



Briefing note

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Title of Briefing: Budget Monitoring 2016/17 and DSG 2017/18 Block allocations

Purpose

This report will update Schools Forum the latest monitoring positions for 2016/17 and DSG block budgets 2017/18. It will cover:-

1. DSG Monitoring 2016/17
2. Schools Revenue Monitoring 2016/17
3. DSG Blocks 2017/18
4. School Block allocation 2017/18

Background

At the January 2017 meeting several papers were discussed at Schools Forum to advise the group of the forecast 2016/17 DSG Block outturn positions. This included the current and future High Need budget pressures.

The final decisions to agree the budgets for 2017/18 were made at the January 2017 meeting and Forum approved the block transfers prior to setting the Schools Block budgets.

1. DSG Monitoring 2016/17

There are still several final transactions to be completed for year end and which will impact on the final DSG outturn figures. These transactions include the following:-

- Spring term SEN Top Up allocations
- Extra ordinary SEN allocations (£0.030m)

- Clawback for permanently excluded pupils and PALS spring term clawback
- Early Years spring term allocation

Previous projected positions took into account the summer and autumn term data and projections to the end of year for spring term. There has been little change since the figures reported at the January meeting. See table 1 with the forecast position.

Table 1

DSG	Projected Outturn 2016/17 £m	
Schools	0.100	Underspend (carried forward falling rolls funds)
High Need SEN	-0.552	Overspend
Early Years	0.000	Balanced
Total Projected Outturn	-0.452	Overspend

2. Schools Revenue Monitoring 2016/17

At the beginning of the financial year when schools set their budgets the projected total outturn for schools was expected to be around -£0.241m net deficit. Monitoring is now completed and the projected outturn schools are reporting is £0.879m net surplus.

The projected outturn for the eight schools who have deficit approval has improved by £0.156m, the total projected outturn is -£4.65m. This is before any Falling Rolls or Headroom allocations, which will be applied at the end of the financial year once the final outturn position is known. There are a further four schools who are indicating a projected deficit and who do not have deficit approval. All of these schools are projecting less than £5k so are within acceptable levels at this stage.

3. DSG Blocks 2017/18

The final decisions to determine the DSG block were agreed at the January 2017 Schools Forum meeting.

The North Tyneside Authority Proforma Tool (APT) was submitted to the EFA by the required deadline date, 20th January 2017. All agreed changes to the funding blocks had to be applied before submitting the APT as this determined mainstream schools funding for 2017/18. We have now had confirmation from the EFA our APT meets the requirements.

High Needs Block

At the January meeting the SEND Working Group had prepared a detailed note explaining the High Needs budget pressures. Schools Forum were asked to consider and approve the recommendations of the SEND Working Group in the transfer of £0.327m additional funds to the High Needs Block to address the residual budget overspend.

The paper also disclosed further pressures in the Portage and Leaps and Sensory Support commissioned services. Since this meeting further pressures have been raised with the demands on the Language and Communication commissioned services. These projected pressures have not been included in the 2017/18 High Needs budget allocation. Further talks are being held with the commissioned services.

Centrally retained items

The historic centrally retained budget for 2017/18 is £2.076m. In addition £0.427m is retained for the Education Services grant (retained duties) previously received direct by the Local authority and was not included in the DSG allocation.

Schools Block

We can now confirm the amount allocated to schools via the Schools Block allocation, following confirmation from the EFA. The amount allocated to schools was £112.454m an increase from £111.805m in 2016/17.

Individual School Budgets

All mainstream schools budgets were distributed on 30 January along with a budget letter explaining the changes in 2017/18, including the transfers to the High Needs Block.

All factor changes as discussed and agreed at the November Schools Forum meeting were included in the 2017/18 APT. This included the changes to the IDACI bands, and the increase in the Lump sum for secondary schools. The final adjustment was to the Basic entitlement rate (reduced by £12.39 per pupil).

Schools were also advised of the changes applicable in 2017/18 for Early Years funding with details of the new rates per hour.

All schools were invited to attend the Budget planning workshops held by the Finance team which are currently in progress and are in the process of firming up their budget plans.

4. School Block allocation 2017/18

A copy of the North Tyneside Proforma used in calculating the schools budgets is shown in Appendix A.

