

Wiltshire Council

Schools Forum

10 October 2019

School Revenue Funding 2020-21

Purpose of report

1. To outline and update Schools Forum regarding the content of the Department for Education's (DfE) operational guidance on School Revenue Funding for the 2020 to 2021 year.

Background

2. Each year the DfE issue updated operational guidance regarding schools revenue funding. The DfE then go on to issue Technical Guidance, containing any policy changes which offer further details. As part of the Operational Guidance, the key changes between funding for the 2019-20 year and the 2020-21 year are outlined.
3. Any update to the National Funding Formula (NFF) funding rates will be announced in the DfE's Technical Note, due to be issued in October.

Key Funding Changes in 2020-2021

4. The DfE have confirmed that the following key elements of the NFF are to be in place for 2020-21 for mainstream school funding;
 - a. The Minimum per pupil Funding Levels to be set at £3,750 in Primary and £5,000 in Secondary schools.
 - b. A 4% increase in the formula's core factors, except for Free School Meal (FSM) factor which will be increased by inflation.
 - c. Premises factors (rates, PFI, split site, rents) will be funded at the local authority level without inflationary increases.
 - d. No mandatory NFF gains cap, but Schools Forum may continue to apply one.
 - e. Introduction of a new formulaic approach to the mobility factor.
 - f. Growth funding to be based upon the same methodology as in 2019-20. (Protection provided to ensure that no LA will lose funding of greater than 0.5% of its Schools Block allocation, should its growth be significantly lower year on year).
 - g. Teachers Pay and Pension Grants to continue for the 2020-21 year, with rates to be published later in the year.

5. The High Needs NFF will see the following;
 - a. An increase to all LA's funding of at least 8%, taking account of changes to their 2 to 18-year-old population and the additional £1.1m announced as part of the £125m uplift for 2019-20. This would equate to a minimum increase of £3.76m).
 - b. A gains cap of 17%, which is the maximum increase any LA could gain. This would equate to a maximum increase of £7.99m.

Role of Schools Forum and the Local Authority

6. The government has confirmed its intention to move to a single 'hard' national formula to determine every schools budget. For the 2020-21 year, the DfE have confirmed it will be another 'soft' year, with each LA along with its Schools Forum being able to determine its school funding formula.
7. The only mandatory factor for 2020-21 will be the application of the minimum per pupil funding levels, being £3,750 and £5,000 in Primary and Secondary respectively.
8. The formula will be presented to the LA for political ratification and approval in February 2020.

Consultation

9. As in previous years, the LA will engage in consultation with schools in the County, including any changes to the formula, movement between blocks and any de-delegation for maintained schools.
10. The DfE have committed to providing indicative funding allocations, based upon the October 2018 census, to reflect the 2020-21 formula changes in October 2019.

Proposals

11. Schools Forum to note the content of the report.

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