

TO: SCHOOLS FORUM
DATE: 12 JANUARY 2017

**PROPOSALS FOR THE 2017-18 SCHOOLS BLOCK ELEMENT
OF THE SCHOOLS BUDGET**

Director of Children, Young People and Learning

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to present to the Schools Forum an update on school funding and to seek comments on the final proposals from the Council for the 2017-18 Schools Block element of the Schools Budget.
- 1.2 Recommendations agreed from this report will form the basis of proposals to be presented to the Executive Member for Children, Young People and Learning, who has responsibility for agreeing most aspects of the Schools Budget although within the overall budget setting process, there are a number of areas that the Forum has responsibility for, and these are presented now for a decision.
- 1.3 There is a very tight timetable to meet, with views of the Schools Forum on the proposals being sought in advance of the 20 January deadline for submitting to the Department for Education (DfE) the actual Funding Formula for Schools to be used in 2017-18 with associated units of resource and total cost.

2 EXECUTIVE SUMMARY

- 2.1 The current financial climate continues to create difficulties in setting a balanced Schools Budget. This relates to the cash flat financial settlement from the DfE that does not include funding for £1.6m of known cost pressures – equivalent to 2% of current spending - and the emerging long term pressure arising from new / expanding schools. To finance the budget changes considered necessary, a one-off draw down of £0.180m from the general balances of the Schools Budget will be required.
- 2.2 The Spending Review 2015, whilst indicating that per pupil funding for the Dedicated Schools Grant and Pupil Premium will be protected in real terms, also announced the introduction of a national funding formula for schools from 2018-19. Whilst progress is being made on this, until the details of the formula are confirmed, uncertainties will exist for medium term budget planning.

3 RECOMMENDATIONS

To AGREE

3.1 As decision maker:

- 1. that the arrangements in place for the administration of central government grants are appropriate (paragraph 6.29);
- 2. the budget amounts for each of the services centrally managed by the council and funded from the School Block DSG as set out in Annex 2 (paragraph 6.31);

3.2 In its role as the representative body of schools and other providers of education and childcare, the Forum REQUESTS that the Executive Member AGREES the following decisions for the 2017-18 Schools Budget:

- 1. that the budget for Schools Block DSG is reset to £66.395m and other Schools Block related grants reset to anticipated 2017-18 amounts (paragraphs 6.7 and 6.25);**
- 2. to maintain appropriate funding allocations for the most vulnerable pupils, relevant budget allocations are increased by 2.5%, the same increase as pupil numbers (paragraph 6.13);**
- 3. the net £1.932m of budget adjustments are allocated to the budget areas set out in Table 1 as follows:**
 - a. £1.280m into delegated school budgets (column 1);**
 - b. £0.025m into 'de-delegated' school budgets (column 2);**
 - c. £0.627m into centrally managed budgets (column 3);**
- 4. the £0.180m shortfall in funding is financed by a one-off allocation from the general balances of the Schools Budget (paragraph 6.24);**
- 5. that the DfE pro forma template of the 2017-18 BF Funding Formula for Schools as set out in Annex 3 be submitted for the 20 January deadline (paragraph 6.23).**

3.3 To NOTE:

- 1 that proposals in respect of the Early Years and High Needs Block elements of the Schools Block will be presented to the Forum in March (paragraph 6.4).**
- 2 the cost pressures that schools are likely to need to finance from within existing resources, estimated at around 2% (paragraph 6.26).**

4 REASONS FOR RECOMMENDATIONS

- 4.1** To ensure that the 2017-18 Schools Budget is developed in accordance with the views of the Schools Form, the anticipated level of resources and the statutory funding framework, including the requirement to submit summary details of individual 2017-18 school budgets to the DfE by 20 January 2017.

5 ALTERNATIVE OPTIONS CONSIDERED

- 5.1** These are set out in the supporting information.

