

**DEDICATED SCHOOLS BUDGET – SCHOOLS BLOCK UPDATE 2018-19 (Delegated Budget)**

**Purpose of the Report**

1. To update schools forum on issues relating to the schools delegated budget for 2018-19 and the decisions that will need to be made as part of the budget setting process.

**Main Considerations**

2. As outlined in the funding settlement paper the DfE has allocated a schools block quantum to Wiltshire of £267.858 million. This includes funding of £1 million for the growth fund, based on historical funding values.
3. Cabinet has approved the funding formula for 2018-19. It is therefore agreed that Wiltshire will move as close to the national funding formula (NFF) as possible. In doing so the Wiltshire formula will replicate the formula factors in the national funding formula (NFF) for 2018-19. Formula factors may not be funded at the published NFF values for affordability reasons.
4. Modelling work is underway to calculate individual school budgets based on the agreed formula. Progress to date is as follows and an update will be brought to the meeting on 18 January:
  - a. The total shortfall between the NFF at published values and funding received in the settlement is £1,684,721.
  - b. The reason for the variance is,
    - i. increase in Business Rates of £0.200 million (this is due to significant changes in rateable values in 2017-18 with a reduction in the transition arrangements which has meant that a number of 'medium' sized schools have seen an increase of up to 17.5%).
    - ii. A number of growing schools are being funded on estimated numbers with the agreement of the ESFA. This means more pupils are being funded through the formula than were counted in the October 2017 census. 200 additional pupils are being funded across 5 schools.
  - c. It is proposed that the shortfall will be funded through a reduction in FSM6 rates. The rationale for reducing this factor rather than other factors is that schools forum fed back strongly in the response to the NFF consultation that there is an element of double counting between this factor and the Pupil Premium Grant. For this reason it is felt that a reduction of this factor would have less impact than if other factors were reduced.
  - d. The FSM6 rates are proposed to be £395.20 for Primary's and £574.51 instead of the EFA's NFF rates of £540 and £785 respectively.
  - e. The Growth Fund is still set at £1m. A separate report on this agenda proposes the criteria for the growth fund in 2018-19.
5. As in previous years it is also assumed that costs of the minimum funding guarantee (MFG) are met through limiting the increases to schools gaining from the formulaic changes. It has been agreed that the MFG will be set at 0.5%.
6. As in previous years funding for de-delegated services must be allocated through the formula but can then be de-delegated for maintained mainstream primary and

secondary schools with schools forum approval. Schools forum considered proposals for 2018-19 at the December meeting and agreed those services to be de-delegated. The following services were agreed to be de-delegated in 2018-19:

- HCSS Software Licence
- Trade Union Facilities Costs
- Maternity Costs
- Ethnic Minority Achievement Service
- Traveller Education Service
- Behaviour Support Service

7. It has been assumed that there will be no movement of funding between DSG blocks.

### **Proposals**

8. Schools Forum is asked to note the report and the required decisions in relation to the schools delegated budget for 2018-19.

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