

**REPORT TO:** School Forum

**DATE:** 20<sup>th</sup> January 2016

**REPORTING OFFICER:** Senior Finance Officer, Financial Management Division

**SUBJECT:** Schools Block Budgets 2016-17

1.0 **PURPOSE OF REPORT**

1.1 **To report to the School Forum on the final funding formula for Primary and Secondary schools for 2016-17.**

2.0 **RECOMMENDATION**

(1) The report be noted.

3.0 **SUPPORTING INFORMATION**

3.1 **Background**

At the October School Forum decisions were taken on how the funding formula should be allocated to Halton Primary and Secondary maintained schools, academies and free school.

3.2 **Budget availability for Primary and Secondary schools**

The DSG notional allocation for Schools Block is £84,707,418. In October 2015 it was agreed that the DSG could be re-profiled so that funding was better allocated in line with budget requirements. We are waiting on decisions from the Education Funding Agency for our applications to use distances by road for the Sparsity Factor (payable to Daresbury Primary if agreed) and the disapplication of the Minimum Funding Guarantee in relation to the Split Sites Factor for Fairfield Primary. At the time of writing we are also submitting a request to use the Exceptional Premises Factor in relation to the joint use costs of Brookvale Recreation Centre by Ormiston Bolingbroke Academy which the EFA will no longer fund.

Appendix A details the cash values being used for 2016-17, with comparison to the cash values for 2015-16.

Appendix B details the indicative Schools Block budgets for Primary and Secondary schools for 2016-17, with comparison to 2015-16.

3.3 **De-delegated Budgets**

Schools can choose to de-delegate budgets to fund Schools Contingency, Staff responsibility costs and Free School Meal eligibility costs. Budgets can only be de-delegated from maintained primary and secondary schools and each phase decided at the

October meeting to continue with the same de-delegated budgets.

- 3.4 We are setting the Primary de-delegated budgets at:
- £17.01 per pupil for Schools Contingency, the budget will be £169,318
  - £1.47 per FSM pupil for FSM6 eligibility, the budget will be £5,523
  - £2.18 per pupil for Staff responsibility, the budget will be £21,700

- 3.5 We are setting the Secondary de-delegated budgets at:
- £14.80 per pupil for Schools Contingency, the budget will be £40,404
  - £1.47 per FSM6 pupil for FSM eligibility, the budget will be £1,765
  - £1.89 per pupil for Staff responsibility, the budget will be £5,160

Below is the comparison to the de-delegated budgets for 2015-16:

	2015-16	2016-17
Schools Contingency	£207,966	£209,722
Staff Responsibility	£26,632	£26,859
Free School Meal Eligibility	£7,491	£7,288

- 3.6 **Early Years and High Needs Funding**  
Nursery Schools, Nursery Units, Special Schools, Special Units and the PRU are funded based on the January 2016 census data which has not yet been released. These budgets will be calculated as quickly as possible but it is unlikely schools will receive this information until March 2016.

- 3.7 **Income Deprivation Affecting Children Index (IDACI)**  
When the October census data was released in December 2015 we noticed a significant change regarding the distribution of pupils across the IDACI bandings. After investigation we were informed that the IDACI bandings had been updated by the Government in September 2015 and the new bandings had been applied to the October census data.

Appendix C compares the pupil numbers in each band for 2015-16 to 2016-17.

- 3.8 **Minimum Funding Guarantee (MFG)**  
The MFG protection is continuing at minus 1.5% for 2016-17. This protects schools from reductions in budget of more than 1.5% other than for reductions in pupil numbers. Given that we have had to look at reducing the funding factors by 1% the MFG has been key to protecting schools. However, we found that some schools budgets were being increased which meant the 1% reduction did not deliver the savings required. Therefore, we have adopted a cap on

increases other than for increases in pupil numbers to ensure we reach the savings target.

### 3.9 **Finalisation of Schools Block Budgets**

The deadline for submission of the APT is Thursday 21<sup>st</sup> January 2016 which will be met.

We had hoped to get estimated Schools Block budgets to Head Teachers before the Christmas break but we found that our estimated pupil numbers differed quite significantly for some schools. Once we have completed all of the budget setting work we will re-visit how our estimated numbers were gathered to see if we can improve them for next year.

Indicative Schools Block budgets will be distributed to all Head Teachers on Thursday 21<sup>st</sup> January 2016. Once we have had confirmation from the EFA that our funding formula has been accepted, we will notify all Head Teachers as quickly as possible of their confirmed Schools Block Budgets.

### 4.0 **POLICY IMPLICATIONS**

4.1 None

### 5.0 **OTHER IMPLICATIONS**

5.1 None