

MUNICIPAL YEAR 2018/2019 REPORT NO. 11

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Schools Forum 3 October 2018

REPORT OF:

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Item: 4b

**Subject: Dedicated Schools Grant
2018/19: Analysis**

1. EXECUTIVE SUMMARY

This report is intended to support the wider discussion on the impact of the budget decisions on individual schools with data on how Enfield's mainstream school funding formula compares to the formulae used by Enfield's Statistical Neighbours, Outer London authorities and nationally.

2. RECOMMENDATIONS

The Forum is asked to note this report.

3 INTRODUCTION

3.1 In previous years, the Forum has received benchmarking data taken from information published in the Section 251 Budget Statement as required by Section 251 of the Apprenticeships, Skills, Children and Learning Act. This information is not yet available. For this reason, this paper does not include a detailed analysis of the planned spend of the Dedicated Schools Grant (DSG) funding but includes analysis of the allocation of DSG to local authorities and the subsequent funding formulae used by local authorities.

3.2 The data on the DSG allocation and funding formulae has been taken from a summary published by the DfE, which includes specifically the value of the indicators used (the formula unit values) and the proportion of funding allocated via each indicator. The published information can be found on the [DfE website](#).

3.3 To support the discussion on the impact of the budget decisions on individual schools, this paper compares Enfield's DSG and funding formulae with Enfield's Statistical Neighbours, Outer London authorities and nationally.

4 NATIONAL ANALYSIS

Appendix A attached provide information of the analysis carried out in respect of comparing Enfield's DSG allocation and funding formulae with Enfield's Statistical Neighbours (SN), Outer London authorities and nationally. When considering the data, Members should be mindful of the context for setting the local arrangements, such as:

- (a) Historic decisions on the formula allocations, including how funding for new responsibilities was delegated to schools;
- (b) Local decisions on how funding was allocated across the various DSG Blocks;
- (c) The balance of funding between primary and secondary sectors;
- (d) The level of funding received by each authority;

4.1 DSG Analysis

In summary, the DSG analysis considered the proportion of funding provided across the three blocks and summary of the key points are detailed in the table below.

Table 1: DSG: Percentage of Funding Allocated

Factor	Blocks	England (150 LAs)	Outer London (19 LAs)	Statistical Neighbours (SN) (11 LAs)	Comments
Pupil numbers (headcount)	Schools	42 (Pri) 43 (Sec)	Prm: 2 Sec: 3 Total: 2	Prm: 4 Sec: 3 Total: 4	Schools Block: Nationally: like 2017/18 Enfield funded is in the upper quintile. The Schools Block: - Outer London - Well above average - SN -above average. High Needs block: Outer London & SN Above average.
Unit of funding	Schools	22 (Pri) 28 (Sec)	5 (Pri) 10 (Sec)	6 (Pri) 6 (Sec)	
Total Mainstream	Schools	40 (39)	1 (1)	3 (3)	
3 & 4 Year olds NEF	EY	42 (51)	6 (8)	5 (5)	
2 Year olds Entitlement	EY	27 (21)	2 (1)	4 (3)	
Disability Access Fund	EY	77 (62)	8 (7)	6 (9)	
Total EY	EY	47 (47)	5 (5)	5 (4)	
High Needs Block	HN	44 (49)	7 (9)	4 (5)	

* EY = Early Years, HN = High Needs

The colours indicate whether the funding has gone up, gone down or no change compared to last year (figures in bracket are for last year).

4.2 Schools Block Analysis

The analysis of the Schools block compared the percentage of total funding and the unit value for each of the formula factors used by Enfield.

- i. **Formula Factor Percentages:** Table 2 ranks, in descending order, Enfield's percentage of funding allocated for each of the local formula factors used. In terms of the layout of the table:
- The number of Local Authorities in each category is shown in the table header;
 - Enfield's position was measured against the number of LAs using that factor.

