block build	
			19,108	New Tech Block build (retention fee)	
			102,121	Capital works general contingency	
			89,079	Washrooms/classrooms refurbishments	
			60,000	Science Lab 408 refurbishment	
			30,000	Resurfacing work	
		1,459,407	1,509,407		(50,000)
1,276,329	Total Secondary	1,497,693	1,509,407		(11,714)
SPECIAL SCHOOLS					
(19,590)	The Harbour School				
		1,845	0		1,845
195	Willows Nursery				
		12,579	0		12,579
(19,395)	Total Special	14,424	0		14,424
SUMMARY					
573,715	Primary Schools	742,769	669,018		79,411
1,276,329	Secondary Schools	1,497,693	1,509,407		(11,714)
(19,395)	Specials Schools	14,424	0		14,424
1,830,649		2,254,887	2,178,425		82,122

This page is intentionally left blank



Title of meeting:	Schools Forum
Date of meeting:	10 th July 2019
Subject:	2018-19 Dedicated Schools Grant Outturn Report and Revised Budget 2019-20
Report by:	Chris Ward, Director of Finance and Information Services and Section 151 Officer
Wards affected:	All Wards
Key decision:	No
Full Council decision:	No

1. Purpose of report

- 1.1 The purpose of this report is to inform Schools Forum of the year-end outturn position as at the end of March 2019 for the Dedicated Schools Grant (DSG) and to propose revisions to the DSG budget for 2019-20.

2. Recommendations

- 2.1 It is recommended that Schools Forum:
 - a. Note the year-end outturn budget position for the Dedicated Schools Grant as at the end of March 2019 and the variance explanations contained within this report.
 - b. Endorse the revised DSG budget for 2019-20 as set out in Appendix 1 and section 5.

3. Background

- 3.1. The DSG is a ring-fenced grant for education and can only be used for the purposes of the Schools Budget as defined in the School and Early Years Finance (England) Regulations.
- 3.2. The original DSG budget for the financial year 2018-19, was approved by the Cabinet Member for Education and endorsed by Schools Forum in January 2018, with subsequent changes approved throughout the financial year. This report provides Schools Forum with the year-end outturn position as at 31st March 2019.

4. Dedicated Schools Grant

4.1. Table 1 below sets out the DSG final outturn position as at the 31st March 2019.

Table 1 - Dedicated Schools Grant				
	Original budget 2018-19 £000's	Revised Budget 2018-19 £000's	Outturn 2018-19 £000's	Over / (under) spend £000's
Income				
DSG Brought forward 2017-18	(413)	(4,687)	(4,687)	0
DSG and other specific grants	<u>(79,592)</u>	<u>(70,294)</u>	<u>(70,675)</u>	<u>(382)</u>
Total Income	(80,005)	(74,980)	(75,362)	(382)
Expenditure				
Primary ISB	34,230	28,464	28,464	0
Secondary ISB	14,742	11,305	11,305	0
Special school place funding	1,556	1,556	1,622	67
Inclusion Centre Place funding	346	301	312	11
Alternative provision place funding	<u>1,082</u>	<u>1,082</u>	<u>1,082</u>	<u>0</u>
Total Delegated	51,956	42,708	42,786	78
De-delegated and central budgets	1,385	1,539	1,330	(209) ¹
Early Years	14,204	14,131	13,826	(305)
High Needs	12,460	14,331	14,140	(191)
Total Expenditure	80,005	72,709	72,082	(627)
DSG Carried forward	0	2,271	3,280	1,009

The figures in the above table are subject to rounding to the nearest £1,000 and may not calculate exactly.

Dedicated School Grant

4.2. The 2018-19 DSG grant income was £382,000 higher than budgeted; as reported previously, this relates mostly to the additional funding for pupils with Special Education and Disabilities (SEND) announced by the Secretary of State in December 2018. A further increase was made in respect of the 2017-18 financial year, for children accessing early

¹ This includes £141,800 underspend on the schools specific contingency which Schools Forum and the Cabinet Member for Education approved would be carried forward to 2019-20 for the same purpose.

education. The funding is based on the spring 2018 census which is finalised in the following July and therefore adjusted in the following financial year.

- 4.3. The value of the DSG funding received directly by the Council reduced during the financial year, as a consequence of schools converting to Academy status and their funding being paid directly to them from the Education & Skills Funding Agency (ESFA). The final amount allocated to Portsmouth City Council amounted to £70.675m compared to an initial budget estimate of £79.592m.
- 4.4. The net overall position is an increase to the carry forward of £1.009m comprising of increased DSG income of £382,000 and underspend of £627,000. A breakdown of which is set out in the report below.

Academy conversion - budget adjustments

- 4.5. There were 2 academy conversions (Meredith Infant School and Stamshaw Infant School) during the final quarter of the financial year, making a total of 3 academy conversions in 2018-19. The revised budget includes adjustments relating to these academy conversions.
- 4.6. Table 2 below shows the adjustments made to the budgets during the course of the year, to reflect these academy conversions, for the primary and secondary individual School Budgets (ISB) and the de-delegated budget.

