



**London Borough of Hammersmith & Fulham**

**SCHOOLS FORUM**

**Tuesday 16<sup>th</sup> June 2020**

**Schools Block and Central Services Schools Block Budget 2020/21**

**Open**

**Classification - For Scrutiny Review & Comment**

**Key Decision: No**

**Wards Affected: (All Wards); All**

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**Purpose of the report**

The report provides details of the final Schools Block of the Dedicated Schools Grant budget allocations to schools calculated after the disapplication request to transfer 1% of the schools block allocation was rejected by the Minister of State on 13th February 2020.

This report also sets out the recommended budget for the Central Services Schools Block of the Dedicated Schools Grant in financial year 2020/21.

## **1. Introduction**

- 1.1. Following Schools Forum approval of the 2020/21 Authority Proforma Tool in January 2021, a disapplication request submitted by the local authority to the Minister of State to transfer 1% from the Schools Block to the High Needs Block was rejected in January 2020.
- 1.2. Therefore only 0.5% of the schools block budget (c£0.525m) was transferred to the High Needs Block budget in 2020/21. The remaining 0.5% has been distributed to schools by increasing the national funding formula factor rates. This is permissible through the school funding regulations and was previously approved at the January 2020 Schools Forum as the alternative action required should the disapplication request be refused.
- 1.3. It should be noted that the Local Authority provided a full case for consideration by the minister of state to support the expenditure on the High Needs Block. The High Needs Block is now under significantly more pressure than expected in the 2020/21 financial year.
- 1.4. This paper also:
  - Sets out proposals for Falling Rolls funding held in 2020/21 (section 3)
  - Confirms de-delegated balances held in 2020/21 by the local authority on behalf of maintained mainstream primary schools (section 4)
  - Proposes the final 2020/21 Central Services Schools Block budget for 2020/21 including proposed transfer to support the High Needs Block of £0.461m.

## **2. 2020/21 Final Budget Allocations**

- 2.1. The final allocation was calculated in line with Recommendation 2b of the January report to Schools Forum: *A disapplication to the Minister of State for approval for the block transfer in 2020/21 was submitted in November 2019 pending final Schools Forum Approval in January 2020. If approved this will be sent to DfE immediately after Schools Forum. In the event the Minister of State declines the disapplication it may be necessary to allocate additional funding to schools through a revised model. It is proposed that in this instance, the proposed factor rates in Model 3 are further uniformly uplifted to adjust allocations at a school level.*
- 2.2. The factor rates used for the final allocation were recalculated after the disapplication request was refused to allocate the additional £0.525m. All factor rates were

increased by 0.78% (from 7.06% above national funding formula rates (after area cost adjustment)).

- 2.3. Appendix 1 shows the final 2020/21 factor rates versus:
  - the NFF rate after area cost adjustment
  - and the rate proposed at January 2020 Schools Forum
  - the 2019/20 factor rates.
- 2.4. Appendix 2 gives a school by school breakdown of the final budget allocations totalling £103.46m including the additional £0.525m.

### **3. Falling rolls fund**

- 3.1. ESFA guidance states that the local authority may set aside schools block funding to create a small fund to support good schools with falling rolls where local planning data shows that surplus places will be needed within the next three years. The loss of a bulge class does not qualify a school for access to falling rolls funding.
- 3.2. The ESFA advise that the allocation of falling rolls funding should contain clear objective trigger points for qualification and a clear formula for calculating allocations. The conditions of grant are such that falling rolls funding is only available to schools rated Good or Outstanding.
- 3.3. As at 1<sup>st</sup> April 2019 there was a balance on the Falling Rolls fund held in DSG reserves of £0.225m. During the year, additional funding was paid out to schools of £0.1m. The balance carried forward into 2020/21 is £0.125m and this will be added to the £0.098m agreed as part of the 2020/21 budget setting exercise making £0.223m available for schools in 2020/21.
- 3.4. The budget available for falling rolls funding from the 2020/21 budget reduced from the £0.13m as agreed in January Schools Forum to £0.98m as a result of final changes to business rates to be paid through the school funding model.
- 3.5. At the January 2020 meeting of Schools Forum it was agreed to set up a sub -group of members to consider final bids for funding and to agree allocations. The formation of this sub-group has been delayed but the intention is to meet virtually at the earliest opportunity to review bids for the £0.223m available for falling rolls. It is expected that the subgroup will comprise:

