

Schools Forum Budget Working Group

22 January 2010

REVIEW OF HEREFORDSHIRE SCHOOLS FUNDING FORMULA**What Factors to review next??****Schools Affected**

All schools

Purpose

To provide an overview of the current funding formula to facilitate a review of the formula used, with a view to presenting recommendations to Schools Forum for implementation by April 2011 (as agreed at Schools Forum in February 2009). All amounts are draft 2010-11 so may not be final.

Report**1. Age Weighted Pupil Unit (AWPU). £57.7m – 74.5% of allocation**

The AWPU is made up of the elements shown below (figures are rounded). Where funding available exceeds the amount allocated any 'headroom' is distributed 50% based on pupil numbers and 50% social deprivation – the pupil number element is included in the AWPU.

Level	AWPU	Headroom	SLAs	Social Inclusion	14-16 Practical Learning	Personalised Learning	Total
KS1	2,337	6	54	0	0	13	2,410
KS2	2,210	6	54	0	0	13	2,283
KS3	2,729	6	58	42	38	24	2,897
KS4	3,543	6	58	42	38	24	3,711

2. Additional Pupil Led Funding. £1.7m – 2% of allocation**Nursery Funding in hand via new early years single funding formula**

Subject to DCSF agreement single funding formula will be implemented from 2010.

Class Size Based Funding (Class Size Grant)

Allocated to primary schools to ensure sufficient funding for teachers at Key Stage 1. The calculation determines how many classes are required based on the pupil numbers across the Key Stage 1 years and then provides funding to a minimum of 27 pupils per class (with an adjustment for Small Schools' Protection (SSP) already included in the KS1 formula, based on number of places below 450). 10/11 funding is £1,130 per pupil with the SSP adjustment £26.

Pupil Numbers	Classes of up to 30	Classes of 27	Funded Pupils Less Actual	Funding	KS1 SSP Adj	Class Based Funding
37	2	54	17	19,210	(9,724)	9,486

Free School Meals

Based on pupils taking free school meals not actual entitlement - £361.10 per pupil being £2.00 per day plus £3.10 for Christmas meal for 179 days only.

3. SEN. £4.1m – 5.3% of allocation**Administration of Statemented Pupils**

Amount per statement – currently £225

Bands 1 and 2 – delegated in April 2009

Delegated formula now uses a basket of social deprivation indicators. In 2010/11 allocations will be based on 25% of 2007/08 per pupil allocation uplifted to current values and 75% of the revised basket. Protection will be paid at 50% of the difference between the two calculations. In 2011/12 the allocation will be 100% based on the basket of indicators with protection being paid at 25%. 2011/12 is the last year that protection will be paid.

Bands 3 and 4

Need is calculated in days – Band 3 currently £7,350 for a full year and Band 4 £11,500. Figures in the draft allocation only include allocations where 2010/11 needs are known and the allocation required will therefore increase when the February figures are input.

Physical Impairment and Autism Centre (Bishops)

Physical Impairment Centre - £6,929 per pupil (currently 2)

Autism Centre – lump sum £66,376

Hampton Dene Special Centre

Hampton Dene is funded for 20 standard and 9 enhanced places, with the calculation based on the average estimated pupil numbers across the year. Funding is adjusted in year if pupil numbers change. As well as pupil based funding, vacant places are subsidised to protect the availability of places. Funding amounts are currently:

Standard - £8,468 per pupil

Enhanced - £13,218 per pupil

Standard vacant places - £3,158

Enhanced vacant places - £4,930

4. AEN. £1.5m – 1.9% of allocation**Personalised Learning**

Low Prior Attainment score (LPA proportion x NOR) x £394.15 for Primary and £460.06 for High schools

5. Social Deprivation. £2.8m – 3.6% of allocation**Free School Meals % factor**

For FSM as a percentage of NOR up to 10% then an allocation of £5.56 per FSM made.

Eg. FSM as % of NOR = 8.36 the school would get 8.36 x 5.56 x number of FSM

For FSM as a percentage of NOR over 10% a similar calculation is performed but with a higher amount of £23.95 for the % over 10%.

