

Agenda Item 22

TITLE	Draft 2021/22 Schools Block Budget
FOR CONSIDERATION BY	Schools Forum on 9 December 2020
WARD	None Specific;
LEAD OFFICER	Director, Children's Services - Carol Cammiss

OUTCOME / BENEFITS TO THE COMMUNITY

This reports forms part of regular reporting to Schools Forum, informing areas of statutory decision making and improving visibility and consultation on wider Dedicated Schools Grant (DSG) financial matters.

RECOMMENDATION

Schools Forum is asked to:

- agree the recommendations of the Task and Finish Group for the 2021/22 Schools Block Budget
- agree that a consultation with all schools on the proposed indicative school budgets be undertaken in December, with the views of schools considered by Schools Forum at the January meeting.

SUMMARY OF REPORT

This report provides Schools Forum with the draft 2021/22 Schools Block budget, as recommended by the Task & Finish Group, for discussion and agreement prior to consultation with all schools.

The recommendations of the Task and Finish Group follow consultation with all schools on the principles to be used in the local funding formula for the 2021/22 financial year, and agreement on the transfer of 0.5% from the Schools Block to the High Needs Block.

A further consultation paper showing the indicative school budgets is planned to be issued to schools requesting feedback by 8th January. This will enable the final school budgets for 2021/22 to be considered by Schools Forum at its meeting in January 2021, prior to submission to the Education and Skills Funding Agency by the specified January deadline.

2021/22 Draft School Block Budget December 2020

.01 Purpose of the Report

This report provides the draft School Block Budget for 2021/22 for consideration by the Schools Forum and reflects the consensus view of the members of the Task and Finish Group.

.02 Recommendations

Schools Forum is asked to:

- agree the recommendations of the Task and Finish Group for the 2021/22 Schools Block Budget
- agree that a consultation with all schools on the proposed indicative school budgets be undertaken in December with the views of schools considered by Schools Forum at the January meeting.

.03 Background

The Department for Education (DfE) has, as reported at October Schools Forum, made a number of changes to the school block funding for 2021/22 and the final funding allocation should be available by 18th December 2020.

The funding allocation will reflect final pupil numbers from the October 2020 schools census and updated pupil data used in the funding formula.

Schools Forum has established a Task and Finish Group to review the elements of the funding formula and make recommendations to the Schools Forum on the most appropriate formula to reflect the needs of schools in the Borough.

The members of the group are:-

Derren Gray, Head of The Piggott all-through academy (Chair)
Chris Coniam, School Business Manager, The Bulmershe maintained secondary
Carol Simpson, School Business Manager, The Colleton maintained primary
Brian Prebble, Head of Rivermead maintained primary
Ben Godber, Head of Bohunt secondary academy
Corrina Gillard, Head of Emmbrook Infants maintained primary
Julia Mead, CFO of The Keys Academy Trust
Margaret Lucey School Business Manager All Saints maintained primary

The Task and Finish Group has met a number of times to consider the options for the funding formula in 2021/22 taking on board the results of the consultation with all Wokingham schools carried out at the beginning of term, the results of which were shared with Schools Forum at the last meeting in October 2020.

The principles and factors identified by the Group were also supported in the consultation and have been used to model the proposed formula for 2021/22. These were as follows:

- The Primary / Secondary ratio would remain unchanged at 1 : 1.29
- The formula factors would be moved by a third towards the National Funding Formula (NFF) rates
- Lump sums were modelled at £150k and £135k. £120k was discarded early on as this negatively impacted our smaller schools.
- The Minimum Funding Guarantee would be set at +1.0% to provide year on year increases in per pupil funding with a cap on gains to be decided

.04 **Further Consultation**

Following discussion at the October Schools Forum meeting, a further short consultation was issued to schools at the beginning of November.

Question 1 - To agree with the unanimous decision of Schools Forum to apply for a disapplication for our All-through school so that the Minimum Per Pupil Levels were applied to the primary and secondary school in the same way as other Wokingham schools.

35 responses to this question were received, with 97% supporting the disapplication.

A disapplication request was therefore submitted by the LA to the DfE by the required deadline, and feedback is awaited.

Question 2 - The consultation also aimed to clarify the previous question of moving 0.5% of Schools Block Funding to the High Needs Block to support the overall SEND strategy and inclusion agenda.