6 SUPPORTING INFORMATION

Background

- 6.1** The Schools Budget is funded by a 100% ring fenced government grant called the Dedicated Schools Grant (DSG). The DSG comprises 3 funding Blocks, each with a separate calculation and funding allocation; the Schools Block (SB); the High Needs Block (HNB); and the Early Years Block (EYB).

- 6.2 The DSG can only be spent on the purposes prescribed by the DfE and funds delegated school budgets and a range of centrally managed pupil and school related budgets. Any under or overspending in a year must also be ring fenced and applied to a future Schools Budget. Whilst there is a general ring-fence in place on what the DSG can be spent on, there is no ring-fence on the individual funding Blocks meaning money can be freely moved between services in each Block.
- 6.3 LAs can add to the DSG from their own resources to increase the size of the Schools Budget but are not permitted to plan to spend at a lower amount. The policy of the Council is for the Schools Budget to be funded to the level of external funding, with the Executive Member authorised to agree the budget allocation between schools and centrally managed budgets. This is due to take place on 17 January 2017.

The Schools Block

Overview

- 6.4 This report concentrates on the Schools Block element of the DSG which is intended to fund delegated school budgets and the small number of services that the DfE allows LAs to manage centrally on behalf of schools. HNB and EYB funding matters will be subject to a separate report that will be presented for consideration on 9 March.

Progress to date

- 6.5 The 8 December Forum meeting received an update on DfE decisions relating to the Schools Block and other related matters, in particular:
- 'Re-basing' DSG funding Blocks to the amounts individual LAs are actually spending, rather than the amounts distributed by the DfE that were based on historic spending amounts.
 - Adding the £117m (£15 per pupil) 'retained duties' element of the Education Services Grant (ESG) into DSG funding at £0.26m for BFC. This funding is intended to finance education related LA statutory and regulatory duties that apply to both maintained schools and academies. The expectation of the DfE is that this funding continues to be made available to LAs to finance these duties.
 - Removing £600m of ESG funding currently paid to LAs for 'general' statutory and regulatory duties that meet a wider range of responsibilities than the 'retained' element in respect of maintained schools only, but continuing to require LAs to meet the exiting requirements. The loss of income to BFC from this is £1.24m.
 - Core per pupil funding through the Schools Block DSG from the DfE to remain at 2016-17 prices, so no funding for inflation or other cost pressures. The actual per pupil funding amount for BFC will be £4,167.
 - Pupil numbers to be funded will be those recorded on the October 2016 census, meaning changes from last year will be reflected in the DSG.
 - To provide a degree of funding protection to individual schools, the Minimum Funding Guarantee (MFG) at individual school level will remain unchanged at a maximum decrease in per pupil funding of 1.5%. The cost of the MFG is met from placing a cap on the amount that schools with funding increases can retain.

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6.6 Based on information available at the last meeting, and taking guidance from the budget strategy (see Annex 1) the Schools Forum agreed the following initial budget decisions:

- Based on school responses to the annual financial consultation:
 - The £1.249m budget associated with services that can be 'de-delegated' would again be deducted from school budgets and centrally managed by the council.
 - Schools would contribute £20 per statutory aged pupil to on-going 'general' LA education related statutory and regulatory duties (£0.282m).
- The £15 per pupil funding for 'retained' LA education related statutory and regulatory duties transferred into the DSG at £0.26m would be centrally managed by the council for funding associated costs.
- On-going central retention by the council of £1.164m of Schools Block funding for the current services, including the historic commitments. See Annex 2 for relevant budgets.
- Using the agreed budget strategy, funding for the following changes would be included in the 2017-18 budget, subject to sufficient resources:
 - Basic per pupil funding allocations would reflect increases in pupil numbers.
 - The estimated impact of increases in pupil numbers on other pupil related funding allocations would also be funded e.g. pupil eligibility to a free school meal (FSM).
 - The cost of implementing the approved *Start up and diseconomy funding policy for new and expanding schools*.
 - The saving on business rates arising from the Brakenhale school academy conversion and consequential 85% cost reduction arising from eligibility to charitable rates relief.

