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Date:	12 December 2003	Email:	paul.fisher@norfolk.gov.uk

To: Headteacher
All Schools

Dear Headteacher

FUNDING SCHOOLS IN FINANCIAL DIFFICULTY

The Director wrote to you recently about the funding settlement for Norfolk for 2004/05 and 2005/06.

The Secretary of State has announced that there will be a minimum funding guarantee for schools in 2004/05. This means that your actual budget for 2004/05 will be the normal formula share as calculated by Norfolk's fair funding model or the minimum funding guarantee, whichever is the higher.

After Christmas I shall be sending you details of your school's minimum funding guarantee plus an indicative budget based on September pupil numbers. Your actual formula budget for 2004/05 will use the January PLASC numbers and will be sent to you at the end of February as normal.

The Director also gave details of a DfES transitional grant to support schools in financial difficulties. This funding is available to support those schools with projected deficits and those with an in-year deficit in 2004/2005, ie whose expenditure exceeds their income. The funding is being provided to enable schools to bring school spending into line with available resource by 2006/07.

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Norfolk's plan to allocate this grant is subject to DfES approval and work continues on deciding what conditions may be applied to accessing the transitional grant.

After Christmas I will be writing to schools again to ask for information that will be the basis for determining school eligibility to this transitional support. This will include:

- an accurate forecast of the 2003/04 final position and the surplus or deficit to be carried forward.
- Forecasts for the years 2004/05, 2005/2006 and 2006/07
These must be at 2004/05 prices, eg including the 2.5% teachers' pay award, etc. Details of the format required will be sent when I write to you after Christmas together with a schedule of inflation factors

To assist schools in budget forecasting I have arranged for revision clinics to be held in January at the Training Suite, ICT Solutions, Heartsease High School. The dates available are Monday, 12 January, Thursday, 15 January, Monday, 19 January and Friday, 23 January. There will be a morning session (09.00 to 12.00 hours) and an afternoon session (13.00 to 16.00 hours) on each date. The normal charge of £60 per session will apply. If you would like to attend one of the revision clinics, please contact John Tester on 01603 223390 as soon as possible.

The intention is that those schools eligible for transitional support will be informed during February.

Yours sincerely

Paul Fisher
Head of Service