

NORTH LINCOLNSHIRE COUNCIL

CHILDREN'S CABINET MEMBER

SCHOOLS FUNDING FORMULA 2016-17

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To update Cabinet Member regarding the feedback from Schools Forum in respect of consultation on the proposed funding formula changes.
- 1.2 To seek Cabinet Member approval of the factors to be used for calculating the funding formula shares for mainstream schools in North Lincolnshire 2016-17.

2. BACKGROUND INFORMATION

- 2.1 The Department for Education (DFE) introduced new arrangements for how schools and academies are funded with effect from 1 April 2013. The Education Funding Agency (EFA) publish Operational guide annually, outlining the arrangements to help local authorities and their schools forums to plan the local implementation of calculation and allocation of school funding formulas for the forthcoming financial year.
- 2.2 The guidance sets out how local authorities calculate individual school and academy budget shares using a range of mandatory and optional formula factors. The data sets for each factor is specified and provided by the EFA.
- 2.3 In 2015-16 the DFE allocated an additional £390m available to the least fairly funded local authorities. North Lincolnshire received an additional £3.7m from this funding. This increased baseline now forms part of the 2016-17 funding available for school budgets.
- 2.4 This report sets out the proposals for the North Lincolnshire schools funding formula 2016-17.
- 2.5 The overall allocation of DSG includes the funding for academies, which is retained by the DFE who allocates directly via the Education Funding Agency (EFA). The funding for academies is based on the local authority funding formula.
- 2.6 The Schools Forum has considered the updated guidance from the DFE and the options available to implement and affordable formula.

- 2.7 Local Authorities are required to provide details of their proposed funding formulas to the EFA and confirm final funding values in January 2016.

3. OPTIONS FOR CONSIDERATION

- 3.1 To approve the use of the national formula factors as outlined in Appendix 1 for use in the calculation of the 2016-17 schools budget shares.

4. ANALYSIS OF OPTIONS

- 4.1 The proposed formula factors meet the requirement of the DFE guidance.
- 4.2 The proposed formula factors produce a model which retains the current ratio of primary/secondary funding.
- 4.3 The proposed formula uses the data as prescribed by the DFE.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

- 5.1 The indicative Schools Block DSG for 2016-17 is based on the schools block unit of funding per pupil of £4,475.39 and for the purposes of calculating the proposed funding formula values, the October 2014 pupil numbers have been used: 22,124.
- 5.2 The indicative schools block allocation from the DFE is £99,013,528, of which £589,000 will be retained for central expenditure leaving £98,424,528 available for distribution to schools.

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT

- 6.1 None

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

- 7.1 There are no changes proposed to the factors used in the local formula. Schools Forum considered options in respect of factor values in order for the formula to be affordable.
- 7.2 Schools have had the opportunity to review the proposed formula and values.

8. RECOMMENDATIONS

- 8.1 That Cabinet Member approves the proposed formula factors to be used to calculate the individual schools budget shares for mainstream schools within North Lincolnshire 2016-17.

- 8.2 That the unit values to be applied to each factor will be confirmed in January 2016, once the final allocation of DSG has been made to North Lincolnshire.

DIRECTOR OF PEOPLE

Civic Centre
Ashby Road
Scunthorpe
North Lincolnshire
DN16 1AB

Author: Becky McIntyre

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Background Papers used in the preparation of this report: None

Appendix 1 Individual Budget Shares Formula

Current Formula 2015-16 (Based on Oct 2014 census)		Total Allocated £	Proposed Formula 2016-17 (Based on Oct 2014 datasets – which will be updated to Oct 2015 datasets)		Total Allocated £
Basic Pupil	£per pupil	79,171,600	Basic Pupil	£per pupil	79,171,600
Primary	3,085		Primary	3,085	
Secondary KS3	4,240		Secondary KS3	4,240	
Secondary KS4	4,490		Secondary KS4	4,490	
Deprivation	£per pupil in dataset	3,353,565	Deprivation	£per pupil in dataset	3,353,565
FSM6	280		FSM6	280	
IDACI Score 1-0.60	10		IDACI Score 1-0.60	10	
IDACI Score 0.6 – 0.50	10		IDACI Score 0.6 – 0.50	10	
IDACI Score 0.50 – 0.40	200		IDACI Score 0.50 – 0.40	200	
IDACI Score 0.40 – 0.30	250		IDACI Score 0.40 – 0.30	250	
IDACI Score 0.30 – 0.25	375		IDACI Score 0.30 – 0.25	375	
IDACI Score 0.25 – 0.20	400		IDACI Score 0.25 – 0.20	400	
Block Sum (per school) Can be different for primary and secondary (maximum limit £175,000)		9,772,000	Block Sum (per school) Can be different for primary and secondary (maximum limit £175,000)		9,908,500
Primary	119,000		Primary	118,500	
Secondary	175,000		Secondary	174,500	
Split Site (per school)	10,000	10,000	Split Site (per school)	10,000	10,000
Exceptional Circumstance	0	0	Exceptional Circumstance	0	0
PFI	Nothing proposed in	0	PFI	Nothing proposed	0

	2014/15			in 2015/16	
Looked After Children	500	56,848	Looked After Children	500	56,848
Mobility (where >10%)	1,500	255,095	Mobility (where >10%)	1,500	255,095
Sparsity		110,651	Sparsity		110,651
Primary (<150 pupils) 2 miles	20,000		Primary (<150 pupils) 2 miles	20,000	
Secondary (<600 pupils) 3 miles	30,000		Secondary (<600 pupils) 3 miles	30,000	
EAL (up to 3 years in education system)		206,937	EAL (up to 3 years in education system)		206,937
Primary	250		Primary	250	
Secondary	250		Secondary	250	
Rates		1,522,511	Rates		1,467,572
Based on actual cost			Based on actual cost		
Low cost High Incident SEN based on Low Attainment pupil data		3,832,185	Low cost High Incident SEN based on Low Attainment pupil data		3,832,185
Primary	365		Primary	365	
Secondary	980		Secondary	980	
London Fringe	n/a	0	London Fringe	n/a	
Historical 6th Form		n/a	Historical 6th Form		n/a
Other Exceptional (EFA approval)		n/a	Other Exceptional (EFA approval)		n/a
85% protection lump sum amalgamation		166,600	Prior year adjustment		3,900
Scaling Factor (set at 0%)		0	Scaling Factor (set at x0%)		0
Minimum Funding Guarantee		0	Minimum Funding Guarantee		0
Total		98,489,994	Total		98,410,255
Primary to Secondary Ration		1:1.27	Primary to Secondary Ration		1:1.27
% funding through Basic Entitlement		80.39%	% funding through Basic Entitlement		80.45%
% of funding through pupil led factors		88.24%	% of funding through pupil led factors		88.31%