

Lancashire Schools Forum

eNewsletter

• Issue 107 • July 2020 •

Fair Exchange?

Welcome to Issue 107 of 'Fair Exchange?' a Post-Forum Edition of the eNewsletter of the Lancashire Schools' Forum. This issue deals with matters considered at the summer term 2020 cycle of meetings.

Virtual Schools Forum

Due to the ongoing COVID-19 situation, and in accordance with updated Schools Forum coronavirus Regulations, the 2 July 2020 meeting of the Schools Forum took place via video conferencing and the comment, feedback and decision making process also incorporated the Forum's Urgent Business Procedure.

Information was provided to the meeting about the outturn position for the 2019/20 Schools Budget and the key headlines are provided below:

Schools Budget Outturn 2019/20

The overall Schools Budget outturn position for 2019/20, excluding Individual School Budgets, was an overspend of some £1.593m. This overspend was largely attributable to the decision taken by the Forum when setting Schools Budget for 2019/20 to retain the Weighted Pupil Number (WPN) rate at the existing levels for the academic year 2019/20. It was acknowledged at the time that this would create a budget shortfall that would be met from the Dedicated Schools Grant (DSG) reserves, but Forum took the decision in order to protect some of the most vulnerable Lancashire pupils from the possible impact of a WPN rate reduction.

School Balances

The final outturn position against schools delegated budgets at 31 March 2020 was an underspend of £1.752m. This means that school balances have increased by £1.752m in 2019/20, to a total of £47.319m. However, the overall financial environment facing schools remained challenging in 2019/20 and the aggregate net expenditure position only returned to a positive figure due to various adjustments, including the closure or academisation of schools with large deficit balances during the course of 2019/20 that no longer contribute to the 31 March 2020 school balances year end position. The net position relating to maintained schools that remain open at 31 March 2020 was an overspend of some £0.217m.

41 schools ended the 2019/20 financial year in deficit, including schools from all sectors. The number of schools in deficit at 31 March 2020 has increased slightly from 39 schools a year earlier, providing further evidence of the continuing financial pressures on schools.

Schools Forum Annual Report 2019/20

The Forum have agreed their 2019/20 Annual Report for publication. This report highlights the key issues involving the Forum during the course of the 2019/20 financial year

A copy of the report is available [here](#).

Scheme for financing Schools

In April 2020, the DfE issued an 11th update to Statutory Guidance on Schemes for Financing Schools. The Lancashire scheme was revised in line with the new guidance and the proposals were issued to all maintained schools for comment. No objections or amendments to the proposed changes were received during the consultation process

Approval of Scheme amendments is a formal decision for the Schools Forum and maintained schools members of the Forum voted to approve the proposed changes.

A copy of the revised Scheme has now been published and is available [here](#).

Clawback

In recognition of the continued funding uncertainties caused by COVID-19, the Forum have agreed to suspend the application of clawback at 31 March 2021.

Schools are reminded that the current maximum guideline balance is:

- 12% of Consistent Financial reporting (CFR) income for all phases of maintained school (*It is suggested that the 12% guideline figure is not seen as a target*);
- A £60,000 minimum balance threshold will be applied.

A letter about the suspension of clawback has also been will be issued on the Schools Portal.



Service De-delegations 2020/21 – School Financial Health Check Funding

Following the school consultation held in Autumn 2019, the Forum voted in favour of an increase in the level of the Schools in Financial Difficulty de-delegation for 2020/21 to include enhanced proposal relating to financial health checks for schools. These arrangements had been developed in response to comments from schools and also proposals in a DfE consultation on the 'Financial transparency of LA maintained schools and academy trusts'.

The final outcome of the DfE Financial Transparency consultation has been delayed due to the snap general election in December 2019 and then the COVID-19 pandemic. It is expected that the DfE will announce the outcomes of the consultation this year, to take effect from April 2021.

As the School Financial Health Check Funding won't be utilised in 2020/21, the Forum were asked about what should happen to this money. Following some discussions it was agreed that the funding be held in the de-delegation reserve specifically earmarked for school health checks in future years or utilised for the wider Schools in Financial Difficulty support if required.

We will keep you informed about any DfE announcements in connection with the Government response to the 'Financial transparency of LA maintained schools and academy trusts' consultation.

What's Happening Nationally

School funding: exceptional costs associated with coronavirus (COVID-19)

The DfE have issued updated guidance and a claim form allowing schools to make claims for exceptional costs incurred due to Covid-19, subject to certain conditions.

- The guidance is available [here](#).
- Information on how to submit a claim is available [here](#).

The deadline for submissions to be returned is **21st July 2020**.

COVID Summer Food Fund

The Covid Summer Food Fund funding is in addition to the free school meals national voucher scheme to enable children who are eligible for benefits-related free school meals to claim vouchers to the value of £90 for the 6-week holiday period. DfE information is available [here](#).

Who's Who? - Forum Membership

A number of Forum membership changes have recently taken place. The following members are leaving the Forum, with the thanks of their colleagues:

- Thank Jill Wright;
- Lesley Millard;
- Jonathan Walker.

Karen Stracey, a governor from St Mary Magdalene's Roman Catholic Primary School, Burnley was welcomed to the Forum.

The county council will be seeking new primary headteacher and primary governor representatives to fill the vacancies recently created. If any colleagues are interested in joining the Forum, please email schoolsforum@lancashire.gov.uk



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