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|  | **Wellbeing and Community Health** |  |
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**SCHOOLS’ FORUM**

**17 February 2017**

**Revisions to the Dedicated Schools Grant (DSG) for 2017-18**

*Item 6*

**1. Purpose of the Report**

To agree revisions to the expenditure within the DSG for 2017/18 and, following consultation, the Early Years formula values for 2017/18.

**2. Recommendations**

It is recommended that the Schools Forum agree to the specific recommendations set out below.

**3. Schools and Early Years Block**

At its meeting on 18 January 2017, the Schools Forum was informed of the final allocation from the DfE of the Schools and Early Years Blocks for 2017/18 and it agreed:

* The centrally retained budgets within the Schools Block;
* The formula values and the capping limit for school budget shares;

The Department for Education (DfE approved the proposals, and school budget shares will be published, in line with statutory requirements to all schools prior to 28 February 2017. There was an adjustment required in respect of the Prudhoe Adderlane academy conversion. This resulted in IDACI formula values being increased. A revised Annex 3 and Annex 4 are attached.

**Recommendation 1 To note the approval of the school funding formula for 2017/18 by the DfE and to approve the revised annex 3 and 4.**

The adjustment required in respect of the academy conversion of Prudhoe Adderlane resulted in the Schools Block being over allocated by £3,603. It is proposed that this £3,603 is vired into the High Needs block.

At the Schools’ Forum Meeting on 18 January 2017 the funding rates for the Early Years formula for 2017/18 were considered and Option B for 2017/18 was recommended to schools in the consultation with Schools and Early Years Providers;

A short consultation with Schools and Early Years Providers (PVI’s) was carried out from 24 January to 3 February 2017. 15 responses to the consultation were received. 16 responses were received, 14 in favour of Option B and 1 in favour of Option A.

The Early Years formula funding values for 2017/18 will be therefore be set using Option B: :

* 2 Year olds £5.20 per hour
* 3-4 Year olds £4.00 per hour plus 2% IDACI

The IDACI formula values for Early years will be

|  |  |
| --- | --- |
| **IDACI BAND** | **Formula Value 2017/18** |
| Band 0 | £0 |
| Band 1 | £0 |
| Band 2 | £0 |
| Band 3 | £0 |
| Band 4 | £0.69 |
| Band 5 | £0.86 |
| Band 6 | £1.03 |

Early Years budget shares for schools and PVI’s will be calculated once the January 2017 census data has been finalised. Budget shares will be issued prior to 31 March 2017.

**Recommendation 2 - The funding rates for the Early Years formula be set, using Option B, at the values shown above.**

**4. Looking Ahead to 2018/19**

For 2018/19 the intention is to review the Combined Services budget of £504,830 within the Schools Block. This is a Historic Commitment budget made up of :

* £246,830 -  This budget has been in place since April 2008 to cover SEN packages with residential places. An annual transfer is made to Children’s’ Services
* £258,000 - This budget was approved by schools forum in March 2011 as a contribution towards Short Break respite care provided at Barndale Special School  for children and young people resident in Northumberland. An annual transfer is made to Children’s’ Services.

***Annex 3***

**REVISED**

**SCHOOLS BLOCK 2017/18**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Centrally Retained Expenditure** | **Budget Set 2016/17** | **Proposed Budget 2017/18** | | |
|  |  | **Cash Limited** | **Non Cash Limited** | **Total** |
| Admissions and Supply of School places | 208,430 |  | 208,430 | 208,430 |
| Schools Forum | 9,430 |  | 9,430 | 9,430 |
| Prudential Borrowing | 755,000 | 755,000 |  | 755,000 |
| Termination of Employment Costs | 550,000 | 550,000 |  | 550,000 |
| Contribution to Combined Services | 504,830 | 504,830 |  | 504,830 |
| SEN Home to School Transport | 1,174,920 | 1,174,920 |  | 1,174,920 |
| Miscellaneous | 69,000 | 69,000 |  | 69,000 |
| Longridge Towers | 165,670 |  | 149,760 | 149,760 |
| Copyright Licensing Agency | 241,660 |  | 290,974 | 290,974 |
| Boarding Fees - Haydon Bridge | 26,820 |  | 19,370 | 19,370 |
| ESG Statutory Retained Duties | 0 |  | 636,105 | 636,105 |
| **TOTAL CENTRALLY RETAINED** | 3,705,760 | 3,053,750 | 677,964 | 4,367,819 |

|  |  |
| --- | --- |
| **Schools Block (from DfE)** | 177,157,038 |
| **plus SEN Home to School Transport** | 1,174,920 |
| **Total Schools Block** | 178,331,958 |
| **less Centrally retained Schools Block** | -4,367,819 |
| **Total for Individual School Budgets (ISB)** | 173,964,139 |
| **ISB Budget share using agreed formula values** | 173,960,536 |
| **Balance** | £3,603  (To be vired into High Needs Block) |

***Annex 4***

**PROPOSED FORMULA FUNDING VALUES FOR 2017/18**

|  |  |  |
| --- | --- | --- |
|  | **2016/17**  **(Actual)** | **2017/18**  **(Using October 16 Data)** |
| AWPU Primary  KS3  KS4 | 2,807  3,715  4,580 | 2,807  3,715  4,580 |
| Lump Sum Primary  Middle  High/Secondary | 110,000  140,000  170,000 | 110,000  140,000  170,000 |
| Deprivation - Free School Meals Primary  Secondary | 1,297  1,562 | 1,297  1,562 |
| Deprivation – IDACI  Primary Band F  Band E  Band D  Band C  Band B  Band A  Secondary Band F  Band E  Band D  Band C  Band B  Band A | 150  175  400  575  900  1100  250  275  500  675  1000  1200 | 150  200  350  500  600  700  250  300  450  725  800  800 |
| Low Attainment Primary  Secondary | 1,109  956 | 1,109  956 |
| EAL | 220 | 220 |
| Sparsity (max) Primary  Middle  Secondary/All Through | 13,000  52,000  60,000 | 13,000  52,000  60,000 |
| PFI | - | 0.163 |
| De-delegation (Primary and Secondary):  FSM Eligibility (by FSM)  Behaviour Support (by FSM)  EAL  Trades Union Facility Time (by AWPU)  Contingency (by AWPU) | 6  97  220  3  20 | 6  97  220  3  20 |