

Accompanying Notes to Support Schools' Final Funds Allocation Statement 6th March 2009

1. General Introduction

The attached 2009/10 final allocation sets out:

- Funds Allocation including delegated and devolved funds (Standards Fund, School Standards Grant (SSG) and SSG Personalisation)
- Final Formula Factors / Unit Values – Appendix 1
- Final Schools Standards Funds Allocation – Appendix 2
- Delegated Statementing Allocation – Appendix 3 (i) and 3 (ii)
- Calculation of Minimum Per Pupil Guarantee – Appendix 4

All funding information for all schools will be available electronically when the 2009/10 Children, Schools and Families Financial Data Collection (formerly the Section 52 Budget Statement) is placed on the on Torbay's Grid for Learning from 31st March.

<http://www.torbay.gov.uk/index/education/schools/schools-finance-and-procurement.htm>

This is a multi year settlement. School indicative allocations for 2010/11 will be distributed by the end of March 09 under separate cover.

2. Calculation of Dedicated Schools Grant for 2009/10

For 2009/10 the DCSF have set the unit value for the Dedicated School Grant (DSG) at £4,064 per pupil, this represents an increase of 3.6%. Using the January 09 pupil census data of 17,360 this translates into total schools block funding of £70.5m. Until the pupil data is verified by the DCSF, the DSG is still subject to minor changes. The majority of DSG is to fund schools through the local formula and ensures that the Minimum Per Pupil Funding Guarantee for schools is met. Also this grant has to fund centrally funded statutory activities such as the Pupil Referral Unit, Special Educational Needs and Nursery Education.

3. Minimum Funding Guarantee (MFG) for 2009/10

The DCSF has set MFG at a level that covers average cost pressures but with efficiencies taken into account.

MFG for all schools is set at 2.1%.

Schools with rising rolls receive the same increase for additional pupils as schools with falling rolls. For nursery and primary schools this is 80% of the average funding per pupil, and for secondary schools 87.5% of the average funding per pupil.

The MFG Baseline for the calculation

To ensure that schools are correctly protected the 09/10 baseline for MFG has to be consistent with the 08/09 budget share after exclusion of LSC funding. To achieve this, the baseline for 09/10 is based on a recalculated budget share for 08/09, after removal of the LSC funding but including any in year re-determinations such as excluded pupils.

4. The 2009/10 Funds Allocation Statement

The individual "Funds Allocation" for Schools has been derived using the Funding Formula, which is fully described, in Section 2 of the Scheme for Financing Schools.

The Funds Allocation Statement provides a listing of each allocation for each sub formulae together with the Consistent Financial Reporting (CFR) Reference to be used to identify the source of each funding element. The data, formula factors and unit values that are used within each sub formula are given in Appendix 1.

The Funds Allocation Statement also includes the Minimum Funding Guarantee (MFG) as prescribed by the DCSF. Calculation of the MFG is set out in Appendix 4.

The available delegated funds to the school will be the higher of either the Local Formula Funding or the Minimum Funding Guarantee.

5. Inflatons applied to each sub formula

In overall terms, the funding resource for schools' budget has been increased by 2.5%, this is made up of a general 2.1% uplift plus allocations from Headroom.

Sub Formula	Inflator Applied	Notes
AWPU	2.1%	In line with MFG
Inclusion Primary	2.1%	Plus allocation from Headroom
Inclusion Secondary	0%	2.1% inflation applied to Practical Learning Budget
Premises and Facilities	2.1%	Plus allocation from Headroom and any increases in floor area
Nursery Lump Sum	2.1%	
Offsite Games	2.1%	Plus increase funding for Westlands
Split Sites	2.1%	
Business Rates	Actual Cost	From Hereditament Register
Rents	2.1%	
Insurance	2.1%	Plus new allocations for VA Schools
Admissions	2.1%	Warberry Primary is a new recipient
Statemnting and Enhanced Provision	2.1%	Less 08/09 amount not needed and moved into Inclusion.
Personalised Learning (Gifted and Talented)	2.1%	
School meals (Sec)	2.1%	Plus allocation from Headroom
School Meals (Prim/Spec)	2.1%	Plus increased resources from central budget for school meals and Headroom
Newly Qualified Teachers	2.1%	
Threshold	2.1%	