35 responses to this question were received, with 54% supporting the transfer of 0.5% from the Schools Block to the High Needs Block for 2021/22.

Given agreement by Schools Forum at the October meeting to support the majority view of schools, this response allows the funding transfer to the High Needs Block to be progressed for 2021/22 budget setting without the need for the Local Authority to submit a disapplication to the DfE.

The use of available resources to support local SEND settings and services for the 2021/22 financial year will be discussed as part of consultation on the High Needs Block budget over the coming months.

.05 **The Funding Options**

On 18th November the Task and Finishing Group reconvened to consider the models that had been prepared. Following careful consideration of the options the group recommended the model which moves the Lump Sum to £135k as this was a step towards the NFF lump sum, and there was also little impact on schools between a lump sum of £150k and £135k. This rationale was favoured as it would continue to provide some protection for small primary schools, and the Lump Sum

allocation in the National Funding Formula is much lower, although it has been slowly increasing over the years (£110,000 in 2019/20, £114,400 in the current year and £117,800 in 2021/22).

The Group also sought to model using the maximum MFG rate allowable of 2% but this was unaffordable, along with the increased Minimum Per Pupil Levels (MPPL).

The Group included a cap on gains of 5% in the modelling to be consistent with prior years. The National Funding Formula does not apply a cap on gains.

To date, the result of the disapplication for the All-through school has not been included in modelling, as approval from the DfE is awaited. Should this be approved then the DfE will also provide the necessary changes to the modelling tool.

Appendix 1 attached is based upon the model unanimously recommended by the Task and Finish group but this has now been updated to reflect the provisional pupil numbers from the October 2020 schools census, although final confirmation of the numbers and updated pupil data will only be available as part of the DSG settlement in December.

The Appendix provides for each school a comparison of the pupil numbers in the current year and for 2021/22 together with the budget for the current year, the indicative budget for 2021/22 and details of the increase (or decrease where there has been a drop in pupil numbers) for the new financial year. It also includes information on the MFG and MPPL rate per pupil for each school.

Also attached is a copy of the proforma page in the Authority Proforma Tool (APT) which shows the rates for each formula factor and the total funding given out to all schools,

	Primary Schools	Secondary Schools	Primary Numbers	Secondary Numbers	Total
Schools with increased Pupil Nos	25	7	316	351	667
Schools with static Pupil Nos	5	0			0
Schools with decreased Pupil Nos	24	3	-152	-99	-251
Total	54	10	164	252	416

Minimum Per Pupil Funding	Primary Schools	Secondary Schools	Primary Protection	Secondary Protection	Total
Level of Protection	21	3	£1,331,465	£173,113	£1,504,578
Range of Protection	£5,648 to £161,363	£4,232 to £123,496			
Net effect of Capping and MFG					£341,049

.06 Financial Summary

Table A compares the 2020/21 budget allocated to schools with the comparable draft budget for 2021/22.

The funding for Teachers Pay and Pension Grants are protected and therefore do not form part of the 0.5% transfer to the High Needs Block.

Table A

		2021-22	2020-21	
Number on Roll		25,035	24,460	2.35%
Primary PUF (Actual)		66,086,387	59,967,111	
Secondary SUF (Actual)		53,385,295	47,335,996	
Premises Factors (Actual)		1,984,781	2,011,159	
Growth Factors (Estimate)		1,604,381	1,181,526	
	A	123,060,844	110,495,792	11.37%
Of which is Teachers Pay and Pension Grant	B	5,268,984		
Growth Fund Estimate	C	- 800,000	- 800,000	
0.5% transfer to HNB (A-B)*0.5%	D	- 588,959	-	
Estimated amount to put through APT	A+C+D	121,671,884	109,695,792	10.92%
		*		

*Please note that this is the income expected to receive using the estimated October 2020 pupil numbers that are still being validated by the DfE.

.07 Summary

This is the draft Schools Block Budget, using the provisional October 2020 census but with the reception uplift figures for the current year, and the new PUF, SUF and premises costs that were published by the DfE in July. The impact of the disapplication request for funding of Wokingham's All-through School is not yet factored into figures.

These figures should be used with caution and for initial planning purposes only. The actual budget proposals for 2021/22 will be finalised in January 2021 for submission to the Funding Agency by the January 2021 submission deadline.

Katherine Vernon
Schools Finance Manager
December 2020

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