

Wiltshire Council

Schools Forum
9th March 2017

Schools Budget Update 2017-18

Purpose of report

1. To outline the key changes resulting from the schools funding formula for 2017-18. The report is for information only.

Background

2. The Department for Education (DfE) published the 2017-18 financial settlement for schools on 20th December 2016. The settlement included details of the Dedicated Schools Grant and its corresponding blocks of funding.
3. The funding allocated through the DSG is then modelled through the Wiltshire Funding Formula to ensure that the schools budget is affordable. This incorporates decisions taken by Schools Forum regarding any additional funding and any pupil and premises, funding-factor rates.
4. The schools block was set at £260.78 million which is an increase of £4.68m on the 2016-17 funding level. The increase is accounted for by the growth in pupil numbers, detailed below.
5. The High Needs Block of funding has seen an increase for 2017-18 to £45.30m, which incorporates the changes in the post-16 funding in FE colleges now forming part of the LA funding, along with population growth funding.
6. The Early Years Block has been provisionally set at £24.72m, which will be subject to change during the year. The funding incorporates the changes from the implementation of the additional 15 hours of funding for 3 and 4 year olds.

Main Changes for Information

Pupil Numbers

7. There has been an overall increase in the pupil numbers within Wiltshire. The increase has been in the primary sector and Key Stage 3 pupils, with a decrease in pupils at Key Stage 4, in the secondary sector. The movement is detailed below;

Key Stage	2014-15	Increase	2015-16	Increase	2016-17	Increase	2017-18
KS1 & KS2	35,181	832	36,013	958	36,971	944	37,915
KS3	13,999	-71	13,928	139	14,067	485	14,522
KS4	10,103	-270	9,833	-262	9,571	-299	9,272
TOTALS	59,283	491	59,774	835	60,609	1,130	61,739

Per Pupil Funding and Other Funding Rates

8. The 'per pupil' funding rates for pupils in Wiltshire are detailed below. There was a significant uplift for the 2015-16 'per pupil' funding due to the additional £5.7m awarded through the Fairer Funding mechanism which has now been built into the base level of funding, going forwards. The small increase in the 'per pupil' funding rates for 2017-18 relate to the increased funding received for the pupil growth, along with reduction in centrally held funding and de-delegation.
9. Funding for 'per pupil' and other pupil led factors, deprivation, prior attainment and English as an additional language have been funded retaining the quantum's at their 2016-17 levels, as agreed with Schools Forum.

'Per Pupil' funding	2014-15	2015-16	2016-17	2017-18
Primary (KS1 & KS2)	2,912.12	2,989.50	2,984.65	2,998.34
Secondary (KS3)	3,739.55	3,838.91	3,832.69	3,850.26
Secondary (KS4)	4,562.50	4,683.72	4,676.13	4,697.57

Element	2014-15	2015-16	2016-17	2017-18
Deprivation – Primary	825.73	843.15	838.21	840.71
Deprivation - Secondary	831.70	849.25	823.43	815.34
English as an Additional Language – Primary	1922.48	1500.63	1,476.84	1,479.52
EAL – Secondary	658.66	578.77	542.30	596.68
Prior Attainment - Primary	614.95	627.93	628.43	637.50
Prior Attainment - Secondary	459.11	468.80	497.88	502.90

Minimum Funding Guarantee

10. The Minimum Funding Guarantee ensures that schools are protected from a drop in their overall per pupil funding of greater than -1.5%. In order to fund the MFG, schools seeing a gain in their level of per pupil funding are capped. For 2017-18, this cap is set at 0.90%.

	2014-15	2015-16	2016-17	2017-18
Total MFG	1,611,101	533,217	609,350	776,082
Largest MFG	133,628	67,647	69,457	261,731
Largest Cap	117,442	53,553	431,695	471,722
Schools in Receipt of MFG	77	27	48	34
Schools Capped	91	47	27	62
% Increase before Capping	0.88%	4.61%	1.70%	0.90%

11. The MFG calculation is quite often skewed due to the funding impact of newly opened and growing schools. The impact of the newly opened school in September 2016 is due to receive a significant MFG adjustment, as detailed in the table below. Without the need to fund this MFG, there would still be 34 schools in receipt of the MFG but only 7 schools being capped, with the level of increase capped at 2.68%.

High Needs Funding – Top Up Rates

12. At the Schools Forum meeting in January 2017, it was agreed that the funding rates for top ups in Resource Bases, Enhanced Learning Provisions and Named Pupil Allowances would all be increased in mainstream settings by approximately 11% from the prevailing 2016-17 rates, due to a decision to direct funding specifically into the High Needs block.
13. Despite standardised bandings and rates being introduced from 2016-17 due to cost pressures within the High Needs Block, the rates were reduced in mainstream settings by approximately 20% in 2016-17, whereas MFG protection resulted in the special schools seeing a far lower reduction in the top up rates for 2016-17. Appendix 1 details the funding rates for 2017-18 and also the proposed standardised rates arising from the banding review implemented in 2016-17 before reductions were made.
14. Due to the protection awarded to special schools, the proposed increase in top up rates of 11% in mainstream schools will still result in rates for special schools exceeding those in mainstream settings. The rates for special schools in 2017-18 will remain at the 2016-17 levels and will not be subject to further planned reductions in 2017-18.
15. The longer term objective is for convergence across all settings to ensure that funding rates are consistent across all bandings, as proposed in 2016-17. This will demonstrate parity within bandings across both mainstream and special schools.

High Needs – Place Change Request Outcomes

16. The results of the High Needs Place Change Request have been announced by the EFA. All of the requests submitted by Wiltshire were approved, which included the following:
 - A new Resource Base of 7 places at Castle Mead Primary
 - Increase of 104 additional post-16 places at Wiltshire College
 - Removal of all post-16 places in secondary schools, increasing the number of pre-16 places where required

Proposal

17. Schools Forum is asked to note the content of this report.

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