

# Item 5 : Update on 2016-17 School Budgets

Schools' Funding Forum, 22 April 2016

---

Ian Hamilton, Schools & PVI Manager









# 2016-17 School Budget - Headlines

- Sixth consecutive year of DSG flat cash – only funding for pupil growth and not inflationary pressures.
- Minimum Funding Guarantee set at -1.5%
- Schools facing unprecedented pressures on their budgets
  - + 3.4% Employers national insurance contribution- could be as much a £1,000 per member of staff
  - + 5/12 - Employers superannuation costs for teachers (14.1% to 16.48%), increase 2.38 %
  - + Annual Kent Scheme and Teachers pay increases
  - Other inflationary pressures

# 2016-17 Calculation of school budgets

- APT tool submitted to EFA on 15 January and compliance confirmed on the 8 February after a few minor tweaks
- School budgets issued on the 26 February
- Various guidance issued supporting the release of the budget for both LA schools and academies, all guidance published on Kelsi
- Template issued to academies for funding that is the LA responsibility and not part of their GAG funding from the EFA
- [Quick overview of a schools budget template](#)
- Important to note funding calculation completely done in template and then copied into BPS tool.

# DSG Distribution

	2015-16				2016-17			
	Total Allocated £'m	%	Notional SEN %	Pupil Led %	Total Allocated £'m	%	Notional SEN %	Pupil Led %
Basic Entitlement (AWPU)	628.8	77.3%		77.3%	637.4	77.6%		77.6%
Free School Meals	8.9	1.1%		1.1%	8.3	1.0%		1.0%
Deprivation (IDACI)	33.2	4.1%	4.1%	4.1%	33.9	4.1%	4.10%	4.1%
Looked After Children (LAC)	0.6	0.1%	0.1%	0.1%	0.6	0.1%	0.10%	0.1%
English as Additional Language (EAL)	11.8	1.5%	1.5%	1.5%	11.9	1.4%	1.40%	1.4%
Low Cost High Incidence SEN (Prior Attainment)	35.8	4.4%	4.4%	4.4%	35	4.3%	4.30%	4.3%
Lump Sum	66.5	8.2%	0.4%		66.4	8.1%	0.40%	
London Fringe	1.6	0.2%		0.2%	1.7	0.2%		0.2%
Business Rates	10.5	1.3%			10.2	1.2%		
PFI	8.1	1.0%		1.0%	8.1	1.0%		1.0%
MFG	7.2 	0.8%		0.8%	7.4 	1.0%		1.0%
CAP	0	0.0%		0.0%	0	0.0%		0.0%
<b>Total</b>	<b>813</b>	100.0% 	10.5% 	90.5%	<b>821</b>	100.0% 	10.3% 	90.7%

Figures subject to rounding

# Notable events resulting from the budget calculation process

Heading	Actual £'000
Surplus DSG from rising primary pupil no's	-£2,761
Cost of MFG	£205
Saving from removal of reception uplift	-£679
Lump sum additional cost	£84
Decrease in % of children taking Free School Meals (Primary decrease 1.3% and secondary decrease 0.7%)	-£438
Prior Attainment ( Primary EYFS and Secondary below Level 4 KS2) (Primary increase 0.07% and secondary decrease -2.01%)	-£1,105
Total Headroom generated from school budget calculation	<b>-£4,694</b>
High Needs Funding Settlement (per capita allocation)	-£2,637
Total Headroom generated from school budget calculation including High Needs	<b>-£7,331</b>

# Surplus DSG from rising primary pupil Numbers.

- Additional number of funded pupils = 2,855 @ £4,383 per pupil =£12,513k
- Cost of additional pupils £9,752k
- Headroom generated £2,760k on average £967 per pupil.

# Income Deprivation Affecting Children Index (IDACI) factor 2

- The IDACI data set used to allocate funding for deprivation has been updated. Was October 2010 now September 2015. **Some schools would have got a nice surprise.**
- We were not expecting this, were only notified by the Education Funding Agency (EFA) when we calculated the budgets in December.
- There were some significant movements, winners and losers, overall the funding allocated through IDACI has remained roughly the same.
- However it has cost an estimated £2m through the MFG. As we need to pay the winners and protect the losers.

