

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

## **UPDATES TO THE 2019/20 SCHOOL BUDGET ALLOCATIONS**

1. The 2019/20 school budget allocations were approved by Schools Forum on 16<sup>th</sup> January. Individual school budget allocations were approved on the assumption that a late disapplication request will be accepted by the ESFA before the deadline for confirming school budgets to mainstream schools.
2. The disapplication request is necessary to distribute a one off funding allocation of £1.179m to all mainstream schools on a fair and equal basis. The one off allocation relates to a historical commitment (Plymouth Excellence Cluster funding) which has now ceased.
3. In the event that the disapplication request is rejected, Schools Forum agreed to delay the decision regarding the allocation of the £1.179m to enable it to be allocated fairly.

### **Recap on the late disapplication request:**

4. On the 15<sup>th</sup> January, the Schools Finance Team were required to submit a late disapplication request to the ESFA. This disapplication request was necessary to distribute the one off funding allocation of £1.179m to all mainstream schools on a fair and equal basis.
5. This disapplication request was submitted to the ESFA at such late notice because all Central Government guidance suggests that a disapplication request is not necessary for the one off allocation.
6. However, after submitting an enquiry to the ESFA, the Local Authority Finance team were notified that a disapplication requested was required to exclude the one off allocation 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.
7. The Service Director for Education, Participation and Skills and the Service Director for Finance wrote a formal complaint in January to Central Government regarding the lack of clarity or consistency regarding the distribution of historical commitment monies. The ESFA responded on 18<sup>th</sup> February 2019, stating that they will consider the Local Authorities comments when they review the guidance for 2020/21 and will feed back concerns regarding the APT to the relevant team. The letter also stated that the minister is currently considering the disapplication request and the decision will be communicated as soon as it is available.

### **Update on the School Budget Setting Process:**

8. On 21<sup>st</sup> February 2019 we received a letter from the ESFA stating that the disapplication request has not been approved. The letter states 'We consider that if the funding is delegated through the local formula, it should go through the usual formula factors. We would not expect adjustment to the minimum per pupil calculations to take into account additions or reductions to schools block funding. This request undermines the principle of the minimum per pupil funding level'. The letter also goes on to say 'Please resubmit your

authority proforma tool (APT) by Friday 22 February, removing entries included in column AI of the 'Local factors' tab. You will also need to remove the entries from column AQ, as you have not received approval to exclude the one off distribution to schools from the minimum funding guarantee (MFG). If you wish for us to consider a request to remove the one off distribution from the MFG, please submit this as soon as possible.'

9. We are extremely disappointed that this request has not been approved. This funding comes from the Central School Services Block historic commitments and was previously used to fund the Excellence Cluster contract, a project which was open to all Plymouth schools by providing support to children with social emotional and mental health needs. It was decided at schools forum to distribute this funding directly to schools in 2019/20 as the project has now ended but schools continue to require this vital service. This would allow schools to purchase their own support to continue to help these children and avoid the inevitable consequences of leaving these children to fend for themselves. It cannot be right that some of these schools will not receive any additional funding to pay for this support in 2019/20 as their allocation will be used to fund their 'minimum per pupil' amounts.
10. We are also unsure why the letter from the ESFA states 'You will also need to remove the entries from column AW, as you have not received approval to exclude the one off distribution to schools from the minimum funding guarantee (MFG). If you wish for us to consider a request to remove the one off distribution from the MFG, please submit this as soon as possible' as the ESFA's 'Schools revenue funding 2019 to 2020' operational guide states "MFG technical adjustments do not require approval for releasing additional funding to schools that relates to historic commitments" and therefore we understand that this approval is not required.
11. The Service Director for Education Participation and Skills is planning to issue a formal complaint to Central Government regarding this decision. However, we are also mindful that schools are still waiting for clarification on their 2019/20 budgets and we do not want to hold up this process.
12. Therefore the finance team have investigated other ways of distributing this funding fairly to mainstream schools without it affecting school's minimum per pupil funding amounts or MFG.
13. The ESFA 'Schools revenue funding 2019 to 2020 operational guide' gives various rules regarding transferring funding out of the schools block. However, the guidance states 'movements from the central school services block to the schools block, or from the high needs block to any other block, are not subject to any limit and can be made in consultation with schools forum'. It also states 'any local authority considering a transfer of funding out of the high needs, or early years, funding blocks should ensure adequate consultation, both with the relevant representatives on the schools forum (including any relevant sub-groups), and with any providers likely to be affected by the transfer.' However, it does not mention any requirements for transferring funding out of the Central School Services Block to the High Needs Block.

14. The ESFA's 'High needs funding 2019 to 2020 operational guide' states 'local authorities have the flexibility to provide high needs funding outside the statutory assessment process for all children and young people with high needs up to the age of 19'. It also states 'Local authorities bear the ultimate responsibility for decisions on top-up funding, as they are accountable for spending from their high needs budgets'. The section on 'Specialist Support Services' states 'If mainstream provision is to meet a wide range of additional needs, it is important that schools, colleges and settings have access to high-quality specialist support (for example, to help with the needs of children and young people with autism, speech and language needs, social, emotional and mental health needs, sensory impairment or challenging behaviour'. It also goes on to say 'Local authorities and mainstream schools and colleges should discuss how such specialist support should be delivered when considering how to spend the high needs funding available to them'.
15. It is therefore proposed to transfer the £1.179m in the 2019/20 Central Schools Service Block to the 2019/20 High Needs block and distribute this funding to mainstream schools on the basis already agreed by schools forum i.e. £34.07 per pupil. It could also be request that mainstream schools submit a statement of spend at the end of 2019/20 to confirm that they have spent the additional funding to support children with Social, Emotional and Mental Health needs.

### **Summary of Appendices:**

16. Appendix 1 shows the revised 2019/20 individual school budgets. The £1.179m funding has been removed as per the above proposal. Appendix 2 shows a summary of this information.
17. Appendix 3 shows the revised 2019/20 individual school budgets compared to the original 2019/20 individual school budgets. The additional column shows the amount of funding allocated to each school via the high needs block as per the above proposal.

## **7. Schools Forum Recommendations**

### **Summary of School Forum recommendations:**

18. Approve individual school budget allocations as per Appendix 1 and Appendix 2. These appendices do not include the £1.179m currently within the Central School Services Block.
19. Approve the transfer of £1.179m out of the Central School Services block into the High Needs Block for 2019/20. Allocate the £1.179m to mainstream schools via the high needs block at £34.07 per pupil (as previously agreed at schools forum). Request that mainstream schools submit a statement of spend at the end of 2019/20 to confirm that they have spent the additional funding to support children with Social, Emotional and Mental Health needs.