	Original Budget as at Jan 2018 £000's	FYE of 2017-18 academy conversions £000's	Budget as at April² 2018 £000's	2018-19 Impact of Academy Conversions £000's	Revised Budget (as shown above) £000's
Primary ISB	34,230	(5,253)	28,977	(513)	28,464
Secondary ISB	14,741	(3,436)	11,305	0	11,305
De-Delegated	243	90	333	(3)	330
Total	49,214	(8,599)	40,615	(516)	40,099

- 4.7. The De-delegated adjustment shows the net position of the schools-specific contingency of £132,600 brought forward from 2017-18 and a reduction in de-delegated budgets of £43,500 due to academy conversions.
- 4.8. The variances shown in Table 1 are explained in more detail in the following sections.

² Original budget less schools that converted to academy status as at 1 April 2018 and the agreement to use the 2017-18 schools specific contingency carry forward for the same purpose in 2018-19.

DSG Devolved - Individual School Budgets

- 4.9. As previously reported, additional special school places were commissioned over the course of the year, over and above those agreed in the original budget. The majority of the overspend of £66,700 relates to 7 additional places at Willows from September 2018 (40,800), plus the equivalent of 2.5 additional places over the course of the year across Mary Rose and Cliffdale Academy special schools.
- 4.10. The Inclusion Centre overspend relates to two additional places at Trafalgar School from September 2018. These places are included in the 2019-20 budget.

DSG retained

De-Delegated budgets, growth fund and centrally retained

- 4.11. The Schools Specific contingency of £141,800 remains unspent at the year end. As agreed by the Cabinet Member and Schools Forum, this will be carried forward to be used for the same purpose in 2019-20.
- 4.12. The remaining element of the underspend is due to one off recoupment adjustments made to the DSG following schools' conversion to academy status (£67,000).

Early Years

- 4.13. The net underspend of £305,439 on the early years budgets relate to a combination of an increase in two years olds and additional hours for eligible 3 and four year olds offset by decrease in three and four year olds accessing universal early education in the city.
- 4.14. The cost of funding provision for two year olds exceeded the budget by £132,000, which was partly offset by the use of the two year old growth contingency (£50,100) to give a net overspend in that area of £81,900.
- 4.15. The budget for three and four year old provision includes both the universal 15 hours and the additional 15 hours for working parents, which was introduced in September 2017. There was a reduction in pupils accessing the universal hours and an increase in those accessing the additional 15 hours. With the partial use of the growth contingency, this led to an underspend of £276,078.



	Budget	Actual	Variance
	£	£	£
Universal 15 Hours	8,008,500	7,980,252	(28,248)
Additional 15 hours for working parents	2,862,300	2,943,970	81,670
Growth contingency	329,500	0	(329,500)
Total	11,200,300	10,924,222	(276,078)

- 4.16. The growth contingency forms part of the on-going budget provision into 2019-20, whilst following a review and Schools Forum and Cabinet Member approval this has been reduced it is expected that there is sufficient funding to cover any future fluctuations in numbers during 2019-20.
- 4.17. It should be noted that any change in pupil numbers accessing early education at the time of the January 2019 census will result in an adjustment to Early Years funding allocation from the DfE in 2019-20. Current estimates expect this to be a net increase of approximately £33,000.
- 4.18. In addition to the place funding variations, there were underspends on the disability access fund (DAF), the three and four year old growth contingency and centrally retained budgets. The Inclusion Fund for nursery pupils with low level special educational needs and disabilities (SEND) was on budget this year, compared to an underspend last year.
- 4.19. The nursery pupil premium overspent by £56,300 in 2018-19, as this is funded based on the January 2017 census and updated in the following financial year using the January 2018 census, the authority is expecting to receive additional funding to cover these costs.

High Needs

- 4.20. The High Needs budgets are the most volatile area of the DSG budget and very difficult to project accurately, due to a significant proportion of the funding being linked to pupil needs and movements. At the end of 2018-19, the overall High Needs budget was under spent by £190,800, as explained below.

Table 4 - High needs budget			
	Revised Budget	Actual	Variance
	£,000	£,000	£,000
Element 3 Top- up	8,732	8,745	13
Out of City Placements	2,148	2,030	(119)
SEN support services	3,450	3,365	(85)
Total	14,331	14,140	(191)

Element 3 Top-up

The element 3 overspend comprises of a number of elements and contributing factors as set out in the paragraphs below.

Pupils with SEND in mainstream schools

- 4.21. As previously reported, the increasing number of Education Health and Care Plans (EHCP) has led to an increase in Element 3 funding being paid to mainstream schools to support children with high needs where the cost of additional support exceeds £6,000. The numbers of pupils with an EHCP in mainstream schools has increased during 2018-19 from 414 to 531.
- 4.22. During 2018-19, there were 117 new EHCPs issued. This was reflected in the overspend of £351,000 on this area of the budget.

