

School funding update
2021-22
Schools Forum
23rd October 2020

School funding 2021/22

- All fully set out in our consultation paper
- Fully fund the National Funding Formula
- 3% uplift in NFF factors
- TPG/TPECG rolled into NFF - **no 100 NOR min**
- Increase in Minimum Per Pupil Funding level for primary schools from £3,750 to £4,000 (£4,180 after TPG/TPECG added)
- Increase in primary sparsity from max £26,000 to max £45,000 as first step for improving funding for small rural schools (**12 primary schools and 1 secondary on max funding**)
- MFG set at 2% to provide min increase for all

Herefordshire approach 21/22

- We will fully fund NFF as in past years
- Growth funding reduced to £0.45m – and up to £0.24m will be allocated to growth in Golden Valley
- Estimate that £0.38m will be available after funding NFF & growth – option (a) is preferred :
 - a. Transfer £0.3m to HNB and £10/pupil extra to schools
 - b. Transfer £0.2m to HNB, allocate £20/pupil extra and reduce expenditure on SEN protection as cost of scheme is increasing.
 - c. Transfer £0.38m to High needs block in full to support SEN protection scheme and maybe increase balances
- Any comments re Budget consultation paper

Consultation in autumn 2020

- Consult on **removing the reception uplift factor** which forecasts delayed reception intake between Oct and January census (27 pupils across 20 schools) but is not funded by DfE as grant paid on Oct pupil numbers.
- Consult on **reducing the claw-back percentage for locally maintained schools balances** from 25% down to 20%. Currently very generous and schools with such high balances are not spending their budget on current pupils. New rules to apply to balances as at 31st March 2022.

Consultation in autumn 2020

- Consult on **de-delegation for Free School Meals entitlement** because the SLA hasn't worked as well as we expected.

High needs growth 2021/22

• complex needs places	£1.05m
• out-county/independent places	£0.5m
• special school and unit places	£0.175m
• tariffs A-C (+1%) D-F(+2.5%)	£0.125m
• Full year cost of nurture groups -tbc	£0.1m
• Additional PRU places (x15)	£0.15
• hospital service costs	£0.05m
• Post-16 places	£0.1m
• <u>SEN protection scheme</u>	<u>£0.05</u>
<u>Total additional expenditure</u>	<u>£2.3m</u>

HNB available funding 21/22

- Estimated grant increase is £2m
- Funding gap is £0.3m (minimum)
- For 20/21 Schools Forum agreed transfer of £0.2m to support extension of SEN protection scheme to high schools.
- SEN protection scheme cost rising
- Also concerned about increasing out-county placements and costs particularly re ASD
- High needs budgets needs further work with a further review at December's BWG

SEN Protection scheme

- Number of pupils with top-ups in mainstream increasing 381 in 18/19, 410 in 19/20 (+10%) and 427 pupils to date in 2020/21
- Scheme pays cost of £6,000 threshold to schools above a cap x NOR. Current cap agreed with Schools Forum is £150.
- Budget is £385k and spend expected at budget
- Secondaries now in scheme, transferred £100k from growth fund but cost to date is £125k
- Need cap at £160 to keep spend within budget in 2021/22 or preferably apply a variable cap (within a range e.g. 160-170) to ensure spend = budget

High needs forecast 2020/21

- Overspend of £350k predicted for 20/21
- Includes complex needs forecast is a minimum £208k but may be greater and hence increase overspend forecast.
- DSG reserves are £0.63m and may reduce towards zero.
- We need to keep DSG reserves in surplus if at all possible

Golden Valley growth Sept 21

- Education planning have advised that admissions over PAN will be required for Golden Valley in September 2021 and for future years as follows:
 - 30 over PAN at Kingstone i.e. 120
 - 10 over PAN at Fairfield i.e. 100
- This will require growth funding of 40 pupils at £4,404 per pupil = £176,160 (AY basis)
- FY impact will differ as 5/12 + 7/12th
- Plus any additional supplement paid to schools above NFF.
- A contingency may be required to cover uncertainty

Growth fund 20/21 - Update

- Growth agreed at Kingstone High at 45 over PAN
- Fairfield have asked for similar growth funding for 33 pupils over PAN for September 2020
- If we had known prior to the growth budget being allocated at Schools Forum in January, we would have done so. Now propose to act as follows;
- **Growth funding £55,522.50 (5/12th April 2021 – August 2021) to be paid as part of 2021/22 growth budget**
- **Growth funding of £77,731.50 (7/12th Sept 2020 – March 2021) & reduce DSG reserves by £66k.**

Summary re Financial transparency for LA schools

DfE is to implement nine new proposals for increasing the transparency of locally maintained schools on a similar basis to academies. The only significant change will be:

Proposal 4a: schools must append a list of Related Party Transactions (RPTs) to their response to the question in the Schools Financial Value Standard (SFVS) about their arrangements for managing RPTs. In addition, the CFO Assurance Statement, will disclose the number and value of RPTs.