

# 2020/21 Schools Budget Update

**Hammersmith & Fulham Budget  
Workshops Week Commencing 4<sup>th</sup>  
November 2019**

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# Agenda

- ▶ Quick Introductions
- ▶ Key Changes in Schools Funding 2020/21
- ▶ Overview of Modelling and Schools Forum Papers
- ▶ Detailed Provisional Modelling for 2020/21
- ▶ Decisions required at Schools Forum
- ▶ Key Dates
- ▶ Staffing Cost Estimates - provisional Guide
- ▶ Questions and Answers

# Key Funding Updates November 2019

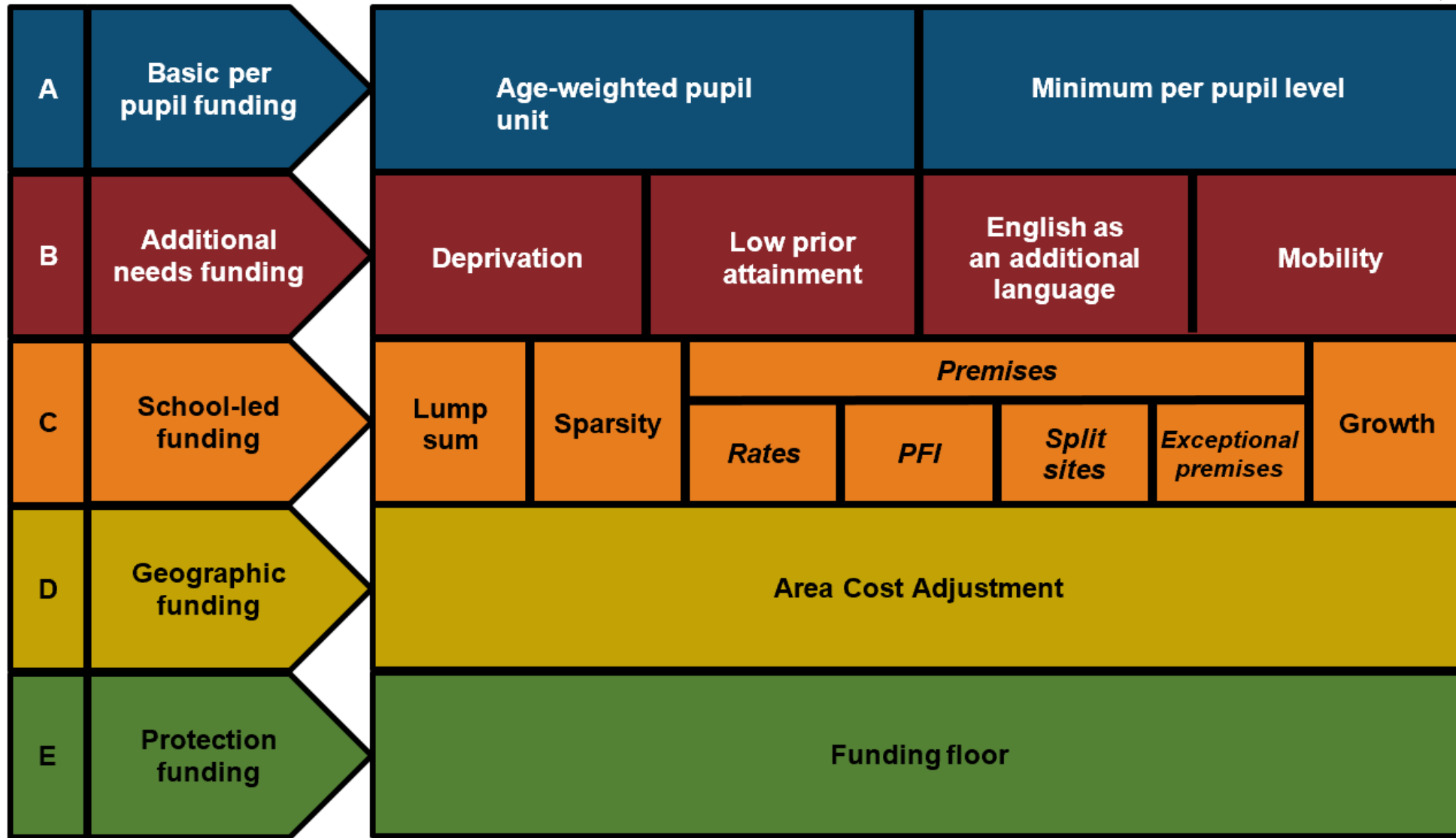
- Nationally Schools' Block funding is set to increase year on year to £7.1bn by 2022-23 compared to 2019-20. ( £2.6bn in 2020-21)
- Government has confirmed its intention to move to a single hard formula from 2021-22
- Central Service Block funding will continue to reduce over the medium term.
- High Needs Block Funding will increase by £780m nationally
- Early Years Block funding will increase by £66m nationally. The maintained nursery supplement will continue for the whole of 2020-21
- Teachers Pay Grant and Teachers Pension Grant will continue to be paid separately from the NFF Schools Block
- Teaching starting salaries are set to increase to £30,000 by 2022