Estimated Schools Block DSG income

6.7 The DfE published verified October school census and other data that must be used to calculate 2017-18 school budgets on 20th December. This included funding for 15,933 pupils (+2.63%), 13 more than the original council forecast. With the BFC per pupil DSG funding rate at £4,167.13 this results in total funding of £66.395m, an increase of £0.054m compared to the initial estimate.

Budget proposals for 2017-18

Current base budget for the Schools Block

6.8 This remains unchanged from the £64.808m reported in December and reflects the additional £0.26m funding transferred into the DSG for 'retained' statutory and regulatory duties and the £0.096m saving on Brakenhale rates.

The Funding Formula for Schools

- 6.9 The estimated impact from the increase in pupil numbers of 405 (+2.5%) contained on the provisional October 2016 census indicated a cost of £1.371m for basic pupil funding (AWPU). In the absence of updated DfE data for other pupil related factors, such as deprivation and low prior attainment, the same proportionate increase in these budgets was assumed, which would cost £0.153m. Overall, there was forecast to be a £1.524m increase in funds allocated through the Funding Formula.
- 6.10 Using the actual DfE verified census data identified an error on the initial BFC calculation for basic pupil funding. The 93 pupils on roll at the Warfield expansion site at Woodhurst were double counted; they were included on both the calculation of cost of the overall increase in pupil numbers and then again when the Woodhurst diseconomy funding was calculated. These pupils should have only been included on the diseconomy funding calculation. The double counting over estimated basic per pupil funding by £0.29m.
- 6.11 The revised calculation of budget allocations for changes in pupil numbers shows a £0.324m increase in primary schools from an extra 107 (+2% when the 93 pupils on roll at the Warfield Woodhurst site funded through the diseconomy policy are included) with an extra £0.767m to secondary schools from an extra 192 pupils (+3.4%). The funding allocation associated with these additional 299 pupils is £1.091m.
- 6.12 Looking at the other pupil related data, despite a 2.5% increase in pupil numbers from last year, eligibility to a FSM and Income Deprivation Affecting Children Index deprivation measures have reduced by 2.4%, English as an Additional Language (EAL) numbers are down 7.8%, numbers of looked after children have reduced by 25% and Low Prior Attainment scores are 4.2% lower. Applying this data through the Formula results in schools receiving £0.107m less than in the current year.
- 6.13 These reductions were not in accordance with initial expectations, especially when there has been an overall increase in pupil numbers of 2.5%. Therefore, additional checks were undertaken against the data, and reassuringly, no significant issues were identified. However, allocating funds on this data set would not meet the key objectives of the council which includes prioritising the vulnerable and those in greatest need. It is also an element of the previously agreed budget strategy. Some of these factors are also used as a proxy measure for low level SEN, so are used to provide resources to schools to fund the first £6,000 of support needs for relevant children. Therefore, to maintain the existing proportion of funds being allocated through targeted pupil characteristics, the factors mentioned above have been increased by 2.5%, in line with the increase in pupil numbers. This results in an additional allocation to schools of £0.108m rather than the original £0.107m reduction.
- 6.14 The DfE has also introduced a degree of moderation to how the Low Prior Attainment results must be used for funding purposes for secondary schools. The 2016 KS2 assessments are the first which assess the new, more challenging national curriculum. At a national level, a higher number of the year 7 cohort was identified as having low prior attainment. The DfE have therefore used a national weighting of 48% to ensure that this cohort does not have disproportionate influence within the overall total. The weighting has been applied to scale back the proportion of year 7 pupils identified as LPA, to a level commensurate with the number of pupils identified as LPA in years 8 to 11 under the previous KS 2 tests.
- 6.15 The previous budget report also identified a potential change in costs to schools from the national business rates revaluation that has recently concluded. The details of the charging and transitional funding arrangements have now been confirmed, and this

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results in an additional cost of £0.122m. This needs to be included in school budgets as DfE Funding Regulations require schools to be funded for rates liabilities on the basis of the estimated actual cost.

