

Wiltshire Council

Schools Forum

12 December 2019

Schools Block – National Funding Formula 2020-21

Purpose of the Report

1. To build upon the report presented to Schools Forum in October 2019 for school revenue funding and update schools forum with regards to the National Funding Formula for the schools block of funding for the 2020-21 year.

Main Changes

2. At the October 2019 meeting, the main changes impacting upon the schools block of funding for the 2020-21 year were reported as;
 - a. The Minimum per pupil Funding Levels to be set at £3,750 in Primary and £5,000 in Secondary schools.
 - b. A 4% increase in the formula's core factors, except for Free School Meal (FSM) factor which will be increased by inflation.
 - c. Premises factors (rates, PFI, split site, rents) will be funded at the local authority level without inflationary increases.
 - d. No mandatory NFF gains cap, but Schools Forum may continue to apply one.
 - e. Introduction of a new formulaic approach to the mobility factor.
 - f. Growth funding to be based upon the same methodology as in 2019-20. (Protection provided to ensure that no LA will lose funding of greater than 0.5% of its Schools Block allocation, should is growth be significantly lower year on year).
 - g. Teachers Pay and Pension Grants to continue for the 2020-21 year, with rates to be published later in the year.

National Funding Formula (NFF)

3. The NFF is split into three main components;
 - a. Core Funding
 - i. Pupil-led factors (AWPU, deprivation, prior attainment, EAL)
 - ii. School-led factors (lump sum, sparsity)
 - iii. Area cost adjustment (applied to i&ii to reflect labour market rates)
 - b. Premises Funding – PFI, split sites, rates and exceptional factors
 - c. Growth Funding – allocated on a formulaic approach since 2019-20

4. The NFF core funding uplift alongside the minimum per pupil funding levels designed to ensure that if applied, will ensure that all schools see an uplift of 1.84% compared to their baseline for 2019-20.
5. The proposed funding levels under the NFF for 2020-21 are detailed in the table below, which applies the uplift and published by the DfE.

Factor	2019-20 Value	2020-21 Value	Uplift
Primary KS1&2 AWPU	£2,747	£2,857	£110
Secondary KS3 AWPU	£3,863	£4,018	£155
Secondary KS4 AWPU	£4,386	£4,561	£175
Primary & Secondary FSM	£440	£450	£10
Primary FSM6	£540	£560	£20
Secondary FSM6	£785	£815	£30
IDACI Primary Band A	£575	£600	£25
IDACI Primary Band B	£420	£435	£15
IDACI Primary Band C	£390	£405	£15
IDACI Primary Band D	£360	£375	£15
IDACI Primary Band E	£240	£250	£10
IDACI Primary Band F	£200	£210	£10
IDACI Secondary Band A	£810	£840	£30
IDACI Secondary Band B	£600	£625	£25
IDACI Secondary Band C	£560	£580	£20
IDACI Secondary Band D	£515	£535	£20
IDACI Secondary Band E	£390	£405	£15
IDACI Secondary Band F	£290	£300	£10
Prior Attainment – Primary	£1,022	£1,065	£43
Prior Attainment – Secondary	£1,550	£1,610	£60
EAL – Primary	£515	£535	£20
EAL - Secondary	£1,385	£1,440	£55
Mobility – Primary	£0	£875	£875
Mobility – Secondary	£0	£1,250	£1,250
Lump Sum	£110,000	£114,400	£4,400
Sparsity – Primary	£0-£25,000	£0-£26,000	£0-£1,000
Sparsity – Secondary	£0-£65,000	£0-£67,500	£0-£2,500
Primary - MPPFL	£3,500	£3,750	£250
Secondary – MPPFL	£4,800	£5,000	£200
Area Cost Adjustment	1.00703	1.00716	0.00013

Mobility Factor

6. The Mobility factor has not previously been adopted by Wiltshire as one of its formula funding factors. There has never been a national approach to calculating mobility. The DfE have introduced a new formulaic approach to the mobility factor. In terms of awarding funding to LA's, the DfE will award funding on the basis of a 'fair' allocation rather than based upon historical spend.
7. Mobility will continue to be an optional factor for Schools Forum to utilise, however the LA will be awarded funding upon the factor. The factor awards funding to schools with a high proportion of pupils who first join a school on a non-standard date.
8. The new methodology involves tracking pupils through their unique pupil ID through census from the past 3 years. If the first census when the pupil was in the school was a Spring or Summer census, then they are a 'mobile' pupil. (The methodology excludes pupils who joined in the Summer term after the Summer census, or pupils who joined in October before the Autumn census.
9. To be eligible for mobility funding, the proportion of mobile pupils a school has, must be above the threshold of 6%. For all pupils above the threshold an amount per-pupil will be allocated at £875 and £1,250 for primary and secondary pupils respectively. On the basis of the October 2018 census, funding would be awarded to 132 primary and 10 secondary schools.

Funding 2020-21

10. The DfE will continue to fund Wiltshire and all other LA's using Primary and Secondary Units of Funding (PUFS and SUFS), which present actual units of funding to build up our overall DSG Schools Block allocation.
11. The Premises factors will continue to be funded on an historical basis for split sites, rates and exceptional factors.
12. Growth funding will be funded following the new formulaic approach which applies the growth in individual MSOA's (Middle Layer Super Output Area's). For growth the funding rates will be the growth in primary pupil numbers x £1,425 and secondary pupil numbers x £2,130 and £67,000 for each new school. Until verified pupil data has been provided, it would be impossible to calculate exact allocation for Wiltshire.

Potential Allocation for 2020-21

The DfE have provided indicative allocations for Wiltshire, based upon the October 2018 census, so are indicative but not final. They certainly provide a useful comparison.

Block	2019-20	2020-21	Growth
Schools	£271.5m	£287.0m	£15.5m
High Needs	£46.9m	£51.3m	£4.4m
Central	£1.99m	£1.88m	-£0.11m
Total (excl. EY)	£320.39m	£340.18	£19.79m

- Assumes same pupil characteristics as at October 2108 census
- Excludes Growth Fund income

13. Early Years provisional allocations have not yet been shared but local estimates are included in the table below, estimated at current census funding levels but increased by

the hourly rate increase to show estimated growth. In June of this year, the DfE launched a campaign to promote and raise awareness of the benefits of 30 hours free childcare can have for families and we have seen, potentially as a result of this, a large increase in demand which has outstripped both the contingency allocation and the overall funding level for 2019/20.

14. The funding rates have been confirmed at £0.08 pence per hour increase for all age groups. A report will be taken to the Early Years reference group regarding funding of central provision and payment rates to settings for 20/21 financial year once the provisional allocations are published. The budgeted rates must be set at a level which is within funding constraints and strategic requirements fully considered in resourcing the central teams.

Block	2019-20	2020-21	Growth
Early Years Allocation	£26.410m	£27.243m	£0.834m
Hourly Rate 2 Year Olds	£5.32	£5.40	£0.08
Hourly Rate 3 Year Olds	£4.30	£4.38	£0.08

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15. Final allocations and guidance for the 2020-21 year will be published in December 2019.

Proposals

16. Schools Forum to note the content of the report.

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