

Papers for meeting of Surrey Schools Forum Thursday 14 November 2019

<i>Item 4</i>
Surrey Schools Forum
14 November 2019
<i>For information</i>

Update on October 2019 DfE funding announcements

(schools and early years)

The DfE has provided some additional information on schools and early years funding for 2020/21 since the previous meeting of Schools Forum.

NFF Schools block

The estimated increase in funding for Surrey's mainstream schools (before adjusting for changes in pupil numbers and in growing schools block) is £27.3m or 4.4%. The change in the growing schools block has yet to be advised, but we are expecting a loss of at least £1m due to removal of residual transitional funding, making a net increase in schools block DSG of £26.3m. We currently anticipate that part, but not all, of the growth reduction can be offset by reduced demand for additional places.

Most DfE formula factor values were increased by around 4% (but rounded), including the lump sum, However, the free school meals factor increases by only 2.2% (because the DfE has linked this to actual cost).

Central schools services block (excluding historic cost)

This funds specified school support services. Surrey's indicative allocation has reduced by £79,000 (1.5%) from 2019/20 to 2020/21, due to loss of transitional funding. There is no inflation increase in the CSSB (although the final allocation is expected to be higher due to increased pupil numbers).

Central schools services budget: historic commitments funding (combined services)

This is funding for various categories of historic commitments. In Surrey this covers the former confederation and additional school improvement funding (£1.087m). This has been reduced by 20% from 2019/20 to 2020/21, for all of those LAs which receive it.

High needs block

The increase in funding for Surrey from 2019/20 to 2020/21 is £12.2m, which is made up of

- an 8% increase per 2-18 population plus
- 0.92% increase in estimated 2-18 population. This is subject to further adjustments based on the Oct 2019 census.

Early years block

Hourly funding rates for the LA for two, three and four year olds have increased by 8p (approx. 1.5%).

DfE consultation on the minimum per pupil funding level (MPPL): now closed

The DfE ran a consultation in October on the technical details of the operation of the minimum per pupil level. The main issue relevant to Surrey was the circumstances in which the Secretary of State might consider approving an LA application for a reduction in the MPPL. The DfE proposal is that this should be considered only on grounds of affordability ie...

- if the LA transfers funding from the schools block to another DSG block or held back more funding for their growth fund than the NFF has provided for growth; or
- if the more recent pupil characteristics data used in their local formula has changed significantly enough from the data used in the NFF that the use of national factor values becomes unaffordable. (eg if there was a huge increase in incidence of low prior attainment between Oct 2018 and Oct 2019).

DfE consultation on the ringfencing of the Dedicated Schools Grant (closes 15 November)

DfE is consulting on a proposal to require LAs to carry forward DSG overspends in full to later years, unless specific approval is given by the Secretary of State to use other funds available to the council. Currently there is no legal restriction on the use by LAs of other funds to supplement the DSG. There is no specific mention of limiting budgeted council contributions to DSG services.

Simultaneously the DfE would remove the requirement for LAs to obtain the approval of Schools Forum to meet a DSG deficit from the following year's DSG.

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<i>Item 5 (part)</i>
Surrey Schools Forum
14 November 2019
<i>For recommendation and decision</i>

Surrey Schools' and Early Years Funding Consultation 2020/21

Outcome of the consultation

The schools funding consultation is due to close on 12 November and the results will be tabled at the meeting. This paper summarises the questions to be discussed.

School funding proposals

The Forum will be asked for decisions on

Proposal C1 and Q1: the continued transfer of 0.5% of schools block funding to support the high needs block (estimated at £3.3m);

Proposal C3.5 and Q11 That growing schools funding should continue to match the per pupil funding rates in the main funding formula even if that means a subsidy from the main funding formula;

Proposal C6 and Q18: de-delegation proposals (for decision by representatives of primary and secondary maintained schools only)

- a) Specialist Teachers (behaviour support) (primary schools only);
- b) CAPITA SIMS licences;
- c) Teaching Association and Trade Union time;
- d) Other Special staff costs (eg for public duties and suspensions);
- e) Free school meals eligibility checking;
- f) Primary school specific contingency;
- g) Additional school improvement services for primary schools (Intervention Fund) for interim leadership and other school improvement costs, where a school faces standards issues and its delegated budget is insufficient to bear the costs;
- h) school improvement support to travellers.

