

5. EDUCATION AND SCHOOLS FUNDING 2020/21 PROVISIONAL ALLOCATIONS

Finance Briefing Note



FUNDING ALLOCATION – 11TH OCTOBER 2019

The Department of Education (DfE) have released provisional funding allocations for 2020/21 for the Dedicated Schools Grant Schools Block, High Needs Block and Central School Services Block. Information on the Early Years Block is yet to be received. It should be noted that all of the 2020/21 allocations are still provisional and based on old pupil numbers.

PLYMOUTH – PROVISIONAL ALLOCATIONS FOR 2020/21 COMPARED TO 2019/20

	2019/20 Baseline £	2019/20 Per Pupil* £	2020/21 Provisional £	2020/21 Per Pupil* £	Increase/(Decrease) in Provisional Allocation £	Increase/(Decrease) in Per Pupil Amount £
Schools Block	152,826,784	4,441	162,154,508	4,708	9,327,724	266.61
High Needs Block	30,166,201	n/a	34,048,015	n/a	3,881,814	-
Central Schools Services Block	3,709,360	n/a	3,203,919	n/a	(505,441)	-
Total	186,702,345		199,406,442		12,704,097	

*primary and secondary school average per pupil

SCHOOLS BLOCK

Plymouth will see a 6.0% increase (£266.61) in per pupil funding, compared against the 2019/20 baseline (excludes growth funding).

This is the 10th highest % increase nationally, however Plymouth still be receiving the 88th lowest per pupil funding rate.

Coventry is only receiving a 2.1% increase in per pupil funding compared to the 2019/20 baseline, however they will still be receiving £160 per pupil more than Plymouth.

The average per pupil increase nationally is 4.2% (Plymouth 6%), average increase per pupil is £193.16 (Plymouth £266.61), average per pupil funding for 2020/21 is £4,916 (Plymouth £4,708)

HIGH NEEDS BLOCK

Plymouth's High Needs Block funding will increased by £3.9m in 2020/21, an increase of 13%.

The average increase nationally is 11.95%, per pupil comparison is not available for High Needs Block. Locally, Cornwall is getting an increase of £7.487m (17.32%), Devon is getting £5.953m (8.62%) and Torbay is getting £1.404m (7.86%).

The final High Needs Block will differ slightly from these figures as some elements of the formula will change before the final allocations are made.

CENTRAL SCHOOLS SERVICES BLOCK

Funding for the Central Schools Services Block has decreased by £0.506m. Whilst funding for ongoing commitments has increased slightly (£0.020m), historic commitment funding has been decreased by £0.526m, due to unwinding of historic commitments.

NATIONAL FUNDING FORMULA FOR 2020/21

- Minimum per pupil funding levels for 2020/21
 - £3,750 for each Primary Pupil (increasing to £4,000 in 2020/21)
 - £5,000 for each Secondary Pupil

Minimum per pupil levels for 2019/20 are £3,500 for Primary pupils and £4,800 for Secondary pupils.

- The funding floor will be set at 1.84% per pupil, in line with the forecast GDP deflator to protect per pupil allocations for all schools in real terms.
- Schools that are attracting their core NFF allocations will benefit from an increase of 4% to the formula's core factors. Exceptions to this are that the free school meals factor, will be increased at inflation as it is intended to broadly reflect actual costs, and premises funding will continue to be allocated at local authority level on the basis of actual spend in the 2019 to 2020 APT, with an RPIX increase for the PFI factor only.
- There will be no gains cap to the NFF, unlike the previous 2 years.
- The introduction of a new formulaic approach to the mobility factor so that it allocates this funding fairly to all authorities, rather than on the basis of historic spend.
- Local authorities will continue to be able to transfer up to 0.5% of their school block to other blocks of the DSG, with schools forum approval.
- In 2020/21, as in previous years, each local authority will continue to set a local schools formula, in consultation with local schools. The government has confirmed its intention to move to a single 'hard' national funding formula to determine every school's budget in the future.

PLYMOUTH CONSULTATION FOR 2020/21 FUNDING

Central Government have stated 'we appreciate that, with funding levels and allocations being announced later than in previous years, local authorities have less time for modelling and consultation. However, local authorities must continue to engage in open and transparent consultation with all maintained schools and academies in their area, as well as with their schools forums, about any proposed changes to the local funding formula including the principles adopted and any movement of funds between blocks'. 'We appreciate that the later than usual funding announcement will have affected the time authorities have to plan for their local formulae, and therefore local consultations may be shorter or involve fewer meetings than usual'.

Central Government have also stated 'The local authority is responsible for making the final decisions on the formula and each local authority's process must ensure that there is sufficient time to gain political approval before the APT deadline in January 2020. Political ratification means approval in line

with the authority's local scheme of delegation, so this may be decisions made by the council cabinet, cabinet member or full council; the schools forum does not decide on the formula'.

We have now received policy documents, operational notes, technical guides and an APT (Authority Proforma Tool) from Central Government to enable us to start the modelling and consultation process.

We are aiming to produce and send out Plymouth's consultation document in November 2019 to enable us to feed back responses to Schools Forum on 11th December 2019. Central Government should send Local Authorities updated APTs (including October 2019 census data) in December to allow us to update and report final provisional allocations to schools forum on 15th January 2020.

This information will then be sent to the ESFA for ratification and confirmation of 2020/21 school budget shares by 29th February 2020.

Recommendations for the main proposals to be included in the consultation document;

- Allocation of the central schools service block, proposing that part of the funding previously used to fund historic commitments is used to top up the ESG retained duties to the actual cost and that the remainder is distributed to mainstream schools on a per pupil basis.
- Proposal that Plymouth continues to follow all aspects of the National Funding Formula including the changes introduced in 2020/21.
- Proposal that there will be no de-delegation of budget allocations.
- Proposal not to charge maintained schools for the cessation of the ESG general fund.
- Proposal on growth funding.
- Proposal not to transfer any funding out of schools block to High Needs Block.