# Dedicated Schools Grant Increase 2020/21

## ▶ Schools Block

- ▶ Initial schools block funding is £103.508m, an increase of £0.632m ( 0.614%)
- ▶ This is based on Oct 2018 pupil numbers and excludes growth
- ▶ The allocation for growth will be notified in the final funding allocation ( December 2019)

The structure of the schools NFF is broadly unchanged...



# 2020/21 Provisional modelling overview

- ▶ Provisional Hammersmith & Fulham funding allocation and model released by the ESFA is based on October 2018
- ▶ Schools block provisional allocation is an increase of 0.6% versus 2019/20 before 2020/21 growth (to be confirmed in December by the ESFA)

## Schools Block Funding Allocation Year on Year

	2019/20 Final £m	2020/21 Provisional £m	Change £m	Change %
<b>Funding</b>	102.876	103.508	0.632	0.614%

- ▶ 2 models developed for initial discussion
  - ▶ **Model 1** - Uses 2019/20 Local factor rates and applies them to 2020/21 APT
  - ▶ **Model 2** - Uses area cost adjusted national Schools Block NFF rates and applies these to the 2020/21 APT

# 2020/21 Provisional modelling overview (2)

- ▶ Key elements for both models
  - ▶ High Needs Block transfer of 1% from Schools Block (circa £1.035m)
  - ▶ Allowance for growing and expanding Schools
  - ▶ Falling Rolls Protection Fund circa £0.133m or 0.13% of the total
- ▶ Key elements of both models for maintained primary schools only:
  - ▶ Dedelegated budget provision of £0.709m or 1.84% of maintained schools
  - ▶ Education functions fund of £0.323m or 0.84% of maintained schools
- ▶ Key differences between Model 1 (current local factor rates) and Model 2 (NFF with area cost adjustment):

## Key Differences in Model 1 versus model 2

	Model 1 (Current Local Factors)	Model 2 (NFF ACA Factors)
Minimum Funding Guarantee (MFG) Rate used	1.43%	1.41%
Total MFG Applied	£2.910m	£4.835m
LAC Factor rate per child?	Included in current local factors	Not Included in NFF

# 2020/21 Provisional modelling overview (3)

## 2020/21 Summary APT Allocations for Model 1 and 2 Versus 2019/20 allocations:

▶ Key	2019/20 Final Budget Includes 2019/20 Growth			2020/21 Model 1 Before Growth Current Local Factors MFG 1.43%			2020/21 Model 2 Before Growth NFF Factors MFG 1.41%		
	£	% of total	% of maintained	£	% of total	% of maintained	£	% of total	% of maintained
Academy ISB Recoupment	63,946,963	62.16%		63,793,849	61.63%		63,781,786	61.62%	
Maintained Schools ISB after deldelegation and Education Functions	37,218,673	36.18%	98.14%	37,512,892	36.24%	97.32%	37,526,365	36.25%	97.32%
Maintained Dedelegated Budgets	706,447	0.69%	1.86%	709,115	0.69%	1.84%	709,115	0.69%	1.84%
Maintained Education Functions	-	0.00%	0.00%	323,010	0.31%	0.84%	323,010	0.31%	0.84%
<b>Total Individual Budget Share</b>	<b>101,872,083</b>	<b>99.02%</b>	<b>100.00%</b>	<b>102,338,866</b>	<b>98.87%</b>	<b>100.00%</b>	<b>102,340,276</b>	<b>98.87%</b>	<b>100.00%</b>
Falling Rolls Protection Fund	-	0.00%		133,801	0.13%		132,391	0.13%	
Transfer to High Needs	1,003,917	0.98%		1,035,077	1.00%		1,035,077	1.00%	
<b>Provisional Allocation</b>	<b>102,876,000</b>	<b>100.00%</b>		<b>103,507,744</b>	<b>100.00%</b>		<b>103,507,744</b>	<b>100.00%</b>	