- 6.16 The council has also been reviewing the future use and management of the Community Use Sports Centres at Edgbarrow and Sandhurst that are shared with the local Secondary Schools. This has resulted in both schools agreeing to manage all aspects of the sports centres from 1 April 2017, including the finances. The Funding Formula currently allocates £0.085m to the schools to fund their contribution to school usage which is set out in a joint legal agreement. With the dissolution of this agreement, and with the schools in future meeting all costs and retaining all income, this funding allocation will no longer be permitted by the DfE. In addition, both sports centres have independent rates assessments separate from the school buildings. In accordance with DfE Funding Regulations, the Funding Formula will need to allocate £0.1m for these costs as they will in future fall on the school, making a net cost increase to the Schools Block of £0.015m.
- 6.17 Costs incurred against 'de-delegated' budgets have also been reviewed and this has highlighted 2 areas where additional funds are proposed to be allocated; meeting the cost of school staff absence through maternity leave; and premature retirement costs (PRC) and dismissal costs. A review of expenditure in the last 3 years indicates an average over spending of £0.015m on school staff maternity leave costs and £0.010m on PRC/Dismissal costs, although the over spend on this later item is forecast at over £0.05m this year as more schools look to re-organise their staffing structures to reduce costs. These budgets are both proposed to be to cover the amount of average over spending in the last 3 years at an aggregate cost of £0.025m.
- 6.18 The final impact from the Funding Formula relates to the £20 per pupil contribution to on-going 'general' LA education related statutory and regulatory duties that were agreed at the previous meeting of the Schools Forum. This is now included as a budget transfer from delegated school budgets to those to be centrally managed by the council.

Impact of the Minimum Funding Guarantee (MFG)

- 6.19 Forum members will be aware that in order to reduce funding turbulence in schools, the DfE requires all LAs to apply the MFG to individual school budgets and allocate top up funding where per pupil funding rates fall by more than 1.5% between years. In order to be able to finance the cost, the DfE allows a cap to be applied to reduce funding increases at schools experiencing a gain in per pupil funding. The Forum has previously agreed that schools above the MFG and in receipt of per pupil funding increases would meet the cost of financing the protection required for schools below the MFG. For 2017-18, the MFG top up decreases from £0.122m to £0.080m.

Changes arising from new / expanding schools

- 6.20 The cost of implementing the *Start up and diseconomy funding policy for new and expanding schools* that was approved at the previous Forum meeting has been recalculated at a cost of £0.321m, an increase of £0.005m. There is no change to the £0.05m saving agreed on the budget for start-up costs for the new schools that are planned to open in September 2018.

Centrally managed budgets

- 6.21 Costs incurred against centrally managed budgets have also been reviewed and this has highlighted a further 2 areas where additional funds are proposed to be allocated;

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in-year growth allowances paid to schools experiencing significant increases in pupil numbers; and the centralised copyright licence that ensures all schools are covered for copyright and other common licences. For in-year growth allowances, the budget is forecast to over spend by £0.1m in the current year, and rolling forward current pupil numbers by 1 year indicates a pressure for 2017-18 of £0.129m. For the centralised copyright licence, this is forecast to over spend by £0.004m in the current year. Costs are based on pupil numbers and with these rising, the budget is expected to over spend by £0.006m in 2017-18. The DfE requires LAs to pay this licence fee. Therefore, a net pressure of £0.135m for these 2 items is proposed to be funded on centrally managed budgets.

Summary of proposed changes

- 6.22 Based on the data set provided by the DfE and other relevant information, a series of changes have been set out above that the council proposes are reflected in the 2017-18 Schools Block budget. They draw from the national funding framework, the budget strategy previously agreed by the Forum, and the estimated level of resources. Table 1 summarises the changes proposed.

