

**SETTING OF 2019/20 MAINTAINED  
SCHOOLS' AND ACADEMIES'  
BUDGETS – ADDITIONAL  
INFORMATION**

## **Additional Disapplication required for setting 2019/20 School Budgets**

1. On 5<sup>th</sup> December 2018, Schools Forum made a decision regarding the use of the remaining £1.239m previously used to fund the Excellence Cluster. Option 2 was agreed, this involved returning £1.179m to mainstream schools.
2. The Schools Finance Team allocated the one off amount to all mainstream schools on the 2019/20 Local Authority Proforma Tool (APT), at £34.07 per pupil. Some technical adjustments were required on the APT to exclude the one off amount from the National Funding Formula (NFF) calculation on the APT, as the APT had not been developed sufficiently to consider new factors under the NFF.
3. All Central Government funding guidance suggests that a disapplication request is not required for this technical adjustment. For example point 78 of the Operational Guide states that disapplication requests are not necessary where additional funding is released to schools as historic commitments have ended (regulations relating to the MFG). In addition, the guidance omits to cover the treatment of non-premises Minimum Per Pupil exclusions.
4. As soon as the Schools Finance Team received the final APT and confirmation of historic funding we emailed Central Government (2<sup>nd</sup> January 2019) to confirm the necessary technical adjustments were acceptable.
5. On the 15<sup>th</sup> January 2019, the Schools Finance Team received a response from Central Government stating a disapplication request was required to exclude the one off additional amount from the Minimum Per Pupil Funding calculation which ensures each school receives at least £3,500 per pupil for Primaries and £4,800 per pupil for Secondaries. The Schools Finance Team submitted an urgent disapplication as soon as they received this notification.
6. Central Government will not confirm whether the request will be accepted and have advised on modelling the school budgets on all possible scenarios.
7. If the disapplication request is not approved the additional one off allocation will count towards individual schools Minimum Per Pupil funding levels, meaning schools on the Minimum Per Pupil funding floor will not receive any extra funding from the £1.179m as their share will be used to ensure they receive the minimum per pupil amounts.
8. In order to allocate the additional £1.179m on the APT, the AWPU is increased by £95.25, schools on the Minimum Per Pupil Funding floor do not receive any additional funding, meaning schools that are not affected by the Minimum Per Pupil funding floor will receive a greater share of the £1.179m.

9. Distribution of the £1.179m without the technical adjustment will result in funding being distributed unfairly and undermine the principles of the NFF which Schools Forum have agreed to follow.
10. The Service Director for Education, Participation and Skills and the Service Director for Finance will be writing to Central Government to complain regarding the lack of timely and concise information.

**Recommendation:**

11. If the disapplication request is accepted, it is recommended that Schools Forum approve distribution of the budgets as per Appendix 1 and 2.
12. If the disapplication request is rejected, it is recommended that Schools Forum delay the decision regarding the allocation of the £1.179m to enable it to be allocated fairly.