# IDACI factor 2 - continued

## Primary school pupils eligible for IDACI funding

	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Total
Value	£415	£435	£468	£515	£566	£708	
Probability	0.2 to 0.25	0.25 to 0.3	0.3 to 0.4	0.4 to 0.5	0.5 to 0.6	0.6 to 1	
<b>Number of pupils</b>							
2015-16	11,489	8,473	10,878	7,706	3,473	847	42,867
2016-17	13,740	9,166	12,992	7,208	2,202	0	45,308
Movement	<b>2,251</b>	<b>694</b>	<b>2,114</b>	<b>-499</b>	<b>-1,271</b>	<b>-847</b>	<b>2,441</b>

## Secondary school pupils eligible for IDACI funding

	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Total
Value	£447	£469	£504	£555	£610	£763	
Probability	0.2 to 0.25	0.25 to 0.3	0.3 to 0.4	0.4 to 0.5	0.5 to 0.6	0.6 to 1	
<b>Number of pupils</b>							
2015-16	7,202	5,127	6,389	4,608	1,928	4476	25,701
2016-17	8,548	5,695	7,509	4,003	1,179	0	26,934
Movement	<b>1,346</b>	<b>568</b>	<b>11,202</b>	<b>-605</b>	<b>-749</b>	<b>-447</b>	<b>1,233</b>



# Income Deprivation Affecting Children Index (IDACI) factor 2 - continued

## Movement in IDACI funding by District 2015-16 -2016-17

District	Total Funding			Average Funding Rate per qualifying IDACI pupil		
	2015-16	2016-17	Movement	2015-16	2016-17	Movement
Ashford	£2,044,531	£2,402,382	£357,851	£121.63	£141.37	£19.74
Canterbury	£2,381,177	£2,498,721	£117,545	£139.22	£143.94	£4.72
Dartford	£2,689,083	£2,645,504	£-43,579	£170.02	£160.61	£-9.42
Dover	£3,357,775	£3,565,135	£207,360	£234.48	£249.31	£14.83
Gravesham	£3,423,199	£3,486,106	£62,907	£229.76	£229.65	£-0.11
Maidstone	£2,585,323	£2,489,902	£-95,421	£123.39	£115.61	£-7.78
Sevenoaks	£970,515	£826,450	£-144,065	£86.58	£72.18	£-14.39
Shepway	£3,210,581	£2,990,585	£-219,996	£247.02	£225.53	£-21.49
Swale	£4,833,702	£5,036,900	£203,198	£245.85	£252.55	£6.70
Thanet	£5,140,667	£5,427,674	£287,007	£289.16	£303.24	£14.08
Tonbridge and Malling	£1,304,223	£1,814,794	£510,570	£72.24	£99.59	£27.35
Tunbridge Wells	£1,131,801	£763,426	£-368,375	£74.19	£49.20	£-24.98
<b>Total</b>	<b>£33,072,578</b>	<b>£33,947,580</b>	<b>£875,002</b>			

# Minimum Funding Guarantee

## Analysis of Minimum Funding Guarantee (MFG) 2016-17

		2015-16	No change	Off MFG	New MFG	2016-17	Overall Movement
No of Schools on MFG	Primary	<b>106</b>	80	-26	63	<b>143</b>	37
	Secondary	<b>22</b>	17	-5	8	<b>25</b>	3
	Total	<b>128</b>	<b>97</b>	<b>-31</b>	<b>71</b>	<b>168</b>	<b>40</b>

### Largest Cash (£) & % Protection

Primary = £385k or 21% of its formula

Secondary = £511k or 13% of its formula

Overall additional cost of MFG = £205k

## Removal of Reception Uplift Factor and decrease in Free School Meal (FSM) funding

- Removal Reception Uplift factor generated a saving of £679k
- FSM Take up in Primary decreased by 1.3% and Secondary 0.7%, generating a saving of £438k

# Higher Prior Attainment Scores – decrease in funding

- Primary Schools – small increase of 0.7%
- Continued journey Early Years Foundation Stage Profile (Years 1,2,3 judgement and Years 4,5,6 score 78 and below)
- Secondary Schools- decrease of just over 2%
- Criteria KS2 – below level 4 in either Maths or English
- Overall saving £1,105k

# Funding for Growth in High Needs

- Prior to DSG settlement in December, the DfE would not commit to guaranteeing any growth funding for High Needs
- Growth funding was included in the settlement of £2,670k
- Allocation based on share of nationally allocation of £47m using national population