In recent years the DCSF has asked Authorities to allocate more funding on Social Deprivation factors. In common with other West Midlands' Authorities, Hereford has used a 'basket' of factors and allocated similar amounts of funding to each factor.

FSM per Pupil - £309k (cash limited to 271k but headroom currently applied)

Equates to £143.47 per FSM pupil

IDACI (Income Deprivation Affecting Children Index) - £303k (cash limited to 271k but headroom currently applied)

IDACI Ofsted proportion data is multiplied by pupil numbers to find the estimated number of pupils affected and £100.15 per pupil affected was then allocated.

Low Prior Attainment - £309k (cash limited to 271k but headroom currently applied)

LPA score multiplied by number of pupils to find number of pupils in this category to which £91.19 per pupil is allocated.

Personalised Learning FSM % - £1.5m (fixed budget inflated annually)

Calculation is the same as that for Free School Meals (without the 10% threshold) – Primary schools are allocated £24.64 and High schools £90.33.

The use of FSM% means that there can be big changes in the annual allocation as FSM numbers fluctuate.

6. Site Specific - £163k

Grassed and Planted

Primary schools – 17.1p per m²

High schools – 9.6p per m²

7. School Specific. £9.4m – 12% of allocation

Management Flat Rate £3.1m

Sum of the SLA flat rates, Heads' management allowance and invigilators for high schools.

	SLAs	Management	Invigilators	Total
Primary	8,050	26,710	-	34,760
High	8,569	8,419	3,293	16,988

Premises Flat Rate £407k

Primary - £4,004

High - £5,927

Curriculum Protection – currently frozen at 07/08 level of £965k

This was changed in 2006 – the size of school was reduced and the management flat rate increased. The Curriculum Protection school size funding in 2004/5 was based on 360 pupils for Primary schools and 750 for High schools and cost £2m.

For the 2010/11 draft budgets £965k has been allocated per the frozen amount. If the formula factors had been uplifted each year we would be allocating £1.03m in 2010/11. As the number of pupils reduces the amount per pupil allocated reduces.

Primary – where schools have fewer than 200 pupils (excluding nursery) they receive £107.97 per pupil for the difference between their NOR and 200. In 2009/10 this figure was £109.75.

Where a school has fewer than 30 pupils the formula also allows for an allocation of £610 for each pupil below 30 although this is not applicable to any schools in the 2010/11 draft budgets. Two schools are near this threshold though with 31 and 32 pupils.

High – where schools have fewer than 655 pupils (excluding 6th form) they receive £208.91 per pupil for the difference between NOR and 655.

Energy £1m

Peak Electric – £7k allocated

Off Peak Electric – £12k allocated

LPG – £18k allocated

Rates £1.1m

An estimated amount is input for rates in the budget allocation and then the amount is adjusted once the actual cost is known.

Shared Use

Only affects two schools – Minster are receiving £45k for use of the sports centre and Fairfield £2.5k for hire of a sports field.

Premises Insurance £320k

Funded at cost

Teachers' Pay Grant £3.2m

£3,874 per eligible teacher on upper threshold pay scale. This is a continuation of the Teachers' Pay Grant which was incorporated a few years ago. The number of teachers on the upper pay scale has increased by 40 FTE since the 2009/10 budgets, increasing the allocation required by £155k.

PFI Factor

Applies to Whitecross - £178k

LSC Sixth Form Reduction

A budget reduction to reflect the share of premises and fixed costs included in sixth form LSC funding.

Nursery Abatement

Schools Forum have agreed that the formula funding model can apply a budget reduction to schools with nurseries in a similar way to schools with sixth forms to account for the single funding formula.

For Consideration

It is suggested that the next factor to be reviewed is either a or b below.

- a. Social deprivation/personalised learning - spend £4.3m

this would be useful in updating progress against the Government's social deprivation target as this has been a key strand of Forum's budget strategy in the last 3 years.

- b. school specific factors - spend £9.4m