Appendix A: 2017/18 Final APT

Local Authority Funding Reform Proforma																							
LA Name:		North Tyneside																					
LA Number:		392																					
Pupil Led Factors																							
Reception uplift		No		Pupil Units		0.00																	
2) Basic Entitlement Age Weighted Pupil Unit (AWPU)		Description		Amount per pupil		Pupil Units		Sub Total		Total		Proportion of total pre MFG funding (%)		Notional SEN (%)									
		Primary (Years R-6)		£2,727.20		16,126.00		£43,815,355		£87,275,121		29.18%		5.40%									
		Key Stage 3 (Years 7-9)		£4,041.75		6,052.00		£24,496,550				21.88%		5.40%									
		Key Stage 4 (Years 10-11)		£5,051.48		3,761.00		£18,998,616				16.99%		5.40%									
		Description		Primary amount per pupil		Secondary amount per pupil		Eligible proportion of primary NOR		Eligible proportion of secondary NOR		Sub Total		Total		Proportion of total pre MFG funding (%)		Primary Notional SEN (%)		Secondary Notional SEN (%)			
2) Deprivation		PSM6 % Primary		£562.09				4,298.17				£2,365,326		£8,815,812		7.88%		15.00%					
		PSM6 % Secondary				£366.10				2,715.76		£2,152,118						15.00%		15.00%			
		IDACI Band F		£0.00		£0.00		1,526.86		873.11		£0						15.00%		15.00%			
		IDACI Band E		£220.75		£327.03		1,383.62		943.72		£381,155						15.00%		15.00%			
		IDACI Band D		£295.75		£437.03		1,584.98		870.66		£645,283						15.00%		15.00%			
		IDACI Band C		£370.75		£547.03		1,892.00		1,178.86		£1,345,290						15.00%		15.00%			
		IDACI Band B		£445.75		£657.03		935.12		478.93		£731,501						15.00%		15.00%			
		IDACI Band A		£520.75		£767.03		850.57		327.75		£596,179						15.00%		15.00%			
3) Looked After Children (LAC)		LAC X March 18						175.99		£0		£804,948		0.00%		0.00%							
4) English as an Additional Language (EAL)		EAL 2 Primary		£1,212.00				283.80		£343,724				0.35%		0.00%							
		EAL 2 Secondary				£1,212.00				38.49				£46,539		0.00%		0.00%					
5) Mobility		Pupils starting school outside of normal entry dates		£250.00		£250.00		54.84		1.90		£34,885		0.01%		0.00%		0.00%					
		Description		Weighting		Amount per pupil		Percentage of eligible pupils		Eligible proportion of primary and secondary NOR respectively		Sub Total		Total		Proportion of total pre MFG funding (%)		Primary Notional SEN (%)		Secondary Notional SEN (%)			
6) Prior attainment		Low Attainment % new EPSP		32.75%		£732.37		12.60%		2,035.25		£1,496,559		£2,705,891		2.42%		100.00%					
		Low Attainment % old PSP 73						12.59%															
		Secondary low attainment (year 7)		48.02%				20.65%														100.00%	
		Secondary low attainment (years 8 to 11)				£647.34				18.77%		1,877.42						£1,215,132					
Other Factors																							
Factor		Lump Sum per Primary School (£)		Lump Sum per Secondary School (£)		Lump Sum per Middle School (£)		Lump Sum per All-through School (£)		Total (£)		Proportion of total pre MFG funding (%)		Notional SEN (%)									
7) Lump Sum		£150,000.00		£176,000.00						£326,000.00		0.78%		0.00%									
8) Sparsity factor										£0		0.00%		0.00%									
Please provide alternative distance and pupil number thresholds for the sparsity factor below. Please leave blank if you want to use the default thresholds. Also specify whether you want to use a tapered lump sum for one or both of the phases.																							
Primary distance threshold (miles)		Primary pupil number average year group threshold						Fixed or tapered sparsity primary lump sum?		Fixed													
Secondary distance threshold (miles)		Secondary pupil number average year group threshold						Fixed or tapered sparsity secondary lump sum?		Fixed													
Middle schools distance threshold (miles)		Middle school pupil number average year group threshold						Fixed or tapered sparsity middle school lump sum?		Fixed													
All-through schools distance threshold (miles)		All-through pupil number average year group threshold						Fixed or tapered sparsity all-through lump sum?		Fixed													
9) Fringe Payments										£0		0.00%											
10) Split Sites										£0		0.00%		0.00%									
11) Rates										£386,652		0.79%		0.00%									
12) PFI funding										£785,451		0.70%		0.00%									
13) Exceptional circumstances (can only be used with prior agreement of CFA)																							
Circumstance										Total (£)		Proportion of total pre MFG funding (%)		Notional SEN (%)									
Additional lump sum for schools amalgamated during FY16-17										£0		0.00%		0.00%									
Additional sparsity lump sum for small schools										£0		0.00%		0.00%									
Exceptional Circumstance1										£0		0.00%		0.00%									
Exceptional Circumstance4										£0		0.00%		0.00%									
Exceptional Circumstance5										£0		0.00%		0.00%									
Exceptional Circumstance6										£0		0.00%		0.00%									
Total Funding for Schools Block Formula (excluding MFG Funding Total) (£)										£111,801,095		100.00%		£8,743,802									
14) Minimum Funding Guarantee (MFG is set at -1.5%)										£656,966													
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)										Yes													
Capping Factor (%)		4.60%		Scaling Factor (%)		100.00%																	
Total deduction if capping and scaling factors are applied										£0													
										Total (£)		Proportion of Total funding(%)											
MFG Net Total Funding (MFG + deduction from capping and scaling)										£656,966		0.58%											
High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £5,000 has been approved)																							
Additional funding from the high needs budget										£0.00													
Growth Fund (if applicable)										£0.00													
Falling rolls fund (if applicable)										£250,000.00													
Total Funding For Schools Block Formula										£112,454,066													
% Distributed through Basic Entitlement										79.86%													
% Pupil Led Funding										88.73%													
Primary: Secondary Ratio										1:		1.42											
Total funding for schools block formula contains funding from outside of the 2017-18 Schools Block allocation?										No													