- 3 to 4 representatives from Schools Forum members and associates (but no representation from a school planning to apply for funding)
  - A local authority Finance Officer
  - A local authority Education Officer
- 3.6. Officers will seek applications from all mainstream schools with a roll fall between January 2019 and January 2020 before the end of the summer term. Funding will be allocated to schools in full or in part depending on the level of interest and in total no more than the available budget of £0.223m.
- 3.7. Schools Forum are asked to delegate the decision for allocation of these funds to Schools Forum subgroup for release of funds early in the Autumn Term.

#### 4. De-delegated Services (Maintained Schools Only)

- 4.1. De-delegated services are for maintained schools only. The funding is allocated through the schools funding formula but can be passed back for maintained primary and secondary schools with Schools Forum approval.

**Table 1 – Maintained Schools De-delegated Budgets and Outturn 2019-20**

<b>Area of Expenditure</b>	<b>2019/20 Budget £</b>	<b>2019/20 Outturn £</b>	<b>difference</b>
Maintained Schools in Financial Difficulty/Contingency	200,400	185,000	-15,400
Maintained Schools Trade Union Facilities Cover	140,000	98,000	-42,000
Maintained Schools Maternity Cover Fund	140,000	123,000	-17,000
Maintained Schools Licence Fees	40,000	42,905	2,905
Behavioural Support (SEND)	29,000	29,000	0
Free School Meals Eligibility	32,000	32,000	0
Underperforming Ethnic Groups Primary	125,000	41,026	-83,974
<b>Total</b>	<b>706,400</b>	<b>551,027</b>	<b>-155,373</b>

- 4.2. The surplus of £0.155m has been transferred to reserves for application to future expenditure by Maintained Primary schools only and is ringfenced to maintained primary schools.

- 4.3. There is now £0.480m available as contingency in addition to the £0.2m approved as part of the 2020/21 budget setting exercise. It is proposed that this contingency is available for schools in financial difficulty and to mitigate Covid 19 costs where costs are to be met from government funding and where maintained schools have exhausted reserves.

## **5. Central Services Schools Block Budget 2020/21**

- 5.1. Schools Forum is asked to confirm agreement with the proposed deployment of the Central Services Schools Block (CSSB) of the Dedicated Schools Grant (DSG) in line with the regulations of grant.
- 5.2. In 2020/21 there is no change to the arrangements for Central Schools Services Block (CSSB) of the DSG. The CSSB allocation for 2020/21 provides funding for:
- The retained duties element of the Education Services Grant (ESG) for all schools
  - Ongoing central statutory functions – for example Admissions - for maintained schools
  - Ongoing historic commitments
- 5.3. For historic commitments there will be a 20% cash reduction to this element of funding for all LAs receiving it, with a protection so that no LA loses more than 0.5% of its 2019-10 schools block. For Hammersmith & Fulham this equates to a reduction in grant of £0.514m in 2020/21 versus 2019/20.
- 5.4. Since 2018/19 financial year significant savings have been achieved against CSSB to allow a transfer to support High Needs Block funding pressures. The cumulative value of those savings is circa £0.8m per annum. However as a result of the DfE cash reduction on the CSSB in 2020/21 the transfer to the High Needs block will be limited to £0.461m in 2020/21.
- 5.5. It is unknown at this time the value of any further reduction proposed in CSSB from 2021/22 and beyond and Hammersmith & Fulham await further information from the department.
- 5.6. The application of CSSB in 2020/21 is detailed in table 2 below and Schools Forum are asked to review and approve this budget.