Special Schools

- 4.23. The final outturn position for Element 3 funding for special schools was a £296,900 underspend. The underspend relates to:
- 32 pupils placed in Portsmouth special schools by other local authorities for which Portsmouth is not liable for top-up funding (£353,700)
 - Offset by additional funding required to meet the element 3 for unbudgeted additional places and an increase in the levels of need and complexity of individual pupils (£56,800).
- 4.24. Over the year a total of 534 pupils were placed at Portsmouth Special schools compared to a budget of 536, with an increase in the number of pupils placed by other local authorities (32 compared to a budget of 23).
- 4.25. The underspend on this budget partially offsets the overspend on the mainstream element 3 top-up payments.



Inclusion Centres and Alternative Provision units

- 4.26. There was an underspend in respect of the Alternative Provision (£36,352) and Inclusion Centres (£7,469) as a result of lower than previously anticipated numbers of pupils being placed by the City Council in these settings.

Other Local authority schools

- 4.27. Portsmouth City Council is responsible for the element 3 top-up funding of pupils with SEND placed in other local authority schools. For 2019-20 this budget has underspent by £82,800, the increase in the forecast underspend between quarter 3 and the end of the year relates to 2017-18 accruals no longer required (£15,600) and final clarification of the cost of placements which reduced the value of the orders at year end by £76,700

Post 16 Funding

- 4.28. The 2018-19 Post 16 element 3 Top-up budget included funding for 107 pupils based on the 2017-18 academic year, this assumed the same level of stability of pupil numbers that were seen in both the 2016-17 and 2017-18 academic years. The 2018-19 academic year saw an increase of 14 Portsmouth pupils with SEND attending further education establishments. The additional pupils combined with an increase in the average cost from £7,374 to £7,618 per pupil, has led to an overspend of £85,600 on post 16 funding.

Out of City Placements

- 4.29. The budget for Out of City placements includes pupils based in independent and specialist settings and those placed by Child and Adolescent Mental Health Service (CAMHS). The total underspend on this budget is £118,500, analysed as:
- Independent and specialist provision - Underspend of £119,000
 - CAMHS - overspend of £500
- 4.30. At the end of the financial year there were 40 pupils (budget 40 pupils) placed in independent and specialist out of city settings at a total cost of £2,066,400. Whilst there was no change in the number of pupils, the average cost per pupil has reduced from the budget of £53,010 to £51,600 (excluding CAMHS) providing a saving of £54,000.
- 4.31. Over the course of the final quarter all 2018-19 open orders, commitments and the remaining 2017-16 accruals were reviewed in detail with the SEND team. As a result, a number of placements that had either ceased earlier than expected, were cheaper than first anticipated, contributions from social care were agreed or had not started were

identified, thus reducing the final outturn further to provide a £119,000 underspend.

- 4.32. There were only 6 pupils (budget 7 pupils) placed in CAMHS settings over the course of the year. The costs for children placed by CAMHS were higher than estimated (based on the previous year average), which lead to an overspend of £20,100. This was almost entirely offset by the release of a number of the previous year's accruals which were not required, providing a net overspend of £500.

SEN Support Services

- 4.33. A receipt of funds relating to permanent exclusion recharges was appropriated in 2018-19 which contributed £85,100 to the underspend in the High Needs area.

Carry forward balance

- 4.34. The carry forward decreased in 2018-19 from £4.687m to £3.280m, representing the sum of all the variances in the overall DSG. As set out at previous meetings a number of decisions were made over the course of the financial year to utilise the 2017-18 carry forward to support the:

- Schools specific contingency
- High needs block pressures
- Revenue contribution to the refurbishment of Redwood Park School Academy
- The Harbour School
- Additional special school places at Willows Centre for Children

- 4.35. The final balance brought forward from 2018-19, has placed the authority in a stronger position to manage any fluctuation in expenditure in 2019-20, particularly within the high needs block. Decisions made in February 2019 (see paragraph 5.4) and the continuing growth in the numbers of pupil in mainstream schools with EHCPs is providing day one pressures of £257,000.

5. Revised Budget 2019-20

- 5.1. Appendix 1 shows the budget for 2019-20 which was approved in January 2019. Since agreeing the budget there have been a number of changes, requiring the proposed revisions below.

Academy Conversions

- 5.2. A further two academy conversions have been completed since setting the budget in January 2019, as listed below. The necessary budget

adjustments have been completed and are reflected in the table in appendix 1.

- Meredith Infant School 1 March 2019
- Stamshaw Infant School 1 April 2019

Schools Specific Contingency and the carry forward

5.3. The underspend in the schools specific contingency of £141,800 in 2018-19 has been transferred from the brought forward balance to the contingency budget. This allocation was approved by the Cabinet Member for Education and endorsed by Schools Forum in January 2019.

High Needs - impact of decision

5.4. At the meeting on 13 February 2019 the Cabinet Member reversed the decision to implement proposed changes to the high needs funding for 2019-20. The revised budget contains the impact of these changes namely:

- The removal of the proposed banding system for Element 3 top-up for children with an EHCP in mainstream schools and Inclusion centres
- Special school element 3 Top-up rates reverting to 2018-19 rates (i.e. no 1% reduction as originally agreed).
- Remove the intention to save 10% by recommissioning the Outreach service.
- Remove the requirement to make efficiencies within the Portage plus team.