Table 1: Summary budget proposals for 2017-18

Para Ref.	Strategy	Budget proposal	Delegated school budgets 1 £'000	De-delegated budgets 2 £'000	Centrally managed budgets 3 £'000	Total 4 £'000
6.8		Original 2016-17 Schools Block budget	62,229	1,250	1,164	64,643
6.8		Funding for 'retained' statutory duties	0	0	260	260
6.8		Reduced rates liability from academy schools	-96	0	0	-96
		Re-stated base budget	62,133	1,250	1,424	64,807
		<u>Changes for 2017-18:</u>				
6.11	1	Change in number of primary pupils	324	0	0	324
6.11	1	Change in number of secondary pupils	767	0	0	767
6.13	1	Effect of changes in pupil characteristics e.g. FSM numbers, test results, EAL etc.	108	0	0	108
6.15	2	Rates revaluation	122	0	0	122
6.16	2	Net impact from joint use arrangements	15	0	0	15
6.17	4	PRC/Dismissal costs	0	10	0	10
6.17	4	Maternity leave	0	15	0	15
6.18	2	Part funding of 'general' statutory duties	-282	0	282	0
6.19	4	Diseconomy funding; new / expanded schools	321	0	-50	271
6.20	4	Growth allowances	0	0	129	129
6.20	2	National copyright licence	0	0	6	6
		Total requirement for 2017-18	63,509	1,275	1,791	66,575
		Change	1,280	25	627	1,932
		<u>Financing:</u>				
6.7		Estimated Schools Block DSG				66,395
6.23		Draw down from reserves 2017-18				180
		Total financing				66,575

Submission of DfE pro forma budget statement

- 6.23 The DfE closely monitors the progress of LAs in setting their individual school budgets and requires the completion and submission of a template that sets out the Funding Formula to be used, associated units of resource and total cost. The deadline for return has been set at 20 January 2017. Annex 3 shows the BF return, which has been completed on the assumption that all of the proposals set out in this report are approved. The £64.784m recorded against Total Funding for Schools Block Formula detailed at the end of the pro forma matches the delegated and de-delegated budget totals in columns 1 and 2 of Table 1. The Forum is recommended to agree that the attached pro forma is submitted.

Managing the forecast budget gap

- 6.24 Table 1 above indicates a budget shortfall of £0.180m. Funding available for the Schools Budget can be adjusted by applying unspent DSG from previous years or other resources held in earmarked reserves. The Borough Treasurer considers that the Schools Budget should hold a minimum surplus of £0.66m to help manage unforeseen cost increases such as those experienced in 2014-15. Taking account of this requirement, the accumulated surplus as at 1 April 2017 of £0.760m and the £0.452m in-year surplus forecast for 2016-17 (based on November budget monitoring cycle), there is estimated to be £0.552m available to support unfunded 2017-18 expenditure on a one-off basis, which is sufficient to fund these proposals and the Forum is therefore recommended to agree this approach for setting of the 2017-18 budget.

Other grant income

- 6.25 In addition to the DSG, a number of other significant grants are paid directly to schools and these have been reviewed for anticipated receipts in 2017-18 and the Forum is recommended to agree that the Executive Member updates budgets where relevant:
- Funding rates allocated through the Pupil Premium for pupils eligible to a FSM at any time in the last 6 years, from a services family at any time in the last 4 years or looked after to remaining unchanged. Total income to schools next year is expected to remain fairly stable at to £3.345m.
 - Funding for Universal Infant FSM and Primary School PE and Sport Grant have yet to be confirmed and are assumed to continue at current funding rates, with total income of £1.487m and £0.292m respectively;
 - For funding for sixth forms to remain in line with the existing national funding formula with £4.521m anticipated.

Actual cost pressures estimated for 2017-18

- 6.26 Schools will experience a range of cost pressures next year and whilst funding is proposed to cover increases in pupil numbers and diseconomy funding for new schools, others will remain unfunded and will require schools to make savings to balance their budgets. The main pressures, which total to around £1.6m, and represent 2% of current spending levels are:
1. A new Apprenticeship levy is expected to be introduced from April 2017. It will in effect be a 0.5% payroll tax and is estimated to cost around £0.320m. In addition to the levy, there is also expected to be an apprenticeship quota obligation, with the Department for Business, Innovation and Skills proposing a target of 2.3% 'apprenticeship starts' each year. There could well be financial implications from this also.

