

NORTH LINCOLNSHIRE COUNCIL

**CHILDREN, FAMILIES AND LEARNING
CABINET MEMBER**

SCHOOLS FUNDING FORMULA 2017-18

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To update the Cabinet Member regarding the 2017-18 funding allocations for Dedicated Schools Grant and therefore the amount available for Individual School Budgets.
- 1.2 To seek Cabinet Member approval for the proposed unit values for the 2017-18 schools funding formula, including a revised value in respect of the 'low attainment' factor.
- 1.3 The Schools Block allocation for North Lincolnshire 2017-18 is £101.710m of which 98.95% is used to fund maintained schools and academies.

2. BACKGROUND INFORMATION

- 2.1 The Education Funding Agency's (EFA) publish an operational guide annually outlining the arrangements to help local authorities and their schools forums plan the local implementation , calculation and allocation of school funding formulas for the forthcoming financial year.
- 2.2 On 15 December the EFA published the 2017-18 Dedicated Schools Grant (DSG) Allocations for 2017-18. This is based on October 2016 School Census data. The allocation for North Lincolnshire is £125.520m
- 2.3 The element of DSG which is available for the Schools Budget is £101.710m of which £100.637m is set aside for mainstream schools funding. The Operational guide sets out how individual school budget (ISB) shares can be calculated.
- 2.4 This report sets out the final proposals for the North Lincolnshire schools funding formula 2017-18.
- 2.5 The overall allocation of DSG includes funding for academies. This is retained by the DFE who allocate directly to academies via the EFA .
- 2.6 The School's Forum reviewed the funding formula on 21 September 2016 and agreed that the current formula should remain subject to affordability.

- 2.7 The formula has been reproduced following the publication of the October 2016 school census.

3. **OPTIONS FOR CONSIDERATION**

- 3.1 **Option 1** To approve the use of the formula factors and values as outlined in Appendix 1 to calculate the 2017/18 school budget shares.
- 3.2 **Option 2** To retain the existing formula factors and values.

4. **ANALYSIS OF OPTIONS**

- 4.1 The formula factors and values for the options are listed in Appendix 1; this also lists the 2016-17 unit values.
- 4.2 The formula factors meet the requirement of the DFE guidance.
- 4.3 The formula uses the data as prescribed by the DFE.

Option 1

- 4.4 This option increases the value of the low attainment unit by £19 which maximises the proportion of funding that is distributed through pupil led factors.
- 4.5 This option is affordable within the budget schools budget.

4.6 Option 2

- 4.7 This option retains unit values as agreed at the Schools Forum on 21 September 2016.
- 4.8 This option is affordable but leaves £109k of the schools budget unallocated.

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

- 5.1 The final Dedicated Schools Grant schools block allocation from the DFE is £101.710m will be retained for central expenditure leaving £100.637m available for distribution to schools.
- 5.2 The DSG allocation for 2017/18 includes funding for the retained duties element of the Education Services Grant. This means statutory services carried out by the local authority are now included in the central expenditure of the DSG.

6. **OUTCOMES OF INTEGRATED IMPACT ASSESSMENT**

- 6.1 None

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

- 7.1 The Schools Forum were initially consulted on 21 September 2016 in respect of the formula elements and values. It was agreed that the funding formula for 2017/18 would retain the current factors and values, subject to revised census and pupil level data and funding allocations.
- 7.2 The Schools Budget 2017/18 and proposed formula units and values were presented to School's Forum on 8 February 2017 and changes to the value of the low attainment factor was supported.

8. RECOMMENDATIONS

- 8.1 That Cabinet Member approves the use of the formula factors and values outlined in Option 1.
- 8.2 The factors under Option 1 in Appendix 1 are used to calculate the individual schools budget shares for mainstream schools within North Lincolnshire 2017-18.

DIRECTOR OF GOVERNANCE AND PARTNERSHIP

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Background Papers used in the preparation of this report:

Schools Revenue Funding 2017/18: Operational Guide

Appendix 1 Individual Budget Shares Formula

Current Formula 2016-17 (Based on Oct 2015 census)		Total Allocated £	Proposed Formula 2017-18 (Based on Oct 2016 census)		Total Allocated £
Basic Pupil	£per pupil	80,721,252	Basic Pupil	£per pupil	81,076,920
Primary	3,090.00		Primary	3,090.00	
Secondary KS3	4,240.00		Secondary KS3	4,240.00	
Secondary KS4	4,550.00		Secondary KS4	4,550.00	
Deprivation	£per pupil in dataset	3,100,799	Deprivation	£per pupil in dataset	3,406,722
FSM6	280.00		FSM6	280.00	
IDACI Score 1-0.60	10.00		IDACI Score 1-0.60	10.00	
IDACI Score 0.6-0.50	10.00		IDACI Score 0.6-0.50	10.00	
IDACI Score 0.50-0.40	200.00		IDACI Score 0.50-0.40	200.00	
IDACI Score 0.40-0.30	250.00		IDACI Score 0.40-0.30	250.00	
IDACI Score 0.30-0.25	375.00		IDACI Score 0.30-0.25	375.00	
IDACI Score 0.25-0.20	400.00		IDACI Score 0.25-0.20	400.00	
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)		9,653,00
Primary	119,000		Primary	119,000	
Secondary	162,500		Secondary	162,500	
Split Site (per school)	10,000	10,000	Split Site (per school)	10,000	0

Exceptional Circumstance	0.00	-	Exceptional Circumstance	0.00	-
PFI	0.00	-	PFI	0.00	-
Looked After Children	500	69,456	Looked After Children	500	73,768
Mobility (where >10%)	1,500	259,388	Mobility (where >10%)	1,500	209,700
Sparsity		121,623	Sparsity		119,638
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)		259,900	EAL (up to 3 years in education system)		271,576
Primary	250		Primary	250	
Secondary	250		Secondary	250	
Rates		1,495,588	Rates		1,772,597
Based on actual cost			Based on actual cost		
Low Attainment		3,742,963	Low Attainment		3,821,928
Primary	365.00		Primary	384.00	
Secondary	980.00		Secondary	999.00	
London Fringe	n/a	-	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		95,200	85% protection lump sum amalgamation		83,300
Scaling Factor (set at 0%)		-	Scaling Factor (set at x0%)		-
Minimum Funding Guarantee		104,755	Minimum Funding Guarantee		148,298
Total		99,756,824	Total		100,637,447
Primary to Secondary Ration		1:1.27	Primary to Secondary Ration		1:1.27
% funding through Basic Entitlement		81.01%	% funding through Basic Entitlement		80.68%
% of funding through pupil led factors		88.47%	% of funding through pupil led factors		88.43%