

**SCHOOL FUNDING FORMULA – SCHOOL SPECIFIC FACTORS - 10/11**

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**Schools Affected**

All schools

**Purpose**

To provide an overview of the current school specific funding formula to consider whether it continues to be appropriate or changes are required for April 2011.

The Budget Working Group has been working to a programme of reviewing all the school funding factors and considering whether changes are needed.

**Report**

**School Specific Funding. £10.57m – 13% of Individual Schools Budget (incl sixth form funding)**

**1. Grounds Maintenance £272k**

Paid on the square metres of grassed and planted areas in schools. The primary rate is 17.1p per metre and the secondary rate is 9.6p per metre reflecting the cost efficiencies of larger high school playing fields.

Primary schools budget is £103k for 0.6m sq metres  
High schools budget is £169k for 1.3m sq metres

**2. Flat rate allocations per school £4.43m**

Management flat rates are

Primary	£34,953 at a cost of £2.83m
High	£20,144 at a cost of £282k

The management flat rates for primary schools were revised as part of the 2005/06 changes to small school protection when the threshold for payment was reduced from 320 pupils to 200 pupils and the savings were used to increase the management flat rate by £10,973 so that all schools could ensure that the headteacher had 0.4 non-teaching time.

The high school management allocation was increased by £5,900 as School Forum agreed the reduction of the pupil threshold from 710 pupils to 655 pupil threshold for payment of small schools protection to high schools. Schools Forum rejected a proposal to reduce the high school threshold to 500 pupils because of the budget reductions in smaller high schools.

The management allocations and the pupil thresholds for small schools protection have not been reviewed since February 2006 however the budget for small schools protection has been frozen since 2006/07.

It is estimated that the fixed costs of a primary school are £80k pa and £270k pa for a high school. The extra cost of funding a flat rate allowance at the true level of costs is £5.5m equivalent to £250 per pupil. A more detailed discussion was set out in the recent discussion paper on small schools circulated by Chris Baird.

In addition to management flat rates, additional flat rates are paid to meet premises costs as follows;

Primary	£4,004 at a cost of £324k
High	£5,927 at a cost of £83k

### **3. Small schools protection £965k**

The small schools protection for primary schools is paid on the number of pupils below 200 on roll at a rate of £108.45 per missing pupil. The budget is £679k. This was last reviewed in February 2005 as part of a review of management flat rates. The pupil threshold for payment of small schools protection was previously over 400 pupils but was being slowly reduced each year.

An additional payment is due for very small primary schools below 30 on roll at a rate of £610 per pupil below 30. No school is currently receiving this funding.

The definition of a small primary school at 200 pupils was chosen because this was small schools standards fund was paid to all primary schools below 200 on roll. The recent review of Dedicated Schools Grant considered a small school to be 150 pupils in the review of sparsity payments to authorities. A small high school was treated as 600 pupils.

High schools are paid on the number of pupils below 655 on roll at a rate of £208.45 per missing pupil. This was last reviewed in February 2006 and Schools Forum rejected a proposal to reduce the threshold to 500 pupils and increase the management flat rate by £18,000. The threshold had previously been at 710 pupils in 2005/06.

The budget for small schools protection has been frozen since 2006/07 due to concern about rising costs as pupil numbers fall.

### **4. High Cost Fuel £39k**

Standard energy costs are allocated to primary schools at £38.98 per pupil and to high schools at £53.81 per pupil and included in the Age Weighted Pupil Unit.

£37k is allocated to primary schools to meet the extra costs of high cost fuels i.e. LPG (+46%) and peak electricity (+99%) and off peak electricity (+54%). The costs for high schools are £2k.

The high cost fuel supplement is received by 21 primary schools and 3 high schools for LPG, peak electricity by 3 primaries and 1 high school and off peak electricity by 7 primaries.

### **5. School business rates £1,328k**

Business rates for primary schools is £546k and for high schools is £782k. Voluntary aided, foundation schools and academies receive 80% charitable rates relief. Business rates for the new high schools increase significantly.

**6. Shared Use £47k**

Payments are made to two high schools for shared use facilities.

**7. Premises Insurance £259k**

Payments are made to primary schools for premises insurance is £119k and high schools £140k. These payments are determined by Andrew Rewell based on the actual costs of insurance as tendered.

**8. PFI Costs £178k**

The additional payments for the Whitecross PFI costs charged to the schools budget and agreed by Schools Forum in 2005.

**9. Teachers Pay Grant £3.05m**

Paid at a standard rate of £3,874 per teacher on the UPS/leadership scales. Schools Forum agreed the continuation of the flat rate payment when the teachers pay grant was absorbed into DSG in 2006.

Primary schools cost £1.51m for 391 teachers  
High schools cost £1.54m for 429 teachers

The last year of the teachers pay grant in 2005/06 was paid out to schools based on 844 UPS/Leadership teachers.

The flat rate payment of £3,874 in 10/11 compares with additional salary for UPS teachers of

UPS 1 £3,291  
UPS 2 £4,875  
UPS 3 £6,512

Leadership scales will be in excess of the UPS scales.

MG. 17.06.10