6. Key Points to Note about Sub Formulae

6.1 Inclusion sub formula

As stated in the table above, the Primary element of this sub formula has been inflated by 2.1%. The Secondary element of this sub formula has not been inflated by 2.1%; instead the inflation element has been allocated to the Practical Learning budget as agreed by Headteachers and the Head of Secondary Strategy.

Also, as in previous years the reduction in expenditure for delegated statementing between 08/09 and 09/10 is allocated to the inclusion sub formula. Also, the amount of resource allocated to the now unresourced C banded statements has also been allocated to this sub formula.

The factors used within the inclusion sub formula to allocate funding are the Index of Deprivation Affecting Children (IDAC) alongside free school meals, prior attainment and transience. The weightings within the sub formula are as outlined below.

Indicator	Weighting 2009/10
Pupil Mobility/Transience	25%
FSM	25%
Prior Attainment	25%
IDAC	25%

6.2 A, B and C Statements

The total financial value of those pupils with A, B and C banded statements (excluding sensory and physical needs) as at 16th February 09 has been reallocated via the Inclusion sub formula. However, for those schools which have a reduction in funding as a result of this change there will be continued transitional protection to match the shortfall.

6.3 Insurance for Voluntary Aided Schools

For 2009/10 VA schools will receive an amount equal to the 10% Governor Liability for the school building insurance. The allocations are based upon actual insurance paid for 08/09 and then inflated by 2.1%.

6.4 Premises and Facilities

In recognition of the fact that energy costs have been increasing, a proportion of headroom (£105k) has been allocated to this sub formula as well as 2.1% inflationary uplift. Also, as a result of the PFI benchmarking exercise, a further £150k is required to fund the Governors contribution to the Unitary Charge, this has been funded from Headroom.

6.5 School Meals

As a result of the increasing cost of the production of school meals £105k has been allocated to this sub formula from Headroom as well as 2.1% inflationary uplift.

6.6 Personalised Learning

As in previous years this funding is distributed using the inclusion sub formulae methodology, so there is no separate allocation.

There is a separate allocation of £136k to Secondary Schools based upon NAGTY (National Association of Gifted & Talented Youth) criteria for gifted and talented pupils. The amount allocated in 2008/09 was £133k.

The remaining £306k for KS3 Personalised Learning will continue to support the Behaviour and Attendance Collaborative for secondary age pupils who are permanently excluded or hard to place. The Governance of this budget is agreed by Secondary Headteachers and Officers. Also, £104k has been allocated for a similar purpose for Primary schools.

6.7 Delegated Statementing

Appendix 3 (i) and (ii) gives details of each school's final statementing allocation, including enhanced provision, based upon information notified to the Finance team as at 16th February 2009. The bandings have been inflated by 2.1%. This information should be checked and any discrepancies reported by email to Steve Bowden in the Children's Finance Team. (steve.bowden@torbay.gov.uk). Please note that any subsequent adjustments will be notified to schools in the May Budget Adjustment letter.

7. Calculation of Minimum Per Pupil Guarantee for 2009/10

The layout and calculations in Appendix 4 are devised by the DCSF to ensure that local formula allocations to schools do not fall below a minimum per pupil funding level.

We recognise that the data used in this template is not easily identifiable from data held by yourselves therefore each item is explained and the source given. The notes on the following pages need to be read in conjunction with the MFG template.

A. 2008-09 School Information

2008-09 NOR Pupils (incl. post 16 and planned pupil growth where applicable)

2008-09 NOR 16 (LSC funded)

2008-09 NOR Pupils (excl. post 16)

For all 3 cells, the source is the number of pupils on roll as per the Jan 08 PLASC. The data in this cell is prescribed by the DCSF.