5.5. The financial impact of these changes is additional cost of £126,000

Restructuring of Special Schools in the City

5.6. At the meeting on 20 March 2019 the Cabinet Member for Education approved the decision to close the Willows Centre for Children from 31 August 2019. The budget contains the adjustment to both place and element 3 Top-up funding for the period following the school's closure.

5.7. On the 26 April 2019 the Regional Schools Commissioner approved the expansion of Cliffdale Primary Academy from the 1 September 2019. This expansion included an additional 48 places, previously accommodated at the Willows Centre for Children. Due to the economies of scale, level of need and age of the pupils transferring, it is proposed that the Element 3 Top-up rates for these children will be paid at Mary Rose 2019-20 rates from 1 September 2019.

Additional Special School places

- 5.8. The expansion of Cliffdale by 48 places has reduced the number of additional places required at Cliffdale from 11 to 10 from September 2019 taking the total number of places at Cliffdale to 126. In addition there has also been an increase of 7 places at Mary Rise from 1 September 2019, taking to the total number of places at Mary Rose to 152.

Early Years Complex needs inclusion fund.

- 5.9. In January 2019 a report was taken to Cabinet Member and Schools forum regarding the proposal to introduce an Early Years complex needs inclusion fund, using the difference in funding between The Willows Centre for Children and the Cliffdale Primary Academy for the pupils that were transferring following the closure of Willows. As set out above the proposal to change the funding band for the Willows pupils transferring to Cliffdale has meant the funding available was not sufficient to cover the total cost of this fund. Whilst it was considered to set up a fund with reduced funding the amount available would not provide adequate levels of funding to meet the needs of pupils in early years settings. It is therefore proposed to provide an annual fund of £90,000 of which will be covered from the carry forward in 2019/20. The provision of this fund is not sustainable in the long term due to the one off nature of the carry forward, it will need to be reviewed periodically against all other risks to the DSG.
- 5.10. An early years complex needs inclusion fund of £90,000 (prorate) has been included in the revised and will be available from September 2019. Guidance on accessing the fund is being produced by the Early Years Team and SEND Team.

Technical adjustment

- 5.11. The revised budget includes a technical adjustment to the Inclusion Centre place recoupment relating to Trafalgar Academy, due to the recoupment timing applied by the DfE.
- 5.12. Over all these changes have increased the projected high needs costs by £328,800. It is proposed to fund the additional high needs pressures from the 2018-19 DSG carry forward for 2019-20. Due to the one off nature of the carry forward, it will not be sustainable to continue to fund the high needs pressures in this manner. Whilst there has been a DfE SEND call for evidence there is no guarantee that this will result in additional funding for 2020-21. Therefore further work will be required to ensure the continued sustainability of the DSG in 2020-21.



Appendix 1 - Dedicated Schools Grant Revised Budget 2019-20

	2019-20 Schools Budget January 2019 (Including Academies)	Proposed Budget Revisions	2019-20 Schools Budget July 2019 (Including Academies)	2019-20 Schools Budget July 2019 (Excluding Academies)
	£000	£000	£000	£000
Schools Block				
Individual Schools Budgets (ISB)				
Primary	65,978	(0)	65,978	26,671
Secondary	49,453	0	49,453	11,680
Total ISB	115,432	(0)	115,431	38,351
De-Delegated and Central Budgets				
Growth Fund	754	0	754	754
De-delegated Budgets	0	142	142	142
Academy Conversions	0	25	25	25
Other Schools Block Sub Total	754	167	921	921
Total Schools Block	116,186	167	116,352	39,272
Central School Services Block				
Schools Forum	16	0	16	16
Admissions	307	0	307	307
Licences (negotiated by DfE)	126	0	126	126
ESG retained duties	377	0	377	377
Central School Services Block Total	826	0	826	826
Early Years Block				
3 & 4 Year Old Provision ¹	11,502	(0)	11,502	11,502
2 Year Old Provision	1,994	(0)	1,994	1,994
Central Expenditure on under 5's	642	0	642	642
Early Years Block Total	14,138	(0)	14,138	14,138
High Needs Block				
Individual Schools Budgets				
Special School Place Funding	5,518	78	5,597	1,411
Resource Unit Place Funding	522	0	522	307
Alternative Provision Place Funding	1,210	0	1,210	1,090
Total ISB	7,250	78	7,329	2,808
Element 3 Top-up funding	9,261	179	9,440	9,440
Out of City Placements	2,365	0	2,365	2,365
SEN Support Service	665	10	675	675
Medical Education	660	0	660	660
Outreach Services	178	9	187	187
Fair Access Protocol	60	0	60	60
Early Years Complex Needs Inclusion fund	0	53	53	53
Post-16 high needs places	504	0	504	0
Other high needs block sub total	13,693	251	13,943	13,439
Total High Needs block	20,943	329	21,272	16,247
Total Expenditure	152,092	495	152,588	70,483
Income				
Schools Block	(116,186)	(25)	(116,211)	(39,131)
Central Schools Services Block	(826)	0	(826)	(826)
Early Years Block	(14,138)	0	(14,138)	(14,138)
High Needs Block	(20,943)	(0)	(20,943)	(15,918)
DSG Income ^{2,3}	(152,092)	(25)	(152,117)	(70,012)
One-off use of Carry Forward	0	(471)	(471)	(471)
Total Income	(152,092)	(495)	(152,587)	(70,483)

¹Includes early years pupil premium

²2019-20 per ESFA allocations March 2019

³ Includes reimbursement of Growth funding for Academy schools

6. Reasons for recommendations

It is recommended that Schools Forum note the contents of the report in respect of the financial outturn for 2018-19 and approve the amendments to the budget for 2019-20 for the reasons set out in section 5.

