



Lancashire Schools Forum

CC Geoff Driver, CBE, Leader, Lancashire County Council and CC Phillippa Williamson, Cabinet Member for Children Young People and Schools

Tel. 01772 795749
Email head@stfch.lancs.sch.uk
Date 14 January 2020

Dear Geoff and Phillippa,

Schools Budget 2020/21

As you will be aware, at a meeting on 14 January 2020, the Schools Forum was presented with information about the latest proposals for setting the Schools Budget from April 2020.

Following consideration of the proposals, the Forum agreed a number of recommendations for your consideration in finalising the Schools Budget for 2020/21. Where applicable these recommendations follow the outcomes of consultations with schools and early years providers.

The Forum:

Supported the Schools Block proposals, as follows:

- The Minimum Funding Guarantee (MFG) be set at a 2020/21 MFG of +1.84% with no cap on gains (This matches the NFF methodology);
- To transfer Schools Block headroom of circa £2m (0.26% of the Schools Block) once the NFF methodology has been implemented in full as the local formula, to support other funding blocks. (This headroom is generated from Lancashire's Growth allocation).

Supported the High Needs Block (HNB) proposals, as follows:

- To use the increased HNB allocation to cover the forecast growth in High Needs expenditure from April 2020;
- To increase the HNB expenditure to broadly match uplifts in the maintained sector, including:
 - increasing the Weighted Pupil Numbers (WPN) rate by 5% to £4,305;
 - realigning the 'School Specific' allocation in special schools to be more equitable and transparent and provide an increase on a total basis equating to circa 5%;
 - Uplifting the PRU School Specific rate by 4%;
 - Uplifting the PRU Excluded Pupils, Medical and Other pupils rates in line with NFF rates;
 - Increasing the Hospital Education budget to £858k to cover demand led pressures.

Chair Shaun Jukes

C/O The Clerk to the Schools Forum, • Financial Management (Development and Schools)
PO Box 100, County Hall, Preston, PR1 0LD

Supported the Early Years Block (EYB) proposals, as follows:

- To passport additional Government 2020/21 allocations for 2, 3 and 4 years olds in full by increasing base rates by 8p per hour;
- To use the transfer of £2m headroom from the Schools Block in the EYB, which will include, for one year only:
 - an local increase to the 3&4 year old base rates of an extra 8p per hour, in addition to that provided by the increased Government funding;
 - an increased of £200k to the SEN Inclusion Fund from April 2020, to provide a higher budget to support early years pupils with high needs
- Other factors within the Early Years Funding Formula to continue, at 2019/20 rates, including the supplementary funding for Maintained Nursery Schools.

Supported Central School Services Block (CSSB) proposals, as follows:

- Noted the correspondence from the Police and Crime Commissioner for Lancashire in connection with the Domestic Abuse service and acknowledged the value of the service;
- Noted the DfE requirements in Regulations and Operation Guidance relating to Dedicated Schools Grant (DSG) 'historic commitments' funding meant that a Dedicated Schools Grant (DSG) allocation to the Domestic Abuse Service could not be reinstated;
- Agreed the allocation of DSG to 'Combined Budgets' as follows:
 - (Multi-Agency Safeguarding Hub (MASH) - £150k;
 - Emotional Health and Wellbeing Service - £200k.

Supported the Dedicated Schools Grant Reserve underwriting the uncertainties around the 2020/21 DSG Schools Budget, across Schools Block, High Needs Block, Early Years Block and CSSB.

The Forum also approved a number of budget lines and arrangements using our decision making powers. These are set out at Annex1.

I hope that you will be able to accommodate our recommendations and decisions when you set the Schools Budget for 2020/21.

With best wishes.

Yours sincerely



Shaun Jukes
Chair, Lancashire Schools Forum

**SCHOOLS BUDGET 2020/21
SPECIFIC APPROVALS NEEDED FROM THE SCHOOLS FORUM**

The School and Early Years Finance (England) Regulations require certain proposals by the Local Authority relating to the Schools Budget to be approved by the Schools Forum. .

An indication of the specific proposals that have previously been considered and approved by the Forum is included together with proposals now put forward that require approval.

Function	LA proposals 2020/21	Expenditure: 2020/21 £m
Consultation on Formula Changes		
<ul style="list-style-type: none"> Proposals around possible changes to the discretionary payment elements in the EYNFF were the subject of consultation with the all providers in the autumn term. 	In accordance with the majority of consultation responses, the Forum meeting of 17 October 2019 agreed that that no changes to the 2020/21 EYNFF should be made. Final EYNFF arrangements were agreed as part of the final proposals for the Schools Budget 2020/21	
<ul style="list-style-type: none"> Adjustments to the notional SEN calculation were subject to consultation in the autumn term 	Consultation responses were provided for the Forum, and in accordance with responses and recommendations from the Schools Block, the notional SEN is changed to remove the Basic Pupil elements from the calculation in the Schools Budget 2020/21	
De-delegation for mainstream schools	LA proposals for: <ul style="list-style-type: none"> Schools in financial difficulty; Museum service (primary only); Staff Costs Public duties/Suspensions; 	