Table 2: Percentage of Funding Allocated for Each Factor

Factor	England (151 LAs)	Outer London (19 LAs)	Statistical Neighbours (11 LAs)	Comments
Pupil Led Funding	31 (47)	10 (12)	5 (6)	Nationally: well above average, SN: above average Outer London - average
Basic Entitlement	91 (35)	16 (7)	7 (4)	Nationally & Outer London: well below average and SN: average May reflect reduction in unit rates for Enfield.
Deprivation	35 (89)	3 (9)	5 (8)	Nationally: well above average SN: above average Outer London: well above average Reflects the higher unit rates through NFF
EAL	19 / 147 (20/137)	8 (10)	5 (7)	Enfield above nationally and on average compared to SN, but well below average for prior attainment.
Prior Attainment	120 / 149 (97/143)	16 (15)	7 (8)	
Mobility	19 / 62 (23/66)	7 (8)	6 (6)	
Lump Sum	135 (122)	12 (10)	7 (6)	Nationally: Well above average Outer London & SN: close to the Average
Rates	41 (31)	10 (9)	4 (4)	Nationally & SN: Above average Outer London: Average Possibly due to rateable values or number of maintained schools in each Local Authority
PFI	53 / 88 39/85	6 (5)	5 (4)	Nationally: Below average SN & Outer London: Above Average
Growth Fund	70 out of 128 59 out of 131	16 (14)	11 (10)	SN & Outer London Well below average. Possibly due to the plateau in pupil numbers experienced over the last couple of years.
MFG	41 / 148 (21)	5 (7)	5 (5)	Enfield above average Reflects local policy on protecting schools losing under NFF

The colours indicate whether the funding has **gone up**, **gone down** or **no change** compared to last year (figures in bracket are for last year).

- ii. **Formula Factor Rates:** The DfE report confirmed that 41 local authorities have moved to mirror the NFF factor values almost exactly and like 73 local authorities have moved every one of their local formulae factor values closer to the NFF. Members will recall that locally it was agreed to ensure stability and minimal turbulence in funding for individual schools that the local formula should move around 50% of the way towards the NFF rates and that schools be protected from this change with the minimum funding guarantee set at 0%.

To reflect the costs experienced by different areas, the DfE have adjusted the individual NFF unit rates with an area cost adjustments (ACA). With the use of the ACA, it is difficult to carry out a meaningful comparison of Enfield's unit values against the NFF rates or those of our statistical neighbours. However, if members are interested the data including the ACA rates applied is available in Appendix A and details of the ACA used for different local authorities can be found on the DfE website. Table 3 ranks Enfield against each of the per pupil factors used in the local formula by outer London Authorities. Again, there is a concern about the effect of the ACA on the individual rates used by individual local authorities. The details of the

Table 3 also details the number of outer London authorities that have moved their unit rates to the NFF unit values.

Table 3: Formula Factors: Unit Values compared with Outer London

Factor	Move to NFF unit values (inclusive of ACA)	Primary (19)	Secondary (19)
AWPU	5	7 (4)	
AWPU - KS3	5		8 (10)
AWPU – KS4	6		10 (7)
FMS	7	2 (3)	1 (5)
FMS Ever 6	9	14 (-)	15 (-)
IDACI	9	14 (Average) (12)	14 (Average) (13)
LAC	15	3 out of 4	3 out of 4
EAL	10	15 (11)	14 (9)
Low Prior Attainment (LPA)	8	16 (14)	16 (12)
Mobility	N/A	8 (6)	6 (6)
Lump Sum	8	4 (5)	4 (5)

The analysis, as expected, has revealed Enfield's unit rates have either reduced or increased to be closer to the NFF rate. For the coming year, consideration may need to be given as to Enfield's position against outer London Authorities for unit rates applied for FMS, EAL, LAC and low prior attainment.

5. LOCAL ANALYSIS

- 5.1 Information on the effect of the formula were discussed with the Forum during the budget setting process. To assist individual schools to understand why their funding differs from another Enfield school, a tool has been developed, which compares funding delegated this year (2018/19) with last year (2017/18). A copy of the tool is attached appendix B and it has been circulated to all schools through the Governing Body termly briefing.
- 6 Members are asked to note this report.