7. Equality impact assessment (EIA)

An equality impact assessment is not required as the recommendations do not have a negative impact on any of the protected characteristics as described in the Equality Act 2010. There is no change to policy or service and through the budget review process equality impact assessments would be undertaken on an individual basis as required.

8. Legal implications

There are no legal implications arising directly from the recommendations within this report.

9. Finance comments

Finance comments have been included within the body of this report.



.....
Signed by:

Appendices:

Appendix 1 - Dedicated Schools Grant Revised Budget 2019-20

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
School & Early Years Finance (England) Regulations	www.legislation.gov.uk
DSG Budget Estimates and Monitoring Records	Education Finance

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

.....
Signed by:

Agenda Item 8

Title of meeting:	Schools Forum
Date of meeting:	10 July 2019
Subject:	Future School Funding Arrangements 2020-21
Report from:	Alison Jeffery, Director of Children, Families and Education
Report by:	Alison Egerton, Group Accountant
Wards affected:	All Wards
Key decision:	No
Full Council decision:	No

1. Purpose of report

- 1.1. This purpose of this report is to provide Schools Forum with an update on the latest developments in respect of the future school revenue funding arrangements for 2020-21 onwards.

2. Recommendations

2.1. It is recommended that Schools Forum:

- a. Note the progress being made towards the 2020 to 2021 local funding formula including the issue of the consultation to mainstream schools as set out in Appendix A.
- b. Note the outcomes of the consultation issued to mainstream primary schools and endorse the proposals set out in section 6.
- c. Note the progress being made towards the review of the High Needs funding methodologies.

3. Background

- 3.1. In December 2016 the Department for Education (DfE) issued its stage 2 national consultation, setting out its plans for reforming the funding for schools and for high cost special educational needs and alternative provision. This was followed in September 2017 by the publication of the outcome of the national consultation along with details of the arrangements regarding the transition to the full National Funding Formula (NFF) which is due to be implemented from 2020-21.

- 3.2. The transition arrangements provide local authorities with some limited flexibility with regards to the local formula, for the financial years 2018-19 and 2019-20.
- 3.3. In early December 2017 Schools Forum agreed to smooth the transition to the National Funding Formula, for both primary and secondary schools, by spreading the impact of the change over the 2018-19 and 2019-20 financial years. Whilst the government intended to implement the national funding formula in 2020-21 they informed local authorities that due to the 2020-21 spending review the NFF would not be implemented in 2020-21 but that authorities would continue to have local flexibility in setting the schools funding formula for 2020-21. They agreed to maintain the transitional approach for primary schools to protect those schools that were seeing a reduction in funding due to the implementation of the NFF.
- 3.4. The DfE 'Schools revenue funding 2020 to 2021 operational guide', is due to be published in June/July 2019 and the authority understands that the DfE are not proposing any major changes to school funding arrangements as set out in the information published in December 2018.
- 3.5. This report is intended to provide Schools Forum with an overview of the progress being made towards agreeing the Schools Funding arrangements locally for the financial year 2020-21.

4. Dedicated School Grant (DSG) Funding

- 4.1. At this stage there are not expected to be any major changes to the method of calculating the funding of the DSG for 2020-21. Therefore it is expected that the DSG will continue to be comprised of the following four funding blocks:
 - Schools Block
 - High Needs Block
 - Early Years Block
 - Central School Services Block
- 4.2. The funding through each of the four blocks will be determined by a separate national funding formula.
- 4.3. The authority has not been requested to adjust the baselines underpinning the current funding blocks, for Schools, Early Years and Central School Services and it is expected that they will reflect the spending pattern as at 2017-18 with any adjustments made to reflect the 2019-20 funding changes.

- 4.4. In 2020-21 it is expected that the national funding formula will set the notional allocations for each school, which will be aggregated and used to calculate the total schools block received by each local authority.
- 4.5. The School block allocations will be expressed as a separate per pupil primary and secondary rate for each local authority. They will also include funding at local authority level for premises, mobility based on historic spend and lagged growth funding.
- 4.6. It is expected as in 2019-20, the 2020-21 schools block will be ring-fenced. Local authorities will have the ability to move funding from the schools block into other blocks, however the amount will be limited to 0.5% of the schools block and all maintained and academy schools in the City will need to be consulted, before any movement from the schools block can be approved. The consultation seeks schools initial thoughts on using this flexibility.
- 4.7. In September 2018 the DfE indicated that they would be consulting local authorities on the funding of hospital education. To date this consultation has not been undertaken and there is no indication as to when/if this consultation will go ahead. Therefore it is expected that the funding of the high needs block, will continue to be protected at the 2017-18 baselines and subsequent 2019-20 adjustments for net movements between authorities.
- 4.8. A further update will be brought in October 2019 to both the Cabinet Member for Education and Schools Forum following the publication of the operational guidance for 2020 to 2021.

