

Buckinghamshire County Council

# **Schools Budget Proposals 2019-20 Executive Summary**

**Schools Forum  
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# Introduction

- Purpose of the paper is to set out the proposals for the schools funding formula 2019-20. Schools Forum asked to agree the formula factors to be used in calculating 2019-20 budgets, including:
  - Whether to include a new formula factor to ensure each school receives 1% per pupil increase compared with 2017-18 baseline
  - The level at which to set the Growth Fund
  - The Growth Fund methodology
- *Note: all illustrative figures for schools budgets are based on October 2017 pupil numbers and will change for the final October 2018 census figures when the funding settlement is announced*



## DSG Allocation 2019-20


Provisional Allocation as follows (excluding Early Years Block):

| Year    | Schools Block<br>£m | High Needs<br>£m | Central School<br>Services Block<br>£m | Total DSG<br>£m |
|---------|---------------------|------------------|--|-----------------|
| 2019-20 | 318.574             | 81.123           | 7.397                                  | 407.094         |

## Provisional Schools Block 2019-20

| Schools<br>Block | Provisional Pupil<br>Led Factors<br>£m | Actual Premises<br>and Mobility<br>factors<br>£m | Illustrative<br>Growth Funding<br>£m | Total Provisional<br>Funding 2019-20<br>£m |
|------------------|--|--|--------------------------------------|--|
|                  | 312.633                                | 3.632  | 2.309                                | 318.574                                    |

Schools block funding £318.57m in 2019/20 is an increase of £9m on 2018/19 (about 3%). In 2018/19 Buckinghamshire received the 6th lowest funding per pupil from the DfE but has gained in 2019/20 as it is expected to be the 15th lowest funded authority in the country.



# Principles for Buckinghamshire Funding Formula

The following principles were agreed in 2018/19 and at its meeting in October 2018, Schools Forum Funding Group agreed that these principles were still applicable in 2019/20:

1. Adopting the National Funding Formula (NFF) factors from 2018/19 (This means using the minimum funding level per pupil, FSM Ever6 and Sparsity factors and removing the LAC factor)
2. Prorate (scaling) of each factor agreed to match the available allocation of funding from the DfE.
3. Continue to use a minus 1.5% minimum funding guarantee factor.
4. Use capping of gains per pupil to pay for the cost of protecting schools where the formula reduces their budget by more than minus 1.5%.



## DfE Guidance 2019-20

- Formula will continue to be determined locally in 2020/2021 (additional year of “soft” formula)
- At least a 1% per pupil increase for each school in 2019/2020 through the national funding formula compared to their 2017/2018 baseline in the calculation of allocations to local authorities
- Introduction of a new optional factor to enable local authorities to include this 1% funding floor in their local formula.
- The minimum per pupil funding levels have increased by £200 per pupil in each phase to £3,500 for all primary schools and £4,800 for all secondary schools that have pupils in years 10 and 11.
- The DfE has reduced the primary low prior attainment factor value to £1,022 (before area cost adjustments) to balance the increase in the pupil cohort, thereby maintaining this factor at the same proportion of the overall pot.
- Changes to calculation of growth fund allocation




# Formula Options

- Models 1 & 3: All previously agreed NFF factors, with prorating (scaling) of each factor to match the available allocation of funding from the DfE.
- Models 2 & 4: All previously agreed NFF factors, plus the new factor which gives at least a 1% per pupil increase for each school compared to their 2017 to 2018 baseline, with prorating (scaling) of each factor to match the available allocation of funding from the DfE.
- Models 1 & 2 assume £0.5m transfer to High Needs Block
- Models 3 & 4 assume no transfer to High Needs Block
- *Appendices 3 – 6 illustrate school by school impact*
- All models assume growth fund fully met from Schools Block



# Impact of Optional 1% Funding Floor Factor

- All schools receive 1% increase in per pupil funding compared with 2017-18 baseline
  - Minimum Funding Guarantee (MFG) and capping are nil
  - Cost of new funding floor factor approx £1 million
  - Funding of new factor is from reduction in all other factors compared with original plan – slows progress towards NFF values
  - *Appendix 1 shows impact on funding factors*
  - *Appendix 2 shows cost of each funding factor for each model*
  - **Decision Required: should 1% funding floor factor be included in Buckinghamshire local funding formula?**
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# Growth Fund

- New formulaic allocation from DfE
- Provisional allocation £2.309m, final allocation will be updated for October 2018 pupil numbers
- Estimated cost of growth projects: £2.4m
- Implicit growth (funding of estimated pupil numbers) to be funded through the formula
  
- *Appendix 7 shows list of growth projects*
- *Appendix 7 shows current criteria for growth fund*
  
- ***Decision required: To agree list of growth projects to be funded. To agree criteria for growth fund – no changes proposed***





# Summary of Models

| Model  | 1   | 2  | 3  | 4  |
|--|---|--|--|--|
| <b>Description</b>                             | All previously agreed NFF factors, with prorating (scaling) of each factor to match the available allocation of funding from the DfE. | All previously agreed NFF factors, plus the new factor which gives at least a 1% per pupil increase for each school compared to their 2017 to 2018 baseline, with prorating (scaling) of each factor to match the available allocation of funding from the DfE | All previously agreed NFF factors, with prorating (scaling) of each factor to match the available allocation of funding from the DfE | All previously agreed NFF factors, plus the new factor which gives at least a 1% per pupil increase for each school compared to their 2017 to 2018 baseline, with prorating (scaling) of each factor to match the available allocation of funding from the DfE |
| <b>Funding Factor % of NFF</b>                 | 99.32%  | 99.01%   | 99.48%   | 99.18%   |
| <b>Cost of MFG/Value of capping</b>            | £0.350m   |  | £0.338m  |  |
| <b>Number of Schools Protected by MFG</b>      | 15  |  | 15   |  |
| <b>Number of schools with capping of gains</b> | 40  | zero   | 38   | zero   |
| <b>Value of Funding Floor Factor</b>           |   | £1.002m  |  | £0.954m  |
| <b>Transfer to High Needs Block</b>            | £0.5m   | £0.5m  | £0m  | £0m  |
| <b>Level of Growth Fund</b>                    | £2.4m   | £2.4m  | £2.4m  | £2.4m  |

