

Lancashire Schools Forum eNewsletter

• Issue 103 • January 2020

Fair Exchange?

Welcome to Issue 103 of 'Fair Exchange?' a Post-Forum Edition of the eNewsletter of the Lancashire Schools' Forum.

Schools Budget for 2020/21

Following the General Election on 12 December 2019, the Department for Education (DfE) confirmed announcements about additional schools funding that have been mentioned in previous newsletter articles, and issued Dedicated Schools Grant (DSG) allocations for 2020/21 for every Local Authority, in four funding blocks, each calculated using national funding formulae.

Information on Lancashire's 2020/21 DSG allocations are provided below:

Forecast DSG Income	£m's
Schools Block	781.518
High Needs Block	135.479
Early Years Block	80.468
Central Schools Services Block	6.387
Gross Total forecast DSG Income	1,003.852
Total deductions for direct high needs payments made by the ESFA	-7.880
Net Total forecast DSG Income	995.972

At the Schools Forum meeting on 14 January 2020, school and early years representatives considered proposals for setting the 2020/21 Schools Budget. A meeting of the Lancashire County Council Cabinet was also held on 16 January 2020, where final decisions about the setting of the 2020/21 schools budget were taken. The key headlines from the 2020/21 budget setting process include:

Schools Block

Lancashire continues to use the National Funding Formula (NFF) methodology as the local Lancashire funding model in 2020/21;

For 2020/21, the NFF provides an uplift of 4% on most formula factors and the updated Minimum Pupil Funding (MPF) rates previously announced by the Government:

- Primary £3,750 per pupil
- Secondary £5,000 per pupil

Following a consultation with schools and academies in Lancashire, areas where local discretion is available in 2020/21 were agreed by the Schools Forum and the LCC Cabinet as follows:

- The Minimum Funding Guarantee (MFG) was set at a 2020/21 MFG of +1.84% with no cap on gains (This matches the NFF methodology);
- To transfer Schools Block headroom of circa £2m (0.26% of the Schools Block) once the NFF methodology has been implemented in full as the local formula, to support other funding blocks. (This headroom is generated from Lancashire's Growth allocation).
- To amend the notional SEN to remove the Basic Pupil elements from the calculation.

High Needs Block (HNB)

The extra funding made available nationally for school budgets from April 2020 have provided a considerable increase in HNB funding in Lancashire for 2020/21.

This additional funding will be used to:

- cover the forecast growth in High Needs expenditure from April 2020;
- support increases in HNB expenditure to broadly match uplifts in the mainstream sector, including:
 - increasing the Weighted Pupil Numbers (WPN) rate by 5% to £4,305;
 - realigning the 'School Specific' allocation in special schools to be more equitable and transparent
 - Uplift the PRU School Specific rate by 4%;
 - Uplift the PRU Excluded Pupils, Medical and Other pupils rates in line with NFF rates;
 - Increase the Hospital Education budget to £858k to cover demand led pressures.

Early Years Block (EYB)

The Government have increased the 2020/21 EYB allocation, but not at the same level of increase that is included in the Schools and High Needs blocks, and there remain considerable cost pressures facing all providers across the sector.

Lancashire will passport additional Government 2020/21 allocations for 2, 3 and 4 years olds by increasing base rates by 8p per hour.

In addition, the Schools Forum has agreed to transfer the £2m headroom from the Schools Block, which will include, for one year only:

- an local increase to the 3&4 year old base rates of an extra 8p per hour, in addition to that provided by the increased Government funding;
- an increased of £200k to the SEN Inclusion Fund from April 2020, to provide a higher budget to support early years pupils with high needs.

2020/21 base rates are shown in the table below:

	2019/20 Base Rates	2020/21 Base Rates		
		DfE Funded Uplift	Local Uplift (one year only)	Total
	Per Hour	Per Hour	Per Hour	Per Hour
2 Year Olds	£5.00	£0.08	-	£5.08
3&4 Year Olds	£4.13	£0.08	£0.08	£4.29

Other factors within the Early Years Funding Formula will continue, at 2019/20 rates, including the supplementary funding for Maintained Nursery Schools.

Central School Services Block

This Block is to fund central functions that local authorities carry out on behalf of pupils in state-funded maintained schools and academies in England. The Central School Services Block is split into funding for historic commitments and funding for ongoing responsibilities.

The ongoing responsibilities allocation has been reduced in 2020/21, as the DfE seek to eliminate this part of the formula over a period of time.