5. Mainstream Funding Formula

- 5.1 As stated above The DfE 'Schools revenue funding 2020 to 2021 operational guide', is due to be published in June/July 2019 and the authority understands that the DfE are not proposing any major changes to school funding arrangements as set out in the information published in December 2018.
- 5.2 As secondary schools are already being funded under the national funding formula it is proposed to continue to use the NFF rates for secondary schools in 2020-21. The current NFF rates are set out in Appendix 1 of the attached consultation document at Appendix A.
- 5.3 The authority has decided to consult with primary schools now on the next stage of the transition to the NFF for the 2020-21 budget period. This should help primary schools affected by the proposals to effectively manage their future spending plans.
- 5.4 The attached consultation (Appendix A) sets out the actions taken by Schools Forum in agreeing the 2019-20 Funding Formula and the

proposal to move all primary schools on to the national funding formula in 2020-21.

- 5.5 The transitional approach taken in 2018-19 and 2019-20 to move primary schools towards the NFF has reached the stage where there are only a small number of funding factors that do not reflect the NFF rates. It is recognised that the move to the NFF would impact most on those schools with high levels of deprivation and to ensure that these schools are protected it is proposed (subject to affordability) to set a neutral Minimum Funding Guarantee (0%) which will ensure that all schools receive the same per pupil funding as they received in 2019-20.
- 5.6 The consultation sets out the financial impact of this option along with the impact of the neutral MFG protection. The consultation therefore proposes to move all primary schools to the NFF for 2020-21.

6. 2019 to 2020 Consultation

- 6.1 In line with the School and Early Years Finance (England) Regulations the authority has consulted with schools on any proposed changes to local school revenue funding formula.
- 6.2 The consultation was circulated to all mainstream schools on 31 May 2019, lasted for three weeks and closed on 24 June 2019. The results of the consultation are set out below and summarised in Appendix B.
- 6.3 In total 16 out of the 59 (27%) maintained and academy mainstream schools responded to the consultation, of which 11 were primary and 5 secondary. Two Academy Trusts provided a combined response on behalf of all schools in their Trust totalling 8 primary schools and 2 secondary schools. Their responses have been counted as separate schools to reflect the appropriate proportion of responses.
- 6.4 A number of schools provided comments along with their responses, we have responded to the schools individually regarding their comments.

Primary mainstream funding formula

- 6.5 Question 1 relates solely to the primary funding formula therefore only primary responses have been taken into account for this question. Of the 11 schools that responded to the question 9 (82%) were in favour of all primary schools moving to the NFF in 2020-21.

Minimum Funding Guarantee (MFG)

- 6.6 The consultation set out that the authority will try and maintain a neutral MFG of zero 0% which will ensure all schools maintain the same level of per pupil funding as they received in 2019-20.

- 6.7 Whilst this is the authority's intention, confirmation of the DSG funding for 2020-21 will not be received until mid-December 2019 and there is no guarantee that this proposal will be affordable. Additionally the consultation asked for schools thoughts on the proposal to utilise up to 0.5% of the schools block to support the high needs pressures, and received comments regarding the 2020-21 growth fund. To fund the high needs transfer and any potential changes to the growth fund could mean a reduction in the amount of MFG funding provided to schools by reducing the MFG rate to a minus percentage.
- 6.8 All schools agreed with the proposal to maintain a neutral MFG whilst 12 (75%) agreed with the authority using the MFG percentage to maintain affordability and manage the pressures in the high needs block.
- 6.9 The consultation included a worst case scenario of a minus 1.5% MFG to help schools understand the potential impact of using the MFG.

Minimum funding levels

- 6.10 Of those schools that responded 15 (94%) agreed to the continued use of the minimum funding levels as set by the DfE. It is therefore proposed to continue their use in 2020-21.

Potential transfer of funding from schools block to high needs block

- 6.11 As reported in the DSG budget outturn and revised 2019-20 report the pressures on the high needs budget continue to grow. The consultation sought schools views on a potential transfer of one off funding from the schools block to the high needs block. The responses show 13 (81%) of schools supported the principle of transferring 0.5% of the schools block to the high needs block.
- 6.12 Further work will continue over the summer regarding the high needs block pressures and the potential impact on schools if we were to implement a 0.5% transfer from the high needs block. This may lead to a further consultation in the autumn term.

Other comments

- 6.13 Schools provided a number of other comments, some related to the level of funding nationally provided to schools in particular around high needs. The authority is responding to the national SEND call for evidence as set out elsewhere on the Schools Forum agenda.
- 6.14 There were also a number of comments regarding the growth fund allocations as agreed at the May 2019 Schools Forum. We are

considering these comments along with the impact on the funding formula and will be consulting further in the autumn term.

6.15 In light of the consultation results and to enable the authority to manage overall affordability it is therefore proposed to:

- Seek to move the formula funding factor values for primary schools either to the NFF rates or further towards the NFF funding rates,
- Limit the adjustments to the MFG to maximise the funding available to schools,
- Further consult in the autumn term regarding a potential transfer of up to 0.5% of the schools block to the high needs block and the 2020-21 growth fund.