The LA has the right of appeal to the Secretary of State against the Forum's decision on any of the issues listed above in proposals C1, C3.5 and C6.

The Forum will be asked for recommendations on

Proposal C2 and Q2-4 Changes to the basis of calculation of additional SEN funding for mainstream schools;

Proposal C3.1 and Q5 A reduction in the minimum per pupil funding rates from those in the National Funding Formula. (this would require DfE approval in order to implement);

Proposal C3.2 and Q6 The level of the minimum funding guarantee (1.34% or 1.84%);

Proposal C3.3 and Q7 A target ceiling of 5.5% on gains under the updated funding formula;

Proposal C3.3 and Q8 That the ceiling should be lower than 5.5% if necessary in order to avoid moving away from the NFF;

Proposal C3.3 and Q9 That any other available resources should be used to move further towards the NFF;

Proposal C3.4 and Q19 That current lump sum rates should be increased by 4%;

Proposal C3.6 and Q13 That funding for pupil mobility should continue, based on the new DfE method;

Proposal C3.7 and Q14 That formula funding for looked after children should continue.

Proposal C3.8 and Q15 That the former combined services funding for confederations and school improvement (which is part of the funding formula but outside the NFF schools block) should be reduced by 20%, in line with reductions in DfE funding for combined services;

Proposal C4 and Q16 Return of part of the unspent school specific contingency to schools, based on contributions made in 2018/19

Proposal C5 The use of in year October data (rather than lagged data) to allocate element 2 place funding for pupils with EHCPs in mainstream sixth forms.

Proposals C3.1-3.8 and C4 concern the schools funding formula and therefore any vote on these proposals is restricted to school, academy and early years members.

Early years funding proposals

The Forum will be asked for recommendations on:

Proposal: E1 An increase of up to £2m in the inclusion fund, in order to increase targeted support for early intervention and vulnerable children,

Proposal E2 An increase in the hourly rates in the early years funding formula for both 2 and 3-4 year olds, by the same percentage as the funding rates paid by DfE to Surrey, in order to allow resources to be concentrated on supporting vulnerable children (via the inclusion fund).

The Forum will be asked for decisions on the following proposals, which count as centrally managed funding.

Proposal E3 The continued provision of an Inclusion Fund for 2 year olds;

Proposal E4 The continued retention of 5% of funding for 3-4 year olds for 2020/21 for use as described in the consultation paper.

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<i>Item 7</i>
<i>Surrey Schools Forum</i>
<i>14 November 2019</i>
<i>For decision</i>

Request for falling rolls funding for Kings College, Guildford

Summary

At the January 2019 meeting of Schools Forum, officers noted that a review of the falling rolls funding allocations to some secondary schools might be appropriate during 2019/20, where schools previously eligible for such funding experienced a rise in pupil numbers in Oct 2019 which had not been forecast. Kings College, Guildford has asked to be considered for such a review. The basis of allocation of falling rolls funding requires the approval of Schools Forum. The Forum is asked to consider this request.

Background

“Falling rolls funding” for good and outstanding secondary schools with temporary dips in rolls, is being phased out in Surrey, largely in response to changes in DfE funding, which have reduced the amount of funding available in Surrey for growing schools and falling rolls funding. The Forum has previously agreed that 2019/20 is the final year in which falling rolls funding is available.