# 2020/21 Dedelegated Budgets Summary

<b>Area of Expenditure</b>	<b>2019/20 Budget £</b>	<b>2020/21 Proposed £</b>	<b>Change</b>
Maintained Schools in Financial Difficulty/Contingency	200,000	200,000	0
Maintained Schools Trade Union Facilities Cover	140,000	30,000	-110,000
Maintained Schools Maternity Cover Fund	140,000	140,000	0
Maintained Schools Licence Fees	40,000	40,000	0
Behavioural Support (SEND)	29,000	32,115	3,115
Free School Meals Eligibility	32,000	32,000	0
Underperforming Ethnic Groups	125,000	125,000	0
School Improvement	0	110,000	110,000
<b>Total</b>	<b>706,000</b>	<b>709,115</b>	<b>3,115</b>

# 2020/21 Maintained Education Functions

Area of Expenditure	2020/21 Proposed £
Finance	95,000
Asset Management	95,000
Asbestos Management and Risk	50,000
SIMS support	32,100
Clothing Grants	50,910
<b>Total</b>	<b>323,010</b>

# 2020/21 Detailed School Modelling

► Schools Forum 12/11/19 Paper 5:

<http://democracy.lbhf.gov.uk/ieListDocuments.aspx?CId=473&MId=6545&Ver=4>

- Appendix 1 - 2020/21 Summary APT Allocations for Model 1 and 2 Versus 2019/20 allocations
- Appendix 2 - Factor rates used in Model 1 and Model 2 for 2020/21
- Appendix 3 - Comparison of 2020/21 Models 1 & 2 versus 2019/20
- Appendix 4 - Detailed Breakdown with allocations by factor

# Decisions Required from Schools Forum

- ▶ Continue to transfer 1% of the total Schools Block to the High Needs Block in 2020/21. This equates to £1.035m based on the provisional allocation. A disapplication to the Minister of State for approval is required again in 2020/21.
- ▶ Top-slice the 2020/21 Schools Block to the value of £0.133m or 0.13% of the total for the Falling Rolls protection fund in 2020/21. Together with the £0.125m retained balance for falling rolls, this would establish a total fund of £0.258m for 2020/21.
- ▶ Agree the proposed dedelegated budgets proposed for 2020/21 totalling £709,115 (maintained school representatives)
- ▶ Agree to the proposed Education Functions budgets proposed for 2020/21 in Table 6 totalling £323,010 (maintained school representatives)
- ▶ Approve the request to adjust the amount funded through the Minimum Funding Guarantee (MFG) for Ark Burlington Danes Academy (BDA). This adjustment is required as BDA has converted to an all-through school resulting in the MFG being weighted towards the higher per pupil value for secondary phase pupils. This £44,734 adjustment requires the local authority to submit a disapplication request to the ESFA.
- ▶ It is recommended that Schools Forum agree for the LA to consult schools on the basis of models 1 % 2 and the items above.

# Key Dates:

Date	Activity
6 <sup>th</sup> and 7 <sup>th</sup> November	School Budget Briefing's at Lilla Huset
12 <sup>th</sup> November	Schools Forum consider provisional modelling
14 <sup>th</sup> to 27 <sup>th</sup> November	Short Schools Budget Consultation
10 <sup>th</sup> December	Schools Forum consider consultation feedback
Late December	APT with October 2019 census data and final allocation released by ESFA
Week Commencing 6 <sup>th</sup> January	School Budget Briefing's at Lilla Huset
15 January	Schools Forum - final model approved
Mid January	Deadline for submission of the final 2019 to 2020 APT to the ESFA.
Mid January	Leaders urgency decision for Council's approval of the 2020/21 Schools budget.
28 February	Deadline for confirmation of school budget shares to mainstream maintained schools.

# Staffing Cost Modelling

(Possible Provisional Estimate Based on national rates)

- ▶ Schools could model the impact on costs if this model was applied?
- ▶ Would this be funded? Unknown at this stage

	2019	Assumes headline increase of 2.5% 2020	Assumes headline increase of 2.5% 2021*	Assumes headline increase of 2.5% 2022
M1	24,373	deleted		
M2	26,298	26,955	27,629	
M3	28,413	29,123	29,851	30,598
M4	30,599	31,364	32,148	32,952
M5	33,010	33,835	34,681	35,548
M6a	35,619	36,509	37,422	38,358
M6b	35,971	36,870	37,792	38,737
UPR1	37,654	38,595	39,560	40,549
UPR2	39,050	40,026	41,027	42,053
UPR3	40,490	41,502	42,540	43,603

# Questions and Answers

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