6.16 The implementation of the outcomes of the consultation will be subject to overall affordability and any further changes proposed following the publication of the 2020-21 operational guidance by the DfE. If the guidance identifies further changes, then these will be included in the autumn term consultation.

7. High Needs Budgets

7.1. Following the work undertaken by the Head of Inclusion along with schools representatives, SEN Co-ordinators (SENCOs) and special school representatives a number of proposals were brought to Cabinet Member and Schools Forum to change the methodology of funding SEND. Initially this looked to make financial savings, but the additional funding provided by the DfE in 2018-19 and 2019-20 meant that the savings did not need to be implemented.

7.2. However some of the proposals simplified the methodology of assigning funding to schools and it is proposed that the options be reviewed to establish if there are any advantages of implementing the proposals on a same cost basis.

7.3. The Head of Inclusion has set up a number of task and finish groups with school representatives including Headteachers, SEN Co-ordinators (SENCOs) and special school representatives to review the following areas:

- Element 3 funding for mainstream schools
- Inclusion centre funding

7.4. In addition the authority is working with the Solent Academies Trust to review the potential of introducing a single Element 3 Top-up rate across all schools in the Trust.

- 7.5. A further update on the progress of these work streams will be brought to both the Cabinet Member for Education and Schools Forum in the autumn term 2019.

8. Early Years funding

- 8.1. Following Cabinet Member and Schools Forum agreement to increase the hourly rates paid for 2, 3 and 4 year olds from April 2019 it is not proposed to make any further changes to the hourly rates paid to providers for 2020-21.
- 8.2. The rates paid to providers will be reviewed for 2021-22 following a review of the 2020-21 financial year early years out-turn and pupil data.

9. Reasons for recommendations

- 9.1. The purpose of this report is to provide an update on the latest developments in respect of the future school revenue funding arrangements for 2020-21 onwards. Further reports will be brought to future meetings, following publication of guidance from the Department for Education.

10. Equality impact assessment (EIA)

- 10.1. This report and the proposals within form part of, and are consistent with, the national implementation of the schools and high needs national funding formula as directed by the Department of Education (DfE) and set out in the School and Early Years Finance (England) (no.2) Regulations 2018.
- 10.2. The DfE has conducted a full Equality Impact Assessment which can be found on their website¹. The funding system does not seek to target funding by reference to particular protected characteristics under the Equality Act 2010 but instead targets funding to those groups which the evidence demonstrates face barriers to educational achievements.

11. Legal comments

- 11.1. The Government is reforming the current school funding system from 2018-2019 and the details of that planned reform are set out in the body of this report.
- 11.2. The School and Early Years Finance (England) (No.2) Regulations 2018 apply specifically in relation to the financial year beginning on 1 April 2019. However it would be expected that the Government will update those regulations in advance of the 2020/21 financial year.

¹ <https://www.gov.uk/government/publications/national-funding-formula-for-schools-and-high-needs-equalities-impact-assessment>

- 11.3. In the meantime, as indicated in the report, the Department for Education is expected to issue updated Operational Guidance for local authorities shortly and this will address matters relating to school and early years budget setting for the 2020/21 financial year.
- 11.4. The Council will need in due course to have regard to the content of the updated regulations and guidance in making final budget decisions for the forthcoming financial year.

12. Finance comments

- 12.1. The financial implications are included within the report.

.....
 Signed by: Alison Jeffery, Director of Children, Families and Education

Appendices:

- Appendix A - 2020-21 School Funding Formula Consultation**
Appendix B - 2020-21 School Funding Formula consultation results
Appendix C - 2020-21 Primary formula factor funding rates

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Schools revenue funding 2018 to 2019: Operational guide, December 2017, DfE	https://www.gov.uk/guidance/pre-16-schools-funding-guidance-for-2018-to-2019

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

.....
 Signed by:

Appendix A

See separate documents

Appendix B - 2020-21 School funding formula consultation results.
2020-21 School Funding Formula Consultation
Questions:

Page 48

<i>Funding Formula Proposals</i>									
1	Do you agree with the proposal to implement the national funding factor funding rates for 2020-21 as set out in Table B	Maintained				Academy			
		Y		N		Y		N	
		Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary
		1	2	1		8		4	
Please add any further comments - Primary Maintained 1 - Due to the pressure on school budgets from increased costs (Sept 2018 Teachers pay increases with the grant only to Mar 202, changes /increases to support staff pay bands, increase in LGPS pension deficit funding etc.) we cannot support any reduction in funding rates. Primary Maintained 2 - Due to the pressure on schools budgets from increased costs such as the 2018 teachers pay increase, changes to support staff pay bands, increase in LGPS pension deficit funding we cannot support any reduction in funding rates. Academy Trust 1 - Yes to 1 as long as we also implement the 0% MFG in question 2 as the rates in table B are now 2 years old and so it is likely that the DfE will increase these to take nto account inflationary factors by the time the NFF is mandatory. Primary Maintained 3 - I accept that these are the given figures.									