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2. The cost of pay and price inflation. With public sector pay increases limited at 1%, with a similar assumption on other costs, this will equate to around a £0.8m pressure. We are currently experiencing historically low inflationary pressures. This is expected to start to increase moving forward.
3. The statutory increase in the Living Wage, paid locally as the Bracknell Forest Supplement. This is due to increase in April 2017 and is estimated to cost schools around £0.150m on top of the 1% included in 2. above.
4. The potential new 'top slice' to maintained school budgets to contribute to the 'general duties' education support services currently funded through the ESG. Assuming a £20 per pupil deduction would cost around £0.282m.
5. The underlying deficit on the Local Government Pension Scheme is being reduced by way of additional lump sum contributions. Payments due from schools in the BF Local Government Pension Scheme are forecast to increase by £0.1m.

Most of these cost pressures equally apply to centrally managed Schools Block budgets, meaning they too require real terms savings of around 2% to be managed, a reduction in services provided, or a combination of both.

- 6.27 In terms of the proposed funding increases to be paid to schools for new pupils, the increased budget allocation will exceed the expected cost as per pupil funding contributes to more costs than classroom staff, most of which would not change as numerous schools admit relatively small numbers of pupils that do not require the recruitment of a new teacher. Of the £1.091m included in school budgets for changes in pupils, it should be expected that at least 50% of the funding will not result in equivalent cost increases. Nevertheless, schools are still facing unfunded cost increases. This will increase the likelihood that more pressure will be placed on the budget to support schools in financial difficulty and more schools seeking loans to manage required cost reductions over a number of years.

Other decisions required from the Schools Forum

- 6.28 The content of this report complies with requirements of the School and Early Years Finance (England) Regulations 2016. In addition to this, in setting the 2017-18 Schools Budget, there are also requirements from the Schools Forum (England) Regulations 2012 that need to be complied with.
- 6.29 There is a requirement to seek comments from the Forum in respect of administration arrangements for the allocation of central government grants. No changes are proposed on existing arrangements whereby relevant costs are absorbed by the council in normal day to day operations and the Forum is requested to agree this approach continues.
- 6.30 The Schools Forum Regulations also require the council to seek comments on arrangements for pupils with special educational needs, pupil referral units and other education out of school and early years provisions. In line with the publication of associated funding allocations, these matters will be presented to the Forum on 9 March.
- 6.31 The Forum also has a decision making role on other budget matters, most notably in relation to Schools Block element funds held for central management by the Council on behalf of schools. Relevant budgets, including changes proposed in this paper are set out in Annex 2 and the Forum is recommended to agree relevant amounts for each budget line.

Conclusion Next steps

- 6.32 Due to the cash flat funding settlement in a period of significant cost increases, making proposals to balance the 2017-18 budget has again presented significant challenges. Moving forward, it seems likely that further financial challenges will need to be addressed in the years ahead, although as a consequence of the school funding reforms, these are likely to fall on the EFA.
- 6.33 Further work is on-going relating to the High Needs and Early Years Block items where the level of funding to be received next year has yet to be finalised. Budget proposals on these areas of the Schools Budget will be presented to the Forum in March.

7 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 7.1 The relevant legal implications are addressed within the main body of the report.

Borough Treasurer

- 7.2 Included within the supporting information.

Equalities Impact Assessment

- 7.3 The budget proposals ensure funding is targeted towards vulnerable groups and an EIA is not required.

