



# ISLINGTON SCHOOLS FORUM

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## SCHOOLS FORUM

<b>MEETING DATE</b>	<b>Thursday 17 January 2019</b>
<b>AGENDA ITEM 6</b>	<b>School Funding Formula 2019-20</b>
<b>RECOMMENDATIONS</b>	That School Forum: <ul style="list-style-type: none"> <li>a. Agree 2019-20 formula factors and values</li> <li>b. Agree final values retained for Growth and Falling Rolls</li> <li>c. Note final 2019-20 school budget allocations</li> </ul>

### 1 Background

- 1.1 A consultation with schools on School Funding 2019-20 ran from 12<sup>th</sup> – 22<sup>nd</sup> November.
- 1.2 At the November 2018 meeting, Schools Forum agreed the principles and changes to formula listed below following this consultation:
- To continue to move towards the National Funding Formula (NFF) as far as is possible
  - To phase in the reduction in lump sum
  - Continue to use the mobility factor in 2019-20
  - Continue to retain Growth Funding
  - Continue to retain Falling Rolls Funding
  - To continue to retain funding for services through the Central School Services Block as previously agreed with Schools Forum
  - To continue de-delegated services at the current rate
  - To not offer any additional de-delegated services

### 2 Data Changes between October 2017 and October 2018 Census

- 2.1 Pupil number movements are as follows:

Primary	-228
Secondary KS3	32
Secondary KS4	3

These numbers are adjusted to allow for growing schools: 60 places to Whitehall Park Primary, pro rata'd 7/12ths (35) as they are only applicable for the period September-March. Place numbers at COLPAI have not been adjusted as although there will be a new year intake of up to 30 in September 2019, the estimation for September 2018 was significantly higher than actual uptake and the numbers net off.

Full data movements are shown below:

Primary		Oct 17	Oct 18	Difference
Basic Entitlement		13,844.00	13,615.33	(228)
Deprivation	FSM	3,677.24	3,867.06	190
Deprivation	FSM E6	6,852.68	6,389.15	(464)
Deprivation	IDACI F	734.91	754.72	20
Deprivation	IDACI E	1,504.65	1,457.77	(47)
Deprivation	IDACI D	2,020.96	1,941.79	(79)
Deprivation	IDACI C	2,217.54	2,195.00	(23)
Deprivation	IDACI B	3,858.47	3,817.19	(41)
Deprivation	IDACI A	1,637.10	1,575.29	(62)
EAL	3 yrs	3,104.26	2,949.35	(155)
Mobility		96.80	137.60	41
Prior Attainment		4,865.33	5,070.31	205

Secondary		Oct 17	Oct 18	Difference
Basic Entitlement	KS3	4,500.00	4,532.00	32
Basic Entitlement	KS4	2,910.00	2,913.00	3
Deprivation	FSM	2,356.00	2,482.00	126
Deprivation	FSM E6	4,977.26	5,008.71	31
Deprivation	IDACI F	379.72	392.66	13
Deprivation	IDACI E	700.17	719.07	19
Deprivation	IDACI D	1,121.13	1,103.67	(17)
Deprivation	IDACI C	1,334.00	1,307.40	(27)
Deprivation	IDACI B	2,304.91	2,316.25	11
Deprivation	IDACI A	930.97	952.85	22
EAL	3 yrs	291.07	258.76	(32)
Mobility		16.90	11.20	(6)
Prior Attainment		1,495.77	1,466.05	(30)

### 3 Budget Modelling 2019-20

3.1 The initial step was to roll in the new data and apply the NFF unit values.

Minimum Funding Guarantee (MFG) was set at -1% to manage the affordability of the guarantee but also to allow some protection per pupil for all schools i.e. no school will lose more than 1% per pupil funding.

The mobility factor is not included in the NFF but is allowable in the local formula. The amount of funding historically available for this factor is £13.4k and last year's unit rate of £102 has been reduced to £90 to allow for a higher number of mobile pupils and stay within the funding envelope.

Allocations of funding for NNDR (business rates) were set at actual cost 2018-19 and inflated by 10% in anticipation of continuing rate rises. Actual charges for 2019-20 will not be known in time for budget setting. The impact of rate changes is nil on individual schools as the NNDR budget factor is set to match cost; however, annual increases do create a budget pressure on the Schools Block and this has been raised as an issue with the ESFA.

Allocated amounts to relevant schools for PFI LA contributions costs were uplifted by 3% in line with retail price index.

At this point there was an affordability gap of £398k i.e. the DSG Schools Block allocation was insufficient to allow NFF unit rates to be matched in the local formula.

### 3.2 Further modelling:

Following an ESFA funding error made in 2018-19, LBI will receive a one-off DSG payment of £1.2m in 2019-20 to support the Schools Block through a period of transition. Some of this is required to meet the affordability of using NFF unit rates in our local formula. It was also agreed at Schools Forum meeting 29<sup>th</sup> November 2018 that part of the funding be used to phase in the reduction to the lump sum from the Islington unit rate to NFF rate. The additional amount added to the lump sum for both primary and secondary schools is £10k.

Final budget allocations to schools are shown in Annex A.

Growth and Falling Rolls: after meeting the affordability of the formula it has been possible to continue to top-slice the Schools Block to provide £400k for growth funding and £300k for falling rolls, as noted by Schools Forum on 29<sup>th</sup> November 2018. Any remaining funds held in 2018-19 for these purposes will be carried forward.

At completion of budget modelling there remains £321k unallocated and it is proposed this is retained for use in 2020-21 school budget allocations, primarily to continue to phase in the reduction of the NFF rate for lump sum. These funds are to be shown as an addition to Growth Funding for accounting purposes.

### 3.3 Unit rates:

The table below illustrates the 2019-20 unit values used in the final budget model:

Factor	Unit	NNF Pri value £	Islington Pri Value £	NNF Sec value £	Islington Sec Value £
Basic Entitlement	Pri	3,246	3,246	n/a	n/a
Basic Entitlement	KS3	n/a	n/a	4,565	4,565
Basic Entitlement	KS4	n/a	n/a	5,183	5,183
Deprivation	FSM	520	520	520	520
Deprivation	FSM E6	638	638	928	928
Deprivation	IDACI F	236	236	343	343
Deprivation	IDACI E	284	284	461	461
Deprivation	IDACI D	425	425	609	609
Deprivation	IDACI C	461	461	662	662
Deprivation	IDACI B	496	496	709	709
Deprivation	IDACI A	679	679	957	957
EAL	3 yrs	609	609	1,637	1,637
Mobility		n/a	90	n/a	90
Prior Attainment		1,208	1,208	1,832	1,832
Lump Sum		129,989	139,989	129,989	139,989

## 4 Recommendations

That Schools Forum:

- 4.1 Agree 2019-20 formula factors and values as shown 3.3.
- 4.2 Agree final values retained for Growth and Falling Rolls; £721k and £300k respectively
- 4.3 Note final 2019-20 school budget allocations as shown in Annex A.

Contact

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