2	Do you agree to implement the MFG at 0% per pupil for 2020-21, subject to affordability?	Maintained				Academy			
		Y		N		Y		N	
		Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary
		3		1		8		4	
<p>Please add any further comments -</p> <p>Secondary Academy 1 - I don't understand how this can be affordable in light of questions 3 & 5.</p> <p>Academy Trust 1 - see 1 above</p> <p>Primary Maintained 3 - Tentatively agree given the current funding available. 0% MFG given rising costs will impact the quality of education.</p>									
3	Do you agree that the authority uses the MFG factor to maintain affordability by adjusting the rate between plus 0.5% and minus 1.5% per pupil for 2020-21?	Maintained				Academy			
		Y		N		Y		N	
		Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary
			3	1		8		3	1
<p>Please add any further comments -</p> <p>Secondary Academy 1 - There is an issue of addressing the underfunding of the basic level of need in the city through the Growth Funding that needs addressing before this factor is determined.</p> <p>Primary Maintained 1 - See comments under 1.</p> <p>Academy Trust 1 - If it is necessary to change from 0% then the MFG would be the best place to adjust this.</p> <p>Primary Maintained 2 - same as comments in question 1</p> <p>Primary Maintained 3 - To have a calculation that would further reduce funding would again have an impact on resources and teaching quality.</p>									

4	Do you agree to maintain the use of the minimum funding level per pupil?	Maintained				Academy			
		Y		N		Y		N	
		Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary
		3		1		8		3	1

Please add any further comments -

Secondary Academy 1 - There are no valid arguments for funding KS4 pupils differently in KS4 schools only. This should be the same as all other secondary school. Similarly, all through schools should be funded for primary and secondary pupil's separately in line with the rest of the sector.

Academy Trust 1 - As set out in table C.

Primary Maintained 3 - Yes, however I do not agree with a model which proposes minus percentages.

Academy Trust 2 - Yes, definitely - for 3 of the 4 schools in question, I know it would be unsustainable for them, to withdraw it.

5	Do you support the principle of transferring 0.5% funding from the Schools Block to the High Needs Block?	Maintained				Academy			
		Y		N		Y		N	
		Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary
		1	2	1		8		3	1

Please add any further comments -

Secondary Academy 1 - We have outstanding provision in the school sector and it is important that any reduction in High Needs block spending is not achieved through reduction of top-up to mainstream schools, where provisioning for SEND is not as high quality, predominantly due to under resourcing. The DSG cannot support this transfer to the High Needs block without continuing to disadvantage vulnerable children in mainstream.

Primary Maintained 1 - The funding we receive for EHCP pupils is inadequate - element 3 funding for a TA is £9 per hour which is below ALL support staff rates before allowing for on costs. We are already having to top this up from other funding - this funding should be retained in the Schools Block to support EHCP pupils in mainstream schools.

Primary Maintained 2 - The funding we receive for EHCP is less than what we pay support staff already + the additional on costs. We have to sue other funding to top this up. Funding should be retained in the schools block to support EHCP pupils in mainstream schools.

All Through 1 - Whilst this will negatively impact mainstream schools - it is the right thing to do.

Academy Trust 1 - As a last resort if the authority is not able to fund this from elsewhere.

Primary Maintained 3 - Money should go to areas most in need.

6	Do you have any other comments?	Maintained				Academy			
		Y		N		Y		N	
		Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary
		1	2		1	6	2	3	1

Please add any further comments -

Secondary Academy 1 - There is a body of work to be done on the Growth Fund methodology and High Needs block spending before any of these decisions can be taken.

Academy Trust 1 - Will PCC look to implement a level of split site funding as this is one of the factors within the NFF? There are significant costs in operating across split sites and therefore this puts pressure on the funding that is allocated on the basis of operating a single site.

Primary Maintained 3 - Clearly funding for education has flat lined over many years and arguable has fallen. It is vital that schools with high EAL, deprivation, SEN, FSM receive a greater share to provide the children of these communities with life skills, aspirations, resources and a quality education. Education provides children to see outside and beyond there community boundaries, equip and promote them and change their circumstances for themselves and future generations.

Primary Maintained 3 - Current funding for schools has reached tipping point and the government must address the current funding that schools receive particularly schools in less affluent areas.

Appendix C

Mainstream Primary funding formula factors 2020-21

Factor	Primary Factor funding rates		
	PCC 2019-20 Rate	NFF 2019-20 Rate	PCC Consultation Proposed 2020- 21 Rate
	Primary	Primary	Primary
Reception Uplift	N	N	N
AWPU (Primary)	£2,782	£2,747	£2,747
Free School Meals (FSM)	£440	£440	£440
Free School Meals - Ever 6	£540	£540	£540
IDACI Band F	£200	£200	£200
IDACI Band E	£240	£240	£240
IDACI Band D	£390	£360	£360
IDACI Band C	£560	£390	£390
IDACI Band B	£715	£420	£420
IDACI Band A	£950	£575	£575
EAL	£515	£515	£515
Prior Attainment	£1,050	£1,025	£1,025
Lump Sum	£110,000	£110,000	£110,000

This page is intentionally left blank