Falling rolls funding for individual schools has historically been calculated using projections based on the previous October census, and the Forum agreed that the maximum allocation for any school in 2019/20 would be half of the allocation actually received in 2018/19. The majority of the secondary schools which received falling rolls funding in previous years are no longer eligible in 2019/20, because their pupil numbers have now already been increasing for several years. However, Kings College has asked for the basis of the forecast to be reconsidered on the basis of actual Oct 2019 pupil numbers, on the basis that following its recent OFSTED judgement of “good” the school expects an increase in pupil numbers, which is not projected by the previous forecasts (which were necessarily based on historic data).

The issue was discussed briefly at the June meeting, but no conclusion was reached. The academy trust has asked that the issue is reconsidered now that October 2019 pupil numbers are known.

The school received a falling rolls allocation of £146,681 in 2018/19 and thus the maximum allocation in 2019/20 would be £73,341. We have reworked the original calculation taking into account October 2019 pupil numbers and have concluded that if admissions in the next few years exceed 77 the falling rolls fund allocation due

based on existing criteria and updated pupil number projections, would be at least £73,341. Schools commissioning colleagues are of the view that admissions of 77 are realistic and achievable without drawing pupils from other local schools

The Forum is asked whether in these circumstances it would approve a falling rolls allocation to Kings College of £73,341.

This would be a one off measure for 2019/20.

King's College

The school is greatly undersubscribed with around 313 on roll as at October 2019, see Table 1 against capacity of 900 places.

Table 1 – Numbers on Roll

Year	7	8	9	10	11	Totals
	82	46	62	53	70	313

Table 2 gives the latest forecasts for Guildford Town. The forecasts show some increases in Year 7 up to 2023/24 then a slight reduction in subsequent years and increasing again at the end of the forecast period. The overall numbers on roll increase to 2023 and then decline, there are still surplus places for the period of the forecasts when compared to the schools' capacity.

Table 2 – Guildford Town Forecasts

Academic year	Yr 7 PAN 2018	Projections						Capacity
		Yr 7	Yr 8	Yr 9	Yr 10	Yr 11	Total	
2020-21	1,026	916	960	863	901	829	4,469	5,130
2021-22	1,026	920	915	959	859	893	4,546	5,130
2022-23	1,026	963	920	914	955	850	4,602	5,130
2023-24	1,026	930	963	918	910	946	4,667	5,130
2024-25	1,026	887	930	962	914	901	4,594	5,130
2025-26	1,026	881	886	928	957	906	4,558	5,130
2026-27	1,026	838	880	885	924	949	4,476	5,130
2027-28	1,026	860	838	879	881	916	4,374	5,130
2028-29	1,026	895	859	837	875	872	4,338	5,130
2029-30	1,026	932	894	858	832	866	4,382	5,130

Table 3 shows what would happen if King's College were closed and the loss of the 900 pupil places currently available. This creates a deficit of places across the town and would require expansions at existing schools without the necessary capital funding to do so.

Table 3 – Forecasts compared to reduced capacity

Academic year	Forecasts	Capacity without King's College	Deficit of Places
2020-21	4,469	4,230	-239
2021-22	4,546	4,230	-316
2022-23	4,602	4,230	-372
2023-24	4,667	4,230	-437
2024-25	4,594	4,230	-364
2025-26	4,558	4,230	-328
2026-27	4,476	4,230	-246
2027-28	4,374	4,230	-144
2028-29	4,338	4,230	-108
2029-30	4,382	4,230	-152

The forecasts shown do not include any pupil product from new housing. Guildford's Local Plan this has gone to Judicial Review and the outcome is not expected until early next year. This may have an impact on when and where new homes are provided.

The closing of King's College would not provide sufficient places for pupils in Guildford in the long term. In addition any closure of the school would require additional accommodation to house existing pupils.

Recommendation

That Schools Forum approve a falling rolls allocation to Kings College of £73,341 for 2019/20 as a one off payment, as this is the final year in which falling rolls funding will be available in Surrey.

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