Strategic Risk Management Issues

- 7.4 The funding reforms and tight financial settlement present a number of strategic risks, most significantly:
1. Insufficient funding to cover anticipated pay and price inflation and changes in contributions to the Pension Funds and the new Apprenticeship Levy.
 2. The ability of schools with loans to manage their repayments. Two secondary schools have significant loan advances that need to be managed during a period of real terms reduction in funding.
 3. Ensuring sufficient resources are allocated into general school budgets to meet their SEN responsibilities, up to the £10,000 limit.
 4. Managing the additional revenue costs arising from the new / expanded schools programme.
 5. The ability of schools to admit an increasing number of pupils.
- 7.5 These risks will be managed through support and assistance to schools in the budget setting process which is a well established programme. It has ensured that schools develop medium term solutions to budget shortfalls and draws on funding retained to support schools in financial difficulty or through the allocation of short to medium term loans. Subject to the outcomes from the consultation with schools, there remains a de-delegated budget of £0.234m (after academy deduction) to support schools in financial difficulties that meet qualifying criteria.

- 7.6 The increase in school academisation is also likely to increase budget and general resource pressures on the council. These will need to be managed as they emerge.

8 CONSULTATION

Principal Groups Consulted

- 8.1 CYPL Departmental Management Team, schools and the Schools Forum.

Method of Consultation

- 8.2 Written reports to CYPL Management Team and the Schools Forum, formal consultation with schools

Representations Received

- 8.3 Included in body of the report.

Background Papers

None:

Contact for further information

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Schools Forum Budget strategy

The Schools Forum has previously agreed a funding strategy to guide the setting of the Schools Budget, which in priority order is:

1. It has been included in the financial settlement from the DfE and it is consistent with local funding priorities;
2. It relates to a new or amended statutory responsibility / DfE Regulation;
3. There is sufficient income to fully fund changes in pupil characteristics, i.e: changes in pupil deprivation, low prior attainment, number of looked after children, English as an additional language and mobility;
4. The pressure relates to a key local priority;
5. Any remaining funds should be allocated using per pupil, high deprivation and low prior attainment data in the same proportion as the distribution of funds at the start of the financial year (around 93.5%/3.3%/3.2% in primary and 89.5%/5.9%/4.6% in secondary).

**Proposed 2017-18 Schools Block budgets to be
centrally managed by the Council**

Budget item	Schools Block Centrally Managed		
	Budget 2016-17 £	Proposed Changes £	Draft Budget 2017-18 £
<u>Historic commitments</u>			
Combined Services Budgets:			
Family Intervention Project	£100,000	£0	£100,000
Educational Attainment for Looked After Children	£133,590	£0	£133,590
School Transport for Looked After Children	£42,890	£0	£42,890
Young People in Sport	£18,050	£0	£18,050
Common Assessment Framework Co-ordinator	£42,470	£0	£42,470
Domestic Abuse	£6,000	£0	£6,000
Education Health Partnerships	£30,000	£0	£30,000
SEN Contract Monitoring	£32,680	£0	£32,680
Miscellaneous (up to 0.1% of Schools Budget):			
Forestcare out of hours support service	£4,850	£0	£4,850
Borough wide Initiatives	£27,270	£0	£27,270
Support to Schools Recruitment & Retention	£7,470	£0	£7,470
<u>Growth Fund</u>			
Significant in-year growth in pupil numbers	£182,650	£129,000	£311,650
Key Stage 1 class sizes	£86,390	£0	£86,390
Start up costs for new schools	£106,100	£-50,000	£56,100
<u>Statutory and regulatory duties</u>			
'Retained' elements	£0	£260,000	£260,000
'General' elements	£0	£282,130	£282,130
<u>Other expenditure</u>			
School Admissions	£175,970	£0	£175,970
Schools Forum	£21,440	£0	£21,440
Boarding Placements for Vulnerable Children	£75,880	£0	£75,880
Central copyright licensing	£70,000	£6,000	£76,000
Total	£1,163,700	£627,130	£1,790,830