**Table 2 – CSSB Budget 2018/19 to 2020/21**

<b>Area of Expenditure</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>	<b>2020/21 £m</b>	<b>Change 2019/20 to 2020/21 £m</b>	<b>Comments</b>
Copyright Licensing	0.097	0.097	0.107	0.010	As advised by the ESFA
Asset Management, Place Planning and Strategic Operations	0.816	0.604	0.123	-0.481	Efficiencies and Maintained School Contributions
Asset Management – CERA Commitment	1.435	1.435	1.435	0.000	No change
Management, Support & Finance	1.087	0.931	0.731	-0.200	Efficiencies and Maintained School Contributions
Virtual School	0.276	0.282	0.282	0.000	No change
Lilla Huset Professional Development Centre	0.200	0.200	0.172	-0.028	Increased Fees and Charges
Admissions and ACE	0.519	0.516	0.567	0.051	Pay inflation
Transfer to High Needs	0	0.350	0.461	0.111	Transfer from CSSB to support High Needs
<b>Total Spend/Funding</b>	<b>4.430</b>	<b>4.415</b>	<b>3.878</b>	<b>-0.537</b>	

**Report ends**

## Appendix 1 – Final Factor Rates 2020/21 and Comparison

Factor Rates	M1	M2	M3	M4
Basic/pupil funding	2019/20 H&F Unit Values	2020/21 NFF ACA Weighted (ACA 1.18381)	Proposed 2020/21 M3 Factors Rates (Weighted NFF plus 7.06%) January 2020 SF	FINAL factors 2020/21 (Weighted NFF + 7.90%) - MFG=0.50%
<b>MFG</b>	<b>1.4300%</b>	<b>1.4100%</b>	1.0706	<b>1.079</b>
<b>AWPU</b>				
Primary AWPU	3,565.92	<b>3,382.15</b>	3,620.92	3,649.33
KS3 AWPU	5,114.12	<b>4,756.55</b>	5,092.36	5,132.32
KS4 AWPU	5,327.16	<b>5,399.36</b>	5,780.55	5,825.91
<b>Additional Needs Funding</b>				
<b>Deprivation</b>				
Primary FSM	Not used	<b>532.71</b>	Not used	574.80
Secondary FSM	Not used	<b>532.71</b>	Not used	574.80
Primary FSM6	768.41	<b>662.93</b>	709.74	715.31
Secondary FSM6	1,250.35	<b>964.81</b>	1,032.92	1,041.02
Primary IDACI A	716.70	<b>710.29</b>	760.43	766.40
Primary IDACI B	619.49	<b>514.96</b>	551.31	555.64
Primary IDACI C	572.95	<b>479.44</b>	513.29	517.32
Primary IDACI D	560.54	<b>443.93</b>	475.27	479.00
Primary IDACI E	476.77	<b>295.95</b>	316.85	319.33
Primary IDACI F	460.22	<b>248.60</b>	266.15	268.24
Secondary IDACI A	984.56	<b>994.40</b>	1,064.61	1,072.96
Secondary IDACI B	864.59	<b>739.88</b>	792.12	798.33
Secondary IDACI C	813.92	<b>686.61</b>	735.08	740.85
Secondary IDACI D	761.17	<b>633.34</b>	678.05	683.37
Secondary IDACI E	676.37	<b>479.44</b>	513.29	517.32
Secondary IDACI F	635.00	<b>355.14</b>	380.22	383.20
<b>Low Prior Attainment</b>				
Primary LPA	898.72	<b>1,260.76</b>	1,349.77	1,360.36
Secondary LPA	1,769.52	<b>1,905.93</b>	2,040.49	2,056.50
<b>EAL</b>				
Primary EAL	506.76	<b>633.34</b>	678.05	683.37
Secondary EAL	1,495.45	<b>1,704.69</b>	1,825.04	1,839.36
<b>Mobility</b>				
Primary Mobility	172.71	<b>1,035.83</b>	1,108.96	1,117.66
Secondary Mobility	172.71	<b>1,479.76</b>	1,584.23	1,596.66
<b>Looked After Children</b>	551.23	-		
<b>School Led Funding</b>				
<b>Lump Sum</b>				
Primary lump sum	134,850.37	<b>135,427.86</b>	144,989.07	146,126.67
Secondary lump sum	134,850.37	<b>135,427.86</b>	144,989.07	146,126.67
<b>Sparsity</b>				
Primary sparsity	n/a	n/a	n/a	n/a
Secondary sparsity	n/a	n/a	n/a	n/a



