

Buckinghamshire County Council

Schools Forum Induction Dedicated Schools Grant -DSG 2019-20

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DSG and the National Funding Formula (NFF) 2019-20

- Local authorities (LA) receive the Dedicated Schools Grant (DSG) for all maintained schools and academies in their areas via the Education and Skills Funding Agency (ESFA).
- The LA then consults with schools forum and they jointly set a formula for funding pre 16 maintained schools and academies.
- Buckinghamshire's Schools Forum agreed a formula in December 2018 based on illustrative allocation, then updated with final allocations as reported to Schools Forum in January 2019.



4 Blocks in DSG and NFF

- The ESFA have used the NFF rates to calculate the 4 blocks within DSG.
- 2018-19 was the first year of NFF for schools, high needs and central school services. Early Years NFF was introduced in 2017-18.
- It was expected that the ESFA would determine the formula for schools from April 2020 and fund schools directly (referred to as a “hard” funding formula), but this has been delayed and LAs will continue to determine their local formula in 2020/21. The guidance contains no detail on the requirements beyond 2020/21.



Final allocations for 2019-20

Final allocations for 2019-20 are based October 2018 census data as well as including £1.32m additional High Needs Block funding announced in December 2018.

The DfE recognises that Bucks is a more expensive area and have uplifted our allocation by using an Area Cost Adjustment for the Schools Block and the High Needs block.

Year	Schools Block £m	High Needs £m	Central School Services Block £m	Early Years £m	Total DSG £m
2019-20	322.171	82.692	7.425	30.687	442.975



Transfer from Schools Block

- The schools block is ring-fenced in 2019 to 2020, but local authorities may transfer up to 0.5% into another block, with the approval of their schools forum.
- Local authorities wishing to make a transfer should consult with all local maintained schools and academies, and the schools forum should take into account the views of the schools responding before giving their approval.



Why transfer funds between blocks

- The DfE recognises that most proposals to move funding from their schools block will arise as a result of pressures on their high needs budgets.
- All local authorities are expected to keep their local offer of special provision under review.
- The DfE state it is particularly important that mainstream schools are clear about how they contribute to the local offer, and how the extent of that contribution can affect the need for more specialist provision and the costs that local authorities consequently have to meet from their high needs budgets.



Transfer from schools block – disapplication

- If the local authority wishes to move more than 0.5% of the schools block OR the schools forum has turned down a proposal from the authority to move funding out of the schools block, but the authority wishes to proceed with the transfer – then the local authority can submit a disapplication request to the Secretary of State.



(NFF) and Schools Block (pre 16)

- The ESFA lists 15 factors – only 2 are compulsory:
- (1) Basic Entitlement –Average Weighted Pupil Unit (AWPU) assigns funding on the basis of individual pupils, based on the October census with different rates for Primary, KS3 and KS4
- (2) Deprivation - Local authorities can use free school meals (FSM), and/or the income deprivation affecting children index (IDACI) – based pupil post codes, to calculate the deprivation factor



Bucks Schools Formula 2019-20

- The LA is responsible for making the final decisions on the formula
- Bucks Schools Forum agreed that the local formula would mirror NFF as far as possible to provide better clarity to schools when planning their budgets and to avoid a cliff edge when the hard NFF was introduced
- For 2019-20 Schools Forum agreed to maintain the NFF factors that were agreed in 2018-19, with prorating (scaling) of each factor to match the available allocation of funding from the DfE.



Schools Block 2019-20

Schools Block	Pupil Led Factors £m	Premises and Mobility factors £m	Growth Funding £m	Total Funding 2019-20 £m
	316.251	3.632	2.288	322.171

The bulk of the DfE allocation to the LA is through pupil led factors (98% in 2019-20). The LA must also allocate at least 80% of the schools block through pupil led factors - AWP, deprivation, prior attainment, LAC, EAL, Mobility and Minimum Funding Level (per pupil funding for primary/secondary).

The DfE has allowed Bucks to apply an exceptional premises factor to support small schools with 50 pupils or less.