2017-18 DfE Pro Forma

Pupil Led Factors

1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Reception uplift	No	Pupil Units		0.00							
	Description	Amount per pupil		Pupil Units		Sub Total	Total	Proportion of total pre MFG funding (%)	Notional SEN (%)			
	Primary (Years R-6)	£2,831.13		10,155.36		£28,751,145	£52,516,456	0.00%	2.00%			
	Key Stage 3 (Years 7-9)	£4,060.36		3,688.00		£14,974,623		0.00%	2.00%			
	Key Stage 4 (Years 10-11)	£4,060.36		2,165.00		£8,790,688		0.00%	2.00%			
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)		
2) Deprivation	FSM % Primary	£469.90		822.66		£386,572	£2,595,706	3.99%	7.00%			
	FSM % Secondary		£1,450.48		449.73	£652,328				7.00%		
	IDACI Band F	£406.27	£1,406.21	730.77	350.80	£790,186			0.00%	0.00%		
	IDACI Band E	£609.40	£2,109.32	252.71	144.73	£459,285			0.00%	0.00%		
	IDACI Band D	£812.54	£2,812.42	150.89	64.96	£305,303			0.00%	0.00%		
	IDACI Band C	£1,015.67	£3,515.53	2.00	0.00	£2,031			0.00%	0.00%		
	IDACI Band B	£1,218.81	£4,218.63	0.00	0.00	£0			0.00%	0.00%		
	IDACI Band A	£1,421.94	£4,921.74	0.00	0.00	£0			0.00%	0.00%		
3) Looked After Children (LAC)	LAC X March 16	£280.96		47.47		£13,336	£252,920	0.02%	0.00%			
4) English as an Additional Language (EAL)	EAL 3 Primary	£247.25		818.27		£202,315		0.35%	0.00%			
	EAL 3 Secondary		£247.25		96.76	£23,923				0.00%		
5) Mobility	Pupils starting school outside of normal entry dates	£314.75		42.40	586.80	£13,345		0.02%	0.00%	0.00%		
	Description	Weighting	Amount per pupil	Percentage of eligible pupils	Eligible proportion of primary and secondary NOR respectively	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)		
6) Prior attainment	Low Attainment % new EFSP	45.55%	£641.71	14.78%	1,525.56	£978,969	£2,193,988	3.37%	100.00%			
	Low Attainment % old FSP 78			15.82%								
	Secondary low attainment (year 7)	48.02%	£973.37	23.26%	1,248.26	£1,215,019				100.00%		
	Secondary low attainment (years 8 to 11)			20.77%								

Unrestricted

Other Factors

Factor	Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)	Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)	
7) Lump Sum	£160,000.00	£170,000.00			£5,980,000	9.19%	0.00%	0.00%
8) Sparsity factor					£0	0.00%	0.00%	0.00%
9) Fringe Payments					£0	0.00%		
10) Split Sites					£0	0.00%		
11) Rates					£1,527,765	2.35%		
12) PFI funding					£0	0.00%		
13) Exceptional circumstances (can only be used with prior agreement of EFA)					£0	0.00%		
Total Funding for Schools Block Formula (excluding MFG Funding Total) (£)					£65,066,834	100.00%	£3,317,040	
14) Minimum Funding Guarantee (MFG is set at -1.5%)					£79,976			
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)					Yes			
Capping Factor (%)		Scaling Factor (%)	41.74%					
Total deduction if capping and scaling factors are applied					-£79,976			
					Total (£)	Proportion of Total funding(%)		
MFG Net Total Funding (MFG + deduction from capping and scaling)					£0	0.00%		
High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £6,000 has been approved)					£0.00			
Additional funding from the high needs budget					£0.00			
Growth fund (if applicable)					£454,140.00			
Falling rolls fund (if applicable)					£0.00			
Total Funding For Schools Block Formula					£65,066,834			
% Distributed through Basic Entitlement					80.71%			
% Pupil Led Funding					88.46%			
Primary: Secondary Ratio					1 :	1.36		
Contribution to 'general' statutory and regulatory duties					-£282,130			
Total Funding For Schools Block Formula after contribution to 'general' statutory and regulatory duties					£64,784,704			