## Appendix 2 – Final School Level Budget Shares

School Name	October 2018 Census (adjusted for Growing Schools)	October 2019 Census (adjusted for Growing Schools)	Pupil Number Change	% Pupil number variance	Proposed Allocations 2020/21 at January SF £	Final 2020/21 Allocations after £525k allocated (Weighted NFF + 7.90%) - £
Addison Primary School	304	295	-9	-3%	1,650,301	1,663,112
All Saints CofE Primary School	202	199	-3	-1%	944,869	952,492
Ark Bentworth Primary Academy	194	182	-12	-6%	1,054,468	1,054,533
Ark Burlington Danes Academy	1,120	1,090	-31	-3%	7,723,476	7,723,484
Ark Conway Primary Academy	209	208	-1	0%	1,122,899	1,131,637
Ark Swift Primary Academy	247	216	-31	-13%	1,274,191	1,274,329
Avonmore Primary School	184	197	13	7%	1,120,318	1,129,073
Brackenbury Primary School	410	395	-15	-4%	2,096,009	2,112,409
Earls Court Primary School	168	196	28	17%	1,002,036	1,009,898
Flora Gardens Primary School	177	192	15	8%	1,131,320	1,140,159
Fulham College Boys' School	322	305	-17	-5%	2,444,796	2,463,791
Fulham Cross Girls' School and Language College	634	637	3	0%	4,724,873	4,724,862
Fulham Primary School	257	249	-8	-3%	1,424,342	1,435,462
Good Shepherd RC Primary School	200	199	-1	-1%	1,016,528	1,024,701
Greenside Primary School	188	202	14	7%	1,103,879	1,112,497
Hammersmith Academy	659	688	29	4%	5,042,239	5,042,183
Holy Cross RC School	589	573	-16	-3%	2,866,444	2,887,979
John Betts Primary School	239	212	-27	-11%	1,033,388	1,041,723
Kenmont Primary School	200	198	-2	-1%	1,110,377	1,119,120
Lady Margaret School	597	598	1	0%	3,750,715	3,780,013
Langford Primary School	167	192	25	15%	1,151,446	1,160,428
Larmenier & Sacred Heart Catholic Primary School	415	410	-5	-1%	1,892,446	1,907,659
Lena Gardens Primary School	80	0	-80	0%	0	0
London Oratory	991	1,001	10	1%	6,040,780	6,087,615
Melcombe Primary School	365	352	-13	-4%	1,892,930	1,907,877
Miles Coverdale Primary School	209	213	4	2%	1,174,614	1,183,819
Normand Croft Community School for Early Years and Primary Education	181	186	5	3%	1,515,138	1,515,101
Old Oak Primary School	299	254	-45	-15%	1,531,094	1,542,953
Phoenix Academy	408	455	47	12%	3,821,475	3,821,337
Queen's Manor School and Special Needs Unit	193	181	-12	-6%	991,385	999,122
Sacred Heart High School	936	970	34	4%	6,066,400	6,113,807
Sir John Lillie Primary School	285	279	-6	-2%	1,560,220	1,572,320
St Augustine's RC Primary School	212	208	-4	-2%	1,068,006	1,076,610
St John XXIII Catholic Primary School	289	323	34	12%	1,749,231	1,763,310
St Johns Walham Green Church of England Primary School	357	360	3	1%	1,690,491	1,698,498
St Mary's Catholic Primary School	194	188	-6	-3%	1,034,283	1,042,597
St Paul's CofE Primary School	199	193	-6	-3%	1,083,783	1,092,490
St Peter's Primary School	207	206	-1	0%	1,033,761	1,041,942
St Stephen's CofE Primary School	407	418	12	3%	1,965,895	1,981,783
St Thomas of Canterbury Catholic Primary School	248	217	-31	-13%	1,112,595	1,121,553
Sullivan Primary School	222	214	-8	-4%	1,184,305	1,193,549
The Fulham Boys School	546	586	40	7%	3,999,095	3,999,005
The Hurlingham Academy	476	551	75	16%	4,206,146	4,205,960
Thomas's Academy	199	204	5	3%	1,169,097	1,178,220
Wendell Park Primary School	391	380	-11	-3%	1,933,335	1,935,183
West London Free School	647	648	1	0%	4,343,412	4,377,018
West London Free School Primary	394	419	25	6%	2,014,764	2,030,107
Wormholt Park Primary School	389	359	-30	-8%	2,073,456	2,089,687
<b>TOTALS</b>	<b>17,004</b>	<b>16,996</b>	<b>-8</b>		<b>102,937,052</b>	<b>103,463,007</b>