

MUNICIPAL YEAR 2019/20 REPORT NO. 11

MEETING TITLE AND DATE:

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Schools Forum 2 October 2019

REPORT OF:

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Item: 4b

**Subject: Dedicated Schools Grant
2019/20: 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 As previous years, the planned spend reported for education and children services as required by the Apprenticeships, Skills, Children and Learning Act and detailed in the Section 251 Budget Statement has not been published. So, the Forum is provided with some benchmarking information which analyses the allocation of DSG to local authorities and the subsequent funding formulae used by local authorities to fund their schools.

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 2018/19 Enfield funded is in the upper quintile. The Schools Block: - Both Outer London & SN - Well above average High Needs block: Outer London & SN Above average.
Unit of funding	Schools	21 (Pri) 24 (Sec)	5 (Pri) 10 (Sec)	6 (Pri) 6 (Sec)	
Total Mainstream	Schools	41 (40)	1 (1)	3 (3)	
3 & 4 Year olds NEF	EY	65 (42)	8 (6)	6 (5)	
2 Year olds Entitlement	EY	33 (27)	2 (1)	4 (3)	
Disability Access Fund	EY	70 (77)	7 (8)	7 (6)	
Total EY	EY	48 (47)	5 (5)	5 (5)	
High Needs Block	HN	44 (44)	7 (7)	4 (4)	

* 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	21 (31)	6 (10)	4 (5)	Nationally: well above average, SN: above average Outer London – above average
Basic Entitlement	103 (91)	16 (16)	6 (7)	Nationally & Outer London: well below average and SN: average May reflect reduction in unit rates for Enfield.
Deprivation	45 (35)	3 (3)	6 (5)	Nationally: well above average SN: above average Outer London: well above average Reflects the higher unit rates through NFF
EAL	13 / 148 (19/147)	7 (8)	4 (5)	EAL: Above average LPA: Well above average for Outer London and on average compared to SN and nationally.
Prior Attainment	66 (120/149)	4 (16)	6 (7)	
Mobility	13 / 64 (19/62)	4 (7)	3 (6)	
Lump Sum	136 (135)	13 (12)	8 (7)	Enfield below average
Rates	47 (41)	12 (10)	5 (4)	Nationally & SN: Above average Outer London: Below average Possibly due to rateable values or number of maintained schools in each Local Authority
PFI	39/89 (53 / 88)	6 (6)	5 (5)	Nationally, SN & Outer London: Above Average
Growth Fund	112 out of 133 (70 out of 128)	16 (16)	11 (11)	SN & Outer London Well below average. Possibly due to the plateau in pupil numbers experienced over the last couple of years.
MFG	(75 / 148) (41 / 148)	11 (5)	10 (5)	Nationally, SN & Outer London: well below average.

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 81 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 provide stability and minimal turbulence in funding for individual schools that the local formula moved a little closer towards the NFF rates, but to acknowledge schools benefiting from the move to NFF the **MFG** was 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.

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

Factor	Primary (19)	Secondary (19)
AWPU	8 (7)	
AWPU - KS3		10 (8)
AWPU – KS4		10 (10)
FMS	2 (2)	3 (1)
FMS Ever 6	16 (14)	17 (15)
IDACI	15 (Average) (14)	15 (Average) (14)
LAC	-	-
EAL	13 (15)	12 (14)
Low Prior Attainment (LPA)	15 (16)	10 (16)
Mobility	8 (8)	6 (6)
Lump Sum	6 (4)	6 (4)

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 needs to be given of the impact of moving some unit rates to be closer to the NFF.

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 (2019/20) with last year (2019/20).

- 6 Members are asked to note this report.