

WILTSHIRE COUNTY COUNCIL

SCHOOLS FORUM

3 March 2010

DEVOLVED FORMULA CAPITAL: NON-VA SCHOOLS

Background

1. At its meeting held on 19 March 2009 the Schools Forum agreed that the allocation of grants to federated, amalgamated and split-site schools should be considered ahead of the 2011-2014 funding settlement.
2. Devolved Formula Capital (DFC) grant has been allocated to schools for several years. Initially the grant was part of The Standards Fund Programme but more recently was funded from the Capital Pot. Schools can use DFC for any capital purpose.
3. The grant has been allocated to Wiltshire according to a school-level national formula. The allocations to individual schools have been calculated by applying some local variations to the national formula.
4. DFC for VA schools is allocated by the Department for Education direct to individual schools who may nominate their diocese to manage the grant.
5. Schools Forum is invited to consider future arrangements for the distribution of DFC to non-VA schools in Wiltshire.

Current Arrangements

6. DFC is provided by the Department for Education by formula which is based upon the numbers of schools and pupils reported in the school census of the January of the preceding calendar year. Grant to schools has, correspondingly, been calculated on the same basis. This has presented some confusion and distortion of sums allocated.
7. The formula allocation for 2008-2011 was:

<i>Figures in £</i>	Per School	Per Primary Pupil	Per Secondary Pupil	Per boarding pupil, PRU pupil or special school pupil
Higher rate 2008-11	18,500	63.00	94.50	189.00
Lower rate 2008-11	9,250	31.50	47.25	94.50

8. All unmodernised schools were entitled to the higher rate of DFC. Modernised schools were entitled to the standard rate of DFC, which was 50% of the total higher rate DFC figure. Modernised schools were new schools or those which, in the previous ten years, had 80% or more of their floor area modernised.

9. The national formula for DSG provides only a single flat rate to each school irrespective of whether schools have split sites through reorganisation or amalgamation. Schools Forum agreed that a flat rate should be allocated to each site, thereby upholding the principle that amalgamated schools should not be worse off by amalgamating. These additional flat rate payments have been funded from the DfE allocations made for schools which have closed or by reducing the formula allocation to all schools. This principle has not been applied to amalgamated VA schools which receive their DFC allocation direct from DCSF.

Arrangements for 2011-12

10. The national formula allocation for 2011-12 is:

Per School	Per Primary Pupil	Per Secondary Pupil	Per boarding pupil, PRU pupil or special school pupil
£4,000	£11.25	£16.88	£33.75

11. The distinction between modernised and unmodernised schools has been removed.
12. The DfE has been asked to clarify the arrangements for the allocation of DFC, especially in light of advice that the school financial regulations will require federations to retain any formula saving arising from the potential loss of individual lump sum payments.
13. The guidance from the DfE states that DFC allocations at local authority level are indicative and will be adjusted in line with end-of-year pupil figures in maintained schools. This could imply that the DfE will be basing the funding on current years pupil numbers not the preceding January as in the past.
14. To maintain the second lump sum to split site schools would cost £32,000 which, if met from the overall DFC allocation, would reduce the lump sum to all schools by approximately £190. Alternatively, it may be possible to meet this cost from DSG either by increasing the basic flat rate in the schools formula or through a separate flat rate factor effectively funding it from the Individual Schools Budget (ISB) quantum.
15. In 2011-12, the following eight schools would be eligible to receive a second flat rate payment:
 Brinkworth - federated in 1993
 Five Lanes - was Potterne and Worton
 The Manor - was Lowbourn Junior and St Michaels Infants
 The Village - was Monkton Farley and Atworth
 Corsham Primary - incorporated Box Highlands
 Lyneham Primary - was Junior and Infants
 The Mead - incorporated Wingfield
 Longford - was Odstock and Britford

Recommendations

16. Schools Forum is invited to consider whether:
- i. DFC should be allocated according to the current or preceding year's pupil numbers;
 - ii. Schools maintaining two sites should receive two lump sum payments and if so how it should be funded.

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Unpublished documents relied upon in the production of this report: None