Issuing Individual Schools Budgets (ISBs)

Proposals for the Schools Block have now been submitted to the Education and Skills Funding Agency (ESFA) for compliance checking against the relevant Regulations before they can be distributed. The authority cannot issue school budgets until we have been notified that the checks are complete and our proposals are compliant. However, it is anticipated that individual budgets should be issued after February 2020 half term, and before the 28 February 2020.

Consultations

97 responses were received from schools in connection with the consultation on key local issues in the funding formula for 2020/21, which asked about:

- The level of the Minimum Funding Guarantee (MFG) and capping in the local formula;
- A possible transfer of headroom only, from the Schools Block to be used in the High Needs Block and the Early Years Block;
- A possible alteration to the Notional SEN calculation.

The majority of responses supported the proposals in the consultation and further details are provided at Appendix A to the newsletter.

The Schools Forum is very grateful for all the comments and responses that have been received. They are vital in shaping the sometimes difficult decisions and recommendations that need to be made.



Other Key Issues

School Teaching & Support Staff Supply Reimbursement Scheme

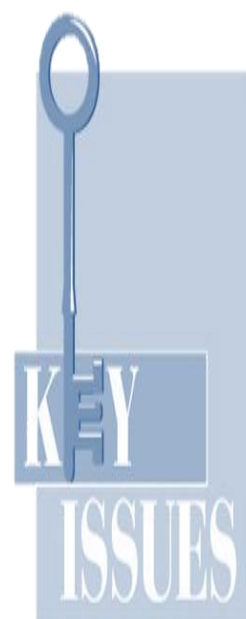
The School Teaching and Support Staff Supply Reimbursement Scheme arrangements for 2020/21 were agreed by the Forum on 14 January 2020. The Forum agreed that the premiums and reimbursement rates should be increased to take account of the relevant teachers and support staff pay increases.

Individual 2020/21 scheme details and offers will be sent to all schools and academies in the County shortly – look out for your offer letter on the Schools Portal.

If you have any queries with your offer please email schoolsforum@lancashire.gov.uk

Supplementary Claims Early Years Process for Maintained Settings

The LA is investigating options to introduce a second early years supplementary claim process for maintained settings. Further information will be provided in due course.



WHAT'S HAPPENING NATIONALLY

Government Announcements

Now that the new Government is in place, announcements are expected shortly on a number of issues that on hold due to the purdah period surrounding the December general election, including:

- Pupil Premium Grant rates for 2020/21
- Risk protection arrangement (RPA) to maintained schools in England,

Watch out for further information on these issues.

WHAT ELSE IS HAPPENING?

Year End Closure of Accounts 2019/20

Watch out for the notes on the Year End Closure of School Accounts for 2019/20, which will be issued via the portal shortly.

National Copyright Licences 2020/21

The DfE continue to negotiate a number of copyright licences nationally on behalf of all state schools, which are funded through the Central School Services Block (CSSB) of our Dedicated Schools Grant allocation, for both maintained schools and academies. DfE have updated some of their Copyright guidance and information can be accessed through the Schools Portal using this [link](#) (portal login required).

FORUM MEMBERSHIP

Forum Membership

Some new members were welcomed to the Forum in January and those members who have left the Forum were thanked for their contributions:

- Tor View Specialist Learning Community has nominated Louise Parrish as their new Forum representative, replacing Angela Holdsworth;
- Ken Wales, Methodist Church/Free Churches Representative on the Forum, resigning from the Forum due to ill health;
- Following an election process in the autumn term 2019, Jonathan Walker, a governor at Chorley St James' Church of England Primary School was elected to the Forum as a primary school governor representative.

Forum Membership List

A full list of Forum members, as at November 2019 is available [here](#).



QUESTIONS?

Remember, if you have any questions about the Schools Forum, please contact Paul Bonser, Forum Clerk, 01772 531815, or email schoolsforum@lancashire.gov.uk

Consultation on the Schools Block Funding Formula 2020/21 & Possible Transfer to the High Needs Block & Early Years Block

Analysis

Question 1: Do you agree that the MFG and capping levels in the 2020/21 Lancashire Schools Block formula should mirror those in the NFF and be set at an MFG of +1.84% with no cap on gains?				
	Total Responses	Yes	No	Not sure
Schools all types and phase	97	80	3	14
		82%	3%	14%

Question 2: Do you agree that any headroom available in the Schools Block once the NFF methodology has been implemented should be transferred to support pressures in the High Needs Block and the Early Years Block in 2020/21?				
	Total Responses	Yes	No	Not sure
Schools all types and phase	97	80	9	8
		82%	9%	8%

Question 3. Do you support the proposal that notional SEN is changed to remove the Basic Pupil elements from the calculation?				
	Total Responses	Yes	No	Not sure
Schools all types and phase	97	52	8	37
		54%	8%	38%