October 2018 Census Data

- The October 2018 census data shows an increase of 779 pupils on last year, with a shift from Primary to Secondary.
- Pupil characteristics - an increase in the number of pupils in the prior attainment categories, and an increase in pupils receiving Free School Meals.
- These population characteristics will have an effect on the distribution of funding over the funding formula factors.



Moving from a historical formula to the NFF

- There will be ‘winners and losers’ as we move to a NFF
- To maintain fairness we are allowed to minimise losses to an individual school to minus 1.5% of previous eligible funding – known as the ‘Minimum Funding Guarantee’ (MFG).
- When this amount for the LA has been calculated, a cap is set on ‘winning’ schools to provide for a corresponding amount to fund MFG.
- The 2019-20 formula has:
 - -Local Funding Factors at 99.17% of NFF values
 - - MFG totalling £416k for 26 schools, met from capping 46 schools to the equivalent amount.



Buckinghamshire County Council

Funding Factor Rates

Funding Factor	2018/19 Final Rates	2019/20	Full NFF with ACA
Scaling factor (% of NFF)	97.68%	99.17%	100.00%
Primary AWPUP	£ 2,758.71	£ 2,800.83	£ 2,824.24
KS3 AWPUP	£ 3,879.47	£ 3,938.35	£ 3,971.27
KS4 AWPUP	£ 4,404.70	£ 4,471.77	£ 4,509.14
Primary MFL	£ 3,223.43	£ 3,470.99	£ 3,500.00
Secondary MFL	£ 4,493.27	£ 4,760.22	£ 4,800.00
Primary FSM	£ 441.88	£ 448.62	£ 452.37
Secondary FSM	£ 441.88	£ 448.62	£ 452.37
Primary FSM6	£ 542.30	£ 550.58	£ 555.18
Secondary FSM6	£ 788.35	£ 800.39	£ 807.07
Primary IDACI band F	£ 200.85	£ 203.92	£ 205.62
Secondary IDACI band F	£ 291.24	£ 295.68	£ 298.15
Primary IDACI band E	£ 241.02	£ 244.70	£ 246.75
Secondary IDACI band E	£ 391.66	£ 397.64	£ 400.97
Primary IDACI band D	£ 361.54	£ 367.06	£ 370.12
Secondary IDACI band D	£ 517.20	£ 525.09	£ 529.48
Primary IDACI band C	£ 391.66	£ 397.64	£ 400.97
Secondary IDACI band C	£ 562.39	£ 570.98	£ 575.75
Primary IDACI band B	£ 421.79	£ 428.23	£ 431.81
Secondary IDACI band B	£ 602.56	£ 611.76	£ 616.87
Primary IDACI band A	£ 577.45	£ 586.27	£ 591.17
Secondary IDACI band A	£ 813.45	£ 825.88	£ 832.78
Primary Low Attainment*	£ 1,054.48	£ 1,042.03	£ 1,050.74
Secondary Low Attainment	£ 1,556.61	£ 1,580.38	£ 1,593.59
Primary EAL	£ 517.20	£ 525.09	£ 529.48
Secondary EAL	£ 1,390.91	£ 1,412.14	£ 1,423.95
LAC	£ -	£ -	£ -
Mobility	£ 502.13	£ 508.50	£ 512.75
Lump Sum	£ 110,469.11	£ 112,155.88	£ 113,093.20
Sparsity Primary (up to)	£ 25,106.62	£ 25,489.97	£ 25,703.00
Sparsity secondary (up to)	£ 65,277.20	£ 66,273.93	£ 66,827.80
MFG	-1.50%	-1.50%	-1.50%
Capping	4.96%	3.13%	n/a
Fringe uplift where applicable	1.56%	1.56%	1.56%



Buckinghamshire's Growth Fund

- The locally determined required level of growth fund in 2019/20 is £2.4m and is met fully from Schools Block. It is used for:
- **Start-up funding** - covers costs for new schools before they open
- **Diseconomies funding** - reflect the diseconomies of scale in the first few (3 to 5) years of a new school until pupil funding gives them sufficient economies of scale.
- **Growth Fund** - for all existing schools - based on significant anticipated demand measured and agreed by the LA.



