

Schools Forum

23rd October 2018

DfE Funding Announcements and other Updates for 2019/20

Introduction

1. This paper is intended to inform the Schools Forum about the funding and other related announcements made since the last meeting.

Dedicated Schools Grant (DSG)

2. The DfE have published provisional funding allocations for each Local Authority for 2019/20 schools block, high needs block and central schools services block. These funding allocations will be updated for October 2018 school census and published in December 2018.
3. The key features of the funding changes:-
 - a. The DfE originally intended that a “hard formula” would be in place by 2020/21. However, they have confirmed that funding will be distributed to local authorities via a national funding formula for 2019/20 and 2020/21. The national funding formula will set notional school level allocations, which will be aggregated, and used to calculate the total schools block received by each local authority.
 - b. For 2019/20 and 2020/21 local authorities will continue to determine allocations to schools using their existing local schools formula (this approach is referred to by the DfE as a “soft formula”).
 - c. Three key aspects of the schools national funding formula are being updated in 2019/20:-
 - i. Within the schools block, the government will provide for at least a 1% per pupil increase for each school in 2019/20 through the national funding formula compared to their 2017/18 baseline.
 - ii. The minimum per pupil funding levels have increased to £3,500 for all primary schools and £4,800 for all secondary schools.
 - iii. The gains cap has increased so that schools can attract gains of up to 6.09% against their 2017/18 baselines.
 - d. Growth funding will be provided to local authorities on a formulaic basis but there will not be any changes to the ways in which local authorities can distribute growth funding.

- e. The primary low prior attainment factor value will be reduced to £1,022 to balance the increase in the cohort.
- f. A new funding floor factor has been created to enable local authorities to mirror the increase of 1% per pupil against 2017/18 baselines.
- g. The minimum funding guarantee (MFG) for schools will continue, and local authorities continue to have the flexibility to set a local MFG between minus 1.5% and plus 0.5% per pupil.
- h. Within the high needs block, the government has provided for at least a 0.5% increase adjusted for population changes in 2019/20 and this is reflected in the allocations to local authorities through the high needs national funding formula.
- i. The schools block will again be ring-fenced in 2019/20. Local authorities are able to transfer up to 0.5% of their schools block funding with the agreement of their schools forum. Transfers of more than 0.5% must be approved by the Secretary of State. Further details are in the School Budget Monitoring and High Needs Report also on today's agenda.

Teacher Pay Grant

4. In July 2018, the Government announced the teachers pay award from September 2018 following recommendations from the School Teachers Review Board (STRB):-
 - 3.5% for the main pay scale
 - 2.0% for the upper pay scale
 - 1.5% for the leadership scale.
 - 2.0% for TLRs (payments for additional responsibilities)
5. Shortly afterwards the DfE said it would be introducing a grant separate to the DSG in 2018/19 and in 2019/20 to assist schools with the costs. The detailed grant allocations were not announced, although the statement did clarify that the grant will fund the difference between the above and the 1% it was assumed that schools have already budgeted for.
6. In September 2018 the DfE published the methodology for the Teachers' Pay grant. It is to be awarded to schools based on pupil numbers, inclusive of 2 to 19 year olds. The pay-rise applies from September 2018, so allocations for 2018/19 are 7/12ths of the allocation for 2019/20.

Sector	2018/19	2019/20
	£	£
Primary Schools	16.40	28.29
Secondary Schools	26.54	45.56
Special / AP	65.65	113.46

7. For clarity, the Council will pass on this grant to maintained schools and academies will receive it directly from the ESFA. It should also be noted there is no grant for centrally funded teachers such as those in the Tees Valley Music Service and SEN Service.

Free School Meals

8. To protect pupils from uncertainty during the changes to free school meals (FSM) eligibility, the Government has announced transitional protections that mean that pupils in receipt of FSM immediately prior to 1 April 2018, and those who become eligible during Universal Credit rollout, will retain eligibility until the end of this rollout period. Following this, if they are still in education, they will continue to be eligible until the end of their phase of education.
9. This means that schools should not remove FSM eligibility from pupils until at least 2023, continuing to offer them meals and record them as eligible on the school census.

Heathy Pupils Capital Fund (HPCF)

10. The HPCF is intended to improve children's and young people's physical and mental health by improving and increasing availability to facilities for physical activity, healthy eating, mental health and wellbeing and medical conditions.
11. This funding is provided from the Soft Drinks Industry Levy for 2018/19 only. Stockton on Tees Borough Council allocation, available to Local Authority maintained primary schools & PRU, is £107,667. Bids have been invited for projects by the closing date of 30 November.

Opportunity North East

12. The Education Secretary, Damian Hinds, announced opportunities and job prospects for young people in the North East of England are to be addressed by investment to boost social mobility and raise aspirations for children.
13. Launching Opportunity North East, the Education Secretary has pledged £24 million to tackle issues holding young people from all communities back and that can risk areas feeling "left behind". While the North East has some of the best performing primary schools in the country, secondary school performance is significantly below other regions, and fewer 18-year-olds attend the country's top universities than those from any other part of the country. The North East also has one of the highest proportions of young people not in education, employment or training after year 11. Opportunity North East will aim to tackle these issues by:-

- Investing £12 million in targeted approaches to improve the transition from primary to secondary school, drive up standards – particularly at secondary level – and improve outcomes for pupils post 16;
- Working with secondary schools and colleges to encourage young people to consider university, degree apprenticeships and other high quality technical education options;
- Partnering with local businesses to improve job prospects for young people across the region; and
- Investing a further £12 million to boost early career training for new teachers and help improve the quality of teaching and raise standards in the region’s schools, ahead of roll-out in other regions.

14. Projects funded through the Opportunity North East programme will be in place in 2019 and will look to build on the work already underway in the region. Education, business and council leaders in the North East, among others, will form an executive board to drive the project forward and raise education standards – reporting directly to Parliamentary Under Secretary of State for the School System Lord Agnew.

Schools Forum Operational and Good Practice Guide

15. The Education and Skills Funding Agency (ESFA) published an updated guide designed to provide Local Authority officers and Schools Forum members advice and information for good practice in the operation of School Forums. The information includes the Forums powers and responsibilities. The documents have been sent electronically to members and are also available at the following link:-

<https://www.gov.uk/government/publications/schools-forums-operational-and-good-practice-guide-2015>

16. The guidance also includes a self-assessment toolkit to provide a framework for assessing the strength and weaknesses of the Schools Forum. It is proposed that a copy is completed and brought to the next meeting for consideration.

Recommendation

17. That the Schools Forum:-
- a. Note the changes to Schools Funding for 2019/20
 - b. Consider the completed good practice self-assessment at its next meeting

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