	<ul style="list-style-type: none"> • Primary Inclusion Hubs <p>Approved by the Schools Forum on 17 October 2019</p>	
Movement of up to headroom from the schools block to other blocks	<p>Consultation responses are provided in the Forum papers, and in accordance with responses and recommendations from the Schools Block, proposals to transfer headroom from Schools Block are built into the Schools Budget 2020/21.</p> <p>Arrangements to transfer the headroom to the Early Years Block were agreed as part of the final proposals for the Schools Budget 2020/21</p>	2.000
Contracts (where the LA is entering a contract to be funded from the schools budget)	No Proposals at this time	
Financial issues relating to:		
<ul style="list-style-type: none"> • arrangements for pupils with special educational needs, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding 	Proposals contained in the High Needs Block Working Group recommendations for Forum report for 14 January 2020 and were agreed as part of the final proposals for the Schools Budget 2020/21	
<ul style="list-style-type: none"> • arrangements for use of pupil referral units and the education of children otherwise than at school, in particular the places to be commissioned by the LA and schools and the arrangements for paying top-up funding 	Proposals contained in the High Needs Block Working Group recommendations for Forum report for 14 January 2020 were agreed as part of the final proposals for the Schools Budget 2020/21	
<ul style="list-style-type: none"> • arrangements for early years provision 	Proposals contained in the Early Years Block Working Group recommendations for Forum report for 14 January 2020. Central funding levels were agreed as part of the final proposals for the Schools Budget 2020/21	0.500

<ul style="list-style-type: none"> administration arrangements for the allocation of central government grants 	No Proposals at this time beyond passporting DfE allocations to schools	
Minimum funding guarantee (MFG)	Consultation responses on MFG and capping are provided in the Forum papers, and in accordance with responses and recommendations from the Schools Block, the MFG and capping levels mirror those in the NFF and are set at an MFG of +1.84% with no cap on gains in the Schools 2020/21 and were agreed as part of the final proposals for the Schools Budget 2020/21	
General Duties for maintained schools Contribution to responsibilities that local authorities hold for maintained schools	No Proposals at this time	
Central spend on and the criteria for allocating funding from:		
<ul style="list-style-type: none"> funding for significant pre-16 pupil growth, including new schools set up to meet basic need, whether maintained or academy 	<p>Policy previously agreed by the Schools Forum. Proposal to increase the growth fund unit values in line with increased NFF Minimum Pupil Funding levels for 2020/21</p> <p>Final budget proposals are contained in the Schools Budget 2020/21 report and were agreed as part of the final proposals for the Schools Budget 2020/21</p>	2.000
<ul style="list-style-type: none"> funding for good or outstanding schools with falling rolls where growth in pupil numbers is expected within three years 	No Proposals at this time	
Central spend on:		
<ul style="list-style-type: none"> early years block provision funding to enable all schools to meet the infant class size requirement 	No Proposals at this time	

<ul style="list-style-type: none"> back-pay for equal pay claims 	No Proposals at this time	
<ul style="list-style-type: none"> remission of boarding fees at maintained schools and academies 	No Proposals at this time	
<ul style="list-style-type: none"> places in independent schools for non-SEN pupils 	No Proposals at this time	
<ul style="list-style-type: none"> admissions 	Final budget was agreed as part of the final proposals for the Schools Budget 2020/21	0.937
<ul style="list-style-type: none"> servicing of schools forum 	Final budget was agreed as part of the final proposals for the Schools Budget 2020/21	0.188
<ul style="list-style-type: none"> Contribution to responsibilities that local authorities hold for all schools 	No Proposals at this time	
Central spend on:		
<ul style="list-style-type: none"> capital expenditure funded from revenue: projects must have been planned and decided on prior to April 2013 so no new projects can be charged 	No Proposals at this time	
<ul style="list-style-type: none"> contribution to combined budgets: this is where the schools forum agreed prior to April 2013 a contribution from the schools budget to services which would otherwise be funded from other sources 	Final budget was agreed as part of the final proposals for the Schools Budget 2020/21	0.350
<ul style="list-style-type: none"> existing termination of employment costs (costs for specific individuals must have been approved prior to April 2013 so no new redundancy costs can be charged) 	No Proposals at this time	
<ul style="list-style-type: none"> prudential borrowing costs – the commitment must have been approved prior to April 2013 	Final budget was agreed as part of the final proposals for the Schools Budget 2020/21	0.240
Central spend on:		

<ul style="list-style-type: none"> • high needs block provision 	Final budget was agreed as part of the final proposals for the Schools Budget 2020/21	27.727
<ul style="list-style-type: none"> • central licences negotiated by the Secretary of State 	Final budget was agreed as part of the final proposals for the Schools Budget 2020/21	0.960
Carry forward a deficit on central expenditure to the next year to be funded from the schools budget	No Proposals at this time	
Any brought forward deficit on de-delegated services which is to be met by the overall schools budget.	No Proposals at this time	