

Somerset Schools Forum
Wednesday 27 November 2019
1.30 pm Victoria Park Community Centre,
Bridgwater



To: The Members of the Somerset Schools Forum

Issued By Scott Wooldridge, Strategic Manager - Governance and Risk and Monitoring Officer-
Date Not Specified

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Guidance about procedures at the meeting follows the printed agenda.

This meeting will be open to the public and press, subject to the passing of any resolution
under Section 100A (4) of the Local Government Act 1972.

This agenda and the attached reports and background papers are available on request prior to
the meeting in large print, Braille, audio tape & disc and can be translated into different
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AGENDA

- Item Somerset Schools Forum - 1.30 pm Wednesday 27 November 2019
- 1 **Technical Working Group Update (report to follow) (Pages 3 - 6)**

Schools Forum Decisions and Consultations

– 27 November 2019

Technical Working Group Update

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<p>Summary:</p>	<p>This paper provides feedback from the Technical Working Group (TWG) meeting held on 19 November 2019. It includes discussions on the following:</p> <ul style="list-style-type: none"> • Schools funding arrangements 2020/21 (National Funding Formula) • An update on the consultations with Somerset schools and academies on funding changes for 2020/21
<p>Recommendations:</p>	<p>The Forum is asked to note the discussion and recommendations made by TWG:</p> <ul style="list-style-type: none"> • Somerset adopt the 2020/21 National Funding Formula (NFF) values • Somerset adopt the national Minimum Per Pupil Funding levels (MppF) • Minimum Funding Guarantee is set at 1.84% (maximum in range of 0.5% to 1.84%) • Capping is not implemented for 2020/21 (if affordable) • Mobility factor be considered for implementation in the local formula in 2020/21 • Looked After Children (LAC) factor continues to be excluded from the local formula
<p>Reasons for Recommendations:</p>	<p>The Schools and Early Years Finance Regulations 2018 require consultation with the Schools Forum in relation to formula changes (including redistributions).</p>
<p>Links to Priorities and Children and Young Peoples Plan:</p>	<p>The Schools Budget supports the Enjoying and Achieving aim within the Children’s Plan.</p>
<p>Financial Implications:</p>	<p>Financial impact cannot be confirmed until final DSG allocations in December 2019</p>

1. Schools Funding Arrangements 2020/21

- 1.1. The group were provided with the revised unit values published in October as part of the National Funding Formula (NFF) for 2020/21. The updated values for 2020/21 have been uplifted by an average of 4%.

In 2019/20 a decision was taken to adopt all of the NFF values in Somerset's funding formula in anticipation of a hard national formula being implemented in the near future.

TWG supported a proposal that the revised NFF 2020/21 values be adopted in Somerset's funding formula.

- 1.2. Somerset also adopted the minimum per pupil funding (MppF) levels in 2019/20. These values have increased in 2020/21 as follow:

	2019/20	2020/21	Increase	%
Primary	£3,500	£3,750	£250	7.1
Secondary (KS3)	£4,600	£4,800	£200	4.3
Secondary (KS4)	£4,800	£5,300	£500	10.4

The Department for Education released a consultation that opened on the 10th September and closed on the 22nd October that sought views on making the national MppF levels mandatory to use in local authority funding formulae from 2020/21. Due to purdah the outcome of this consultation is unknown but we have been advised to assume this will become mandatory. Any local authority choosing not to adopt the values would have to submit a disapplication to the Secretary of State for Education.

TWG supported a proposal that these values be adopted in Somerset's funding formula.

- 1.3. TWG was presented with a number of funding models calculated using the Authority Proforma Tool (APT) released in October. This is prepopulated with October 2018 pupil data as the October 2019 data has not yet been verified. The updated APT will be sent to all local authorities in mid December. Therefore, all models presented were only indicative.

All models included the Minimum Funding Guarantee (MFG) at the maximum level included within the NFF. The allowed range for 2020/21 is 0.5% to 1.84%. The MFG level for 2019/20 within Somerset's formula is - 1.0%.

TWG supported a proposal that the MFG be set at the maximum level of 1.84%.

Most of the discussion surrounded the level of proposed cap on gains between years that would be required to ensure the formula was affordable. In 2019/20 all schools were capped at 3% except for those that had gains of more than 15%, referred to as the alternative gains cap. The alternative gains cap is no longer allowed to be used in 2020/21. The cap in the NFF has been removed entirely for 2020/21 but local authorities are still allowed to set their own to ensure the local formula is affordable. This has to be

applied on the same basis to all schools.

TWG expressed their preference to have no capping applied if possible but understood this may be required depending on final DSG allocations being confirmed in December and the outcome of local authority proposals to transfer funding from the Schools Block to the High Needs Block. Further work was requested to enable members of the group to understand the implications of capping at different levels.

- 1.4.** Discussion also took place regarding two factors that are included within the NFF but not currently used in Somerset's local formula – Mobility and Looked After Children:

Mobility – the method of calculating this in the NFF changed in 2019/20 to a formulaic rather than historic basis. The formula tracks individual pupils through censuses over the previous three years. For 2020/21, schools which have over 6% “mobile” pupils qualify for additional funding for the number of pupils above this threshold. TWG expressed the view that this factor be considered for use in Somerset's local formula in 2020/21, as part of the transition to using all factors included in the NFF. Further modelling work is required to look at the impact of implementing this for consideration at the January Schools Forum meeting.

Looked After Children – this has previously not been used in Somerset's local formula as funding for these pupils is provided through Pupil Premium grant. TWG expressed the view that this factor not be adopted by Somerset in 2020/21 as Pupil Premium grant is continuing on the same basis at present.

2. Consultations with schools on proposed formula changes for 2020/21

- 2.1.** The group was notified that two consultations were live and the closing date for both consultations is Tuesday 26th November 2019. Colleagues were asked to encourage as many schools as possible to respond. To date no responses had been received to share with the group.

The group discussed ways to promote greater participation. It was strongly felt that schools needed more detail to enable a better understanding of implications both for themselves and for the broader impact across all schools and academies. It was acknowledged that the timescales for responding to the consultation were shorter than in previous years and this needed to be addressed for future consultations.

Following last year's request by TWG an on-line response form has been provided to reduce the burden of time spent completing the response and to attract a higher level of engagement.

- 2.2.** In relation to Consultation 2 and the proposed transfer of up to and above 0.5% from the Schools Block to the High Needs Block, TWG strongly suggested that more information needs to be provided to mainstream schools on the measures that have been put in place to address the high needs overspend and the progress on these to date.

TWG were unable to support a transfer of funding from the Schools Block to

the High Needs Block based on the information currently available.

- 2.3. It should be noted that after the TWG meeting took place Consultation 2 was taken down and amendments made to ensure that it was more focussed, provided additional detail and included financial values to demonstrate to schools the potential financial impact. It was reinstated as soon as possible but it is acknowledged that this will have caused additional work to those schools that had already responded.

3. Background Papers

- 3.1. [Schools revenue funding 2020 to 2021 – operational guide](#)

Note: For sight of individual background papers please contact the report author