

Supplementary Information for DSG Cabinet report 22nd January 2019

Feedback from Schools Forum meeting on 16th January 2019 to Cabinet

Schools Forum met to consider the budget proposals for 2019/20 at its meeting on 16th January 2019. This note summarises the key decisions made by Schools Forum on the matters which Cabinet will consider as part of the DSG Budget report on 22nd January 2019.

The key decisions were:

- **Schools Block:** Endorsed the arrangements for distributing £257.845m through the mainstream funding formula in the Schools Block, with a Minimum Funding Guarantee of 0%, and £1.6m set aside for Growth Fund;
- **School Central Services Block:** Approved the use of the £2.329m budget proposed for the Central School Services Block;
- **High Needs Block:** Noted the proposed budget of £58.187m for High Needs, including the use of £2.407m from the High Needs DSG from 2020/21;
- **Early Years Block:** Endorsed the proposed formula values and budgets for 2019/20, including the continued inclusion of a local Maintained Nursery School factor and they agreed the proposed £1.504m centrally retained budget.
- **Growth Fund:** Agreed that the Growth Fund policy for 2019/20 be unchanged from that which operated during 2018/19.

These decisions are consistent with the recommendations being considered by Cabinet.

From the discussions at the meeting, Schools Forum, through the chair, have asked that Cabinet take account of the following matters when setting the DSG budget for 2019/20 and in considering the future schools funding strategy.

- 2019/20 will be a difficult year for schools. Most schools will see a cash standstill in funding per pupil, and as costs are increasing, this represents a real terms reduction. For schools with falling numbers, overall cash budgets will fall;
- The transfer of £2m to the High Needs Block was only possible because of the level of the DfE allocation for Growth Fund. This is not likely to continue, so future planning should not assume continuing transfers from the Schools to the High Needs Block;
- The medium term financial position for the High Needs budget is of great concern.
 - There is a forecast deficit of £3.3m by the end of 2019/20.
 - The High Needs budget strategy is noted, but there are no guarantees that lobbying government will increase funding or the High Needs Transformation Programme will reduce spending sufficiently that the underlying £5m gap between the High Needs DSG and the current level of spending will be closed.
 - Scope for transferring resources from other blocks is likely to reduce, whether through a further reduction in the growth fund allocations in the Schools Block, or the removal of historic central services allocations, or through the move to a harder national funding formula for mainstream schools.
 - Cabinet is asked to ensure that regular reports are provided on the medium term position for the DSG, in particular for the High Needs Block, which include clear financial implications.

Carew Reynell
Chair, Bristol Schools Forum
17th November 2019