B. 2008-09 Initial School Budget Share

This is the "Total Available Delegated Funds" from 7th March 08 allocation documentation. It includes any post 16 funding from the Learning and Skills Council.

Adjustments

The 2008/09 School allocation is adjusted to allow a like for like comparison:-

C. LSC Funding (Post 16)

This represents the final 2008/09 allocation – this amount is shown as a negative value as LSC funding is no longer a component of the MFG.

D. Other Adjustments (including planned pupil number growth where applicable)

For 08/09 where planned pupil growth has been agreed this is adjusted for here as well as other relevant in-year budget adjustments (e.g buildings insurance for VA schools).

If you need more detail on the breakdown of these adjustments please contact Rob Parr in the Children's Finance Team on 01803 208273 or rob.parr@torbay.gov.uk.

E. 2008-09 Re-determined School Budget Share

This is the 2008/09 allocation adjusted for specific in-year adjustments

F. 2008-09 Baseline Exclusions

These are funding streams that are not part of the minimum funding mechanism because the DCSF do not consider them to be pupil related.

Business Rates	- as per 7 th March 08 allocation
Funding for Named Pupils (Statementing)	- as per 7 th March 08 allocation
Enhanced Provision	- as per 7 th March 08 allocation
Newly Qualified Teachers	- as per 7 th March 08 allocation
Prior Year Adjustments	- not used in Torbay

PFI Factors

- Westlands & Homelands only -
Governors Contribution to Unitary
Charge as per 7th March allocation
- clawback of per pupil amount

Other (excluded pupils)

G. 2008-09 Re-determined Adjusted Budget Share

This is the sum of the Re-determined School Budget Share less the above "Baseline Exclusions".

H. 2008-09 School Baseline Budget Share per Pupil

This shows the re-determined adjusted budget share as an amount per pupil. (G divided by A).

I. 2009-10 School Information

2009-10 NOR Pupils (incl. post 16)
2009-10 NOR Post 16 (LSC funded)
2009-10 NOR Pupils (excl. post 16)

Without exception, this information is from the January 09 Pupil Census.

J. Guaranteed Funding Level

For all schools

Uprate the 2008-09 Baseline (item G) by 2.1% Primary and Secondary

Adjustment to 2008/09 uprated base to allow for pupil number variations

This is calculated as follows: -

2008-09 Re-determined Adjusted Budget Share (Item G) uprated by 2.1% Primary and Secondary divided by January 2008 pupils numbers (excl. Post 16)

Multiplied by

The difference between 2009/10 pupil numbers (excl. post 16) less 2008/09 pupil numbers (excl. post 16). If pupil numbers have fallen this will be a negative figure.

The sum of the above is then multiplied by either: -

80% for Primary Schools
Or 87.5% for Secondary Schools

This is to reflect the DCSF requirement that at least this amount of total funding is pupil led and therefore only this should be adjusted in calculating the Guaranteed Funding Level as fixed costs would not reduce just because of a reduction in pupil numbers.

K. Guaranteed Funding Level (excluding exemptions)

This is the total minimum formula funding for a school to ensure compliance with the MFG mechanism. This excludes non pupil funding listed in the "Baseline Exclusions" above. This is given both as a total value and a percentage. To establish the total formula funding for a school the 2009-10 Baseline Exclusions need to be added back; see below.

09-10 School Baseline Budget Share per pupil

This shows the re-determined adjusted budget share as an amount per pupil and as a percentage. (K divided by I).

L. 2009-10 Baseline Exclusions

These are funding streams that are not part of the minimum funding mechanism because the DfES do not consider them to be pupil related.

Business Rates	- as per Appendix 1
Funding for Named Pupils (Statementing)	- as per Appendix 3
Enhanced Provision	- as per Appendix 3
Prior Year Adjustments	- not used in Torbay
PFI Factors	- For Westlands and Homelands only - Governors Contribution to the Unitary Charge
Other	- any relevant adjustments
LSC Funding (Post 16)	- as per Appendix 1

M. Newly Qualified Teachers (NQTs)

This is not a pupil led allocation and therefore excluded from the calculations above. The allocation uses teacher numbers from the January 09 NQT return.