Mainstream Schools – AWPU and Notional SEN

- AWPU - This is used to make general provision for all pupils in the school, including pupils with SEND, and goes directly to schools.
- Notional SEN - The DfE states - Schools and academies should have sufficient funding in their schools block budget to enable them to support pupils' SEND where required, up to the mandatory cost threshold of £6,000 per pupil per annum. This is an indicative amount that schools may set aside for pupils with SEND.



Inadequate Notional SEN

- Local authorities can provide additional funding, for a minority of schools which have particular difficulties because of their disproportionate number of pupils with SEND or high needs or their characteristics. This is calculated and allocated to eligible schools early in the financial year.



High needs Block Funding

- **Top –up funding.** This is for high-need low-incidence SEND, where individual pupils require additional support that costs more than £6,000 (notional SEN). Top-up funding rates are set by the LA, by agreement with schools and academies.




The High Needs Block

- The DfE states: The high needs funding system supports provision for children and young people with special educational needs and disabilities (SEND) from their early years to age 25 - statutory duties under the Children and Families Act 2014.
- High needs funding is also intended to support good quality Alternate Provision for pre-16 pupils who, because of exclusion, illness or other reasons, cannot receive their education in mainstream or special schools.



DfE expectations on High Needs

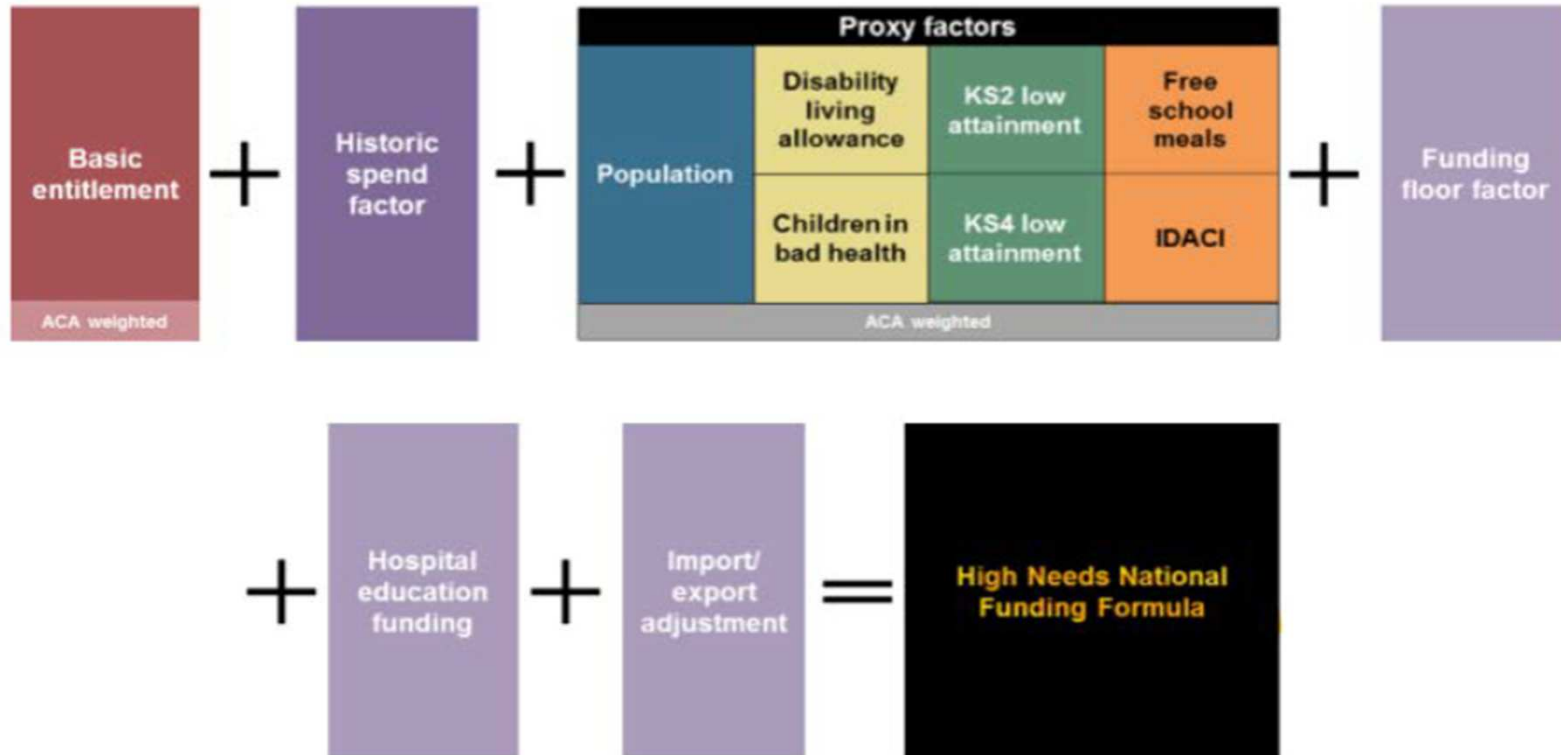
- In consultation with their schools forum, LAs make decisions on the spending of funds held centrally, most of which is used for making high needs provision.
 - These spending decisions are most effective when there is a strong partnership between the LA and the institutions providing education. The schools forum is one way in which partnership working can be strengthened, particularly with schools.
 - The LA has a statutory duty to keep the services and provision for children and young people with SEND under review, as required by the Children and Families Act 2014.
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High Needs Block – Definitions and Methodology

