

27 September 2018

**Item 5**

**TITLE OF REPORT: Mainstream School Funding Review**

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**Purpose of the Report**

To update Schools Forum on the first meeting of the Mainstream School Funding Review Group, sub group of Schools Forum for 2019/20 mainstream school budgets.

**Background**

Information in reports 3 and 4 were taken into consideration at the first meeting of the sub group 19 September 2018.

The group considered the information in the reports 3 and 4 and the noted the longer timeframe now available until the national funding formula (NFF) is implemented. Local authorities will still have a role in setting local mainstream funding formula to 2020/21 which is an additional year from the original 2019/20.

The group reviewed the previously agreed principles, set out below, and funding aims to ensure they were still fit for purpose and the group agreed to propose the amendment to extend the time for the phasing for an additional year to 2020/21 in principle.

**Principles**

- An affordable equitable and transparent mainstream school funding formula
- A formula that will focus only on mainstream school age range – not taking other age ranges into account (e.g. post 16 or 2, 3 & 4 year olds)
- A formula that where possible prepares schools for the National Funding Formula (NFF) and moves Gateshead's formula in the direction of travel towards the NFF

**Funding Aims**

- Phase the changes required over the next 2 funding periods (2019/20 and 2020/21)
- 1:129 primary secondary ratios
- 3% funding gains cap
- Positive MFG if possible
- Minimise the value of MFG

The group were taken through phasing options to the NFF. The current formula and original phase 2 formula are shown in appendix 1. Appendix 2 shows the current formula and proposed extended phasing over 2019/20 and 2020/21.

### **Proposal**

It is proposed that Schools Forum approves the funding aims and principles to be used for the calculation of 2019/20 mainstream school budgets with the extended timeframe to 2020/21 and the use of the new phase 2 funding factors in appendix 2 as a starting point for the calculation of mainstream school budgets for 2019/20.

### **Recommendations**

It is recommended that Schools Forum approves the funding aims and principles to be used for the calculation of 2019/20 mainstream school budgets with the extended timeframe to 2020/21 and the use of the new phase 2 funding factors in appendix 2 as a starting point for the calculation of mainstream school budgets for 2019/20.

### **For the following reasons: -**

- To provide a clear direction of travel for the calculation of mainstream school funding for 2019/20 and to provide as smooth a transition as possible to the NFF for Gateshead mainstream schools.

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