



Buckinghamshire County Council Select Committee

Children's Social Care and Learning Select Committee

Report to the Children's Social Care and Learning Select Committee

Title:	New Funding Formula for Schools and High Needs
Committee date:	Tuesday 5 December 2017
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Purpose of Agenda Item

The purpose of this report is to provide an update on the new funding formula for schools and high needs

Background

The Department for Education (DfE) is proposing to implement a National Funding Formula from 2020/21. As part of this the Council has worked closely with the Schools Forum to agree proposals for the next two years.

This report sets out the main changes in education funding and the consultation held with schools. A copy of the recent consultation and as summary of the consultation results is appended.

Summary

- Government moving to a National Funding Formula for all 4 blocks of the Dedicated Schools Grant. (schools, early years, high needs and central)

Key issues

- Changes required in local schools funding formula. Recommendation to move towards the National Funding Formula. A consultation closed 19th November 2017 and subject to Schools Forum support on 28th November, the proposals have been supported.



Schools block (C. £300m)

- School funding will increase c. £10m in 2018/19 and further £10m in 2019/20 (about 3% then further 3%). Buckinghamshire receives the 3rd lowest funding per pupil from the DfE and the gains are the 6th highest in the country.
- Most schools will benefit although small schools will gain least from the proposals.

High needs DSG (C. £80m)

- High needs block is under significant pressure due to growth in children with education and health care plans. The Special Educational Needs & Disability strategy will support managing this demand within the budget available from the DfE. Subject to schools Forum approval £650k of funding will be transferred from the schools block to high needs. £1m Dedicated Schools Grant reserves will also be fully utilised.

Early Years DSG (C. £30m)

- Revenue funding from the DfE for early years provision is unlikely to increase for many years. Early year's providers are under significant pressure due to the free 30 hours offer eroding a cross subsidy from private payers.

Central Schools Services (C. £7m)

- DfE have reduced "ongoing commitments" funding (£3.5m in 2017/18) by £0.7m from 2018/19 and applied efficiencies on this lower baseline on a tapered basis down to proposed National Funding Formula levels equating to £2.5m overall (c. £30 per pupil).
- "Historic commitments" funding is c. £4.5m. Expect DfE to reduce this significantly by 2020/21, possibly remove this funding entirely. Of this £2.3m funds services currently provided by the Buckinghamshire Learning Trust.

Resource implications

The Dedicated Schools Grant to the County Council is over £400m per annum. Of this over £300m goes to schools through a funding formula.

Next steps

A key meeting with the Schools Forum on November 28th 2017 will consider the final recommendations arising from the consultation and will inform the Cabinet Member Decision report. A verbal update on this will be provided at the Committee meeting on the 5th December.

Appendices

Consultation Paper November 6th-19th 2017 and resulting analysis