- Basic entitlement factor – based on pupil and student numbers in special schools and special post-16 institutions. The funding rate is £4,000 per pupil or student and is subject to an area cost adjustment.
- Funding Floor -This ensures local authorities do not fall below a minimum level of funding.
- Import/export adjustment - funding formula that reflects the movement of high needs pupils and students between LAs, (that is if they live in one authority and attend a school or college in another).



HN Block methodology



Other services met from High Needs Block

- While the majority of a local authority's high needs budget is spent on place and top-up funding for institutions, local authorities can also use high needs funding to provide additional or targeted support for children and young people with SEND. For example:
 - Therapies (SALT and OT),
 - Specialist Teaching Service (expertise in supporting pupils with complex needs who are available to advise, train and support other teachers and SEN co-ordinators in mainstream schools and colleges).
 - Specialist support for pupils at risk of exclusion



Central Schools Services Block (CSSB)

- **CSSB comprises two parts:**
- (1) Funding for ongoing functions, – based on a per pupil amount. The indicative amount for 2019-20 is £2.771m.
- Includes: £1.178m Education Services Grant (ESG) retained duties where the local authority has a responsibility for all schools, £0.835m for Admissions Team, Transfer Process and Parental Information.



Central Schools Services Block (CSSB)

- (2) Funding for historic commitments. Based on evidence submitted to the DfE. The 2019-20 allocation is £4.654m. From 2020 to 2021, The DfE will start to reduce the historic commitments element of the CSSB where local authorities' expenditure has not reduced.
- Includes: £2.311m Contribution to combined budgets (LA and DSG funded contracts such as Early Years support), and £1.708m Capital contribution from revenue.



Early Years Block

- **There 6 funding streams:**
- (1) Early years universal entitlement for three and four year olds (15 hours)
- (2) Early years additional entitlement for three and four year old children of eligible working parents (additional 15 hours)
- (3) Early years entitlement for disadvantaged two year olds (15 hours)
- (4) Supplementary funding for Maintained Nursery Schools (MNS)
- (5) Early Years Pupil Premium (EYPP)
- (6) Disability Access Fund (DAF), £615 per pupil per year



Early Years Block

- The pass-through requirement: LAs are required to pass at least 95% of their three and four year old funding from the DfE to early years providers. This includes hourly rates, deprivation funding, Inclusion funding for individual children with low level or emerging SEND, and contingency funding.
- The LA can hold 5% for central spend including the cost of staff and 'Sufficiency and sustainability' funding for providers