N. Minimum 2009-10 School Budget Share

This is the total minimum funding allocation a school will receive. This figure is compared to the local funding formula and each school receives the higher of the two. This can be seen on the Funds Allocation Statement for 2009/10.

8. AWPU Values 2009/10

The Activity Led Resourcing methodology which is fully described in Section 2 of the Scheme for Financing Schools, generates the AWPU values for each Key Stage together with a School Specific Lump Sum for each phase, based on assumptions made on resourcing levels to effectively deliver teaching and learning.

Primary					Secondary		
Fixed Element	Foundation	Reception	Key Stage 1	Key Stage 2	Fixed Element	Key Stage 3	Key Stage 4
55,167	2,328	2,289	1,981	1,892	114,948	2,675	2,803

The above figures have been subject to a scaling factor to bring need in line with available resources:

The scaling factors are:-

Primary – 58.8%

Secondary – 69.3%

9. School Standards Grant (SSG)

Schools can use SSG to support the development of extended services. See Appendix 1 for details of individual school calculations. More details can be found in chapter 5 of the Scheme for Financing Primary and Secondary Schools document 2009/10.

10. School Standards Grant - Personalisation

This is a continuation of earmarked funding for personalisation in schools since 2006/07. It is funded from a DCSF specific grant. Individual school allocations are based upon pupil numbers, Free School Meals and Low Attainment in KS1 and KS2.

11. Standards Funds

There are few changes to Standards Fund Grant this year. The devolved Grants for 2009/10 are as follows:

- School Development Grant
- School Lunch Grant
- Ethnic Minority Achievement Grant (EMAG) – Not included in Appendix 2. To be allocated later in 09/10
- Targeted Support for Secondary Strategy
- Secondary Strategy - Assessment for Learning, Tracking and the New National Curriculum
- Harnessing Technology Grant – Capital Grant

11.1 Methodology for 2009/10

School Development Grant (SDG) is derived as follows:-

The 2009/10 SDG allocation is Torbay's 08/09 baseline inflated by 2.1% per pupil. Although Specialist School funding is a part of SDG, this will still be calculated separately.

School Lunch Grant - based on free school meal numbers

Targeted Support for Secondary Strategy – KS2 SAT results and Transience

AFL/Tracking/New NC – lump sum – Pat Feerick is the lead on this element – contact tel 208726

Ethnic Minority Achievement Grant (EMAG) – to be determined

Harnessing Technology Grant – new methodology to be agreed at Schools Forum and allocated in-year

12. Post 16 LSC Funding

The allocation for sixth forms is based upon information from the LSC.

As previously stated, LSC funding is not part of the MFG calculator. The key issues about this funding are listed below:-

- Their sixth form allocations have been based on a single pupil count - in September 2007 for their 2008/09 allocations and in September 2008 for their 2009/10 allocations.
- The LSC will notify schools of their final allocation by Friday 13th March 09.
- If there are any adjustments to your allocations these will be reflected in your 09/10 Budget Adjustment Letters.

13. Comparative Statistics

A comparative analysis of 2009/10 Allocations compared with MFG and 2008/09 final allocations will be carried out for the next Schools Forum on 27th March 09.

Contacts for Queries

We do appreciate that school funding can appear complicated so please do not hesitate to contact one of the finance team if you have any questions:

General Help email address: educationfinance@torbay.gov.uk

Lisa Finn Finance Manager – Children’s Services
Tel: 01803 208283
E-mail: lisa.finn@torbay.gov.uk
Any matters relating to general principles

Rob Parr Principal Accountant – Children’s Services
Tel: 01803 208273
E-mail rob.parr@torbay.gov.uk
Minimum Funding Guarantee, Overall Allocations

Claire Shiers Principal Accountant – Children’s Services
Tel: 01803 208216
E-mail claire.shiers@torbay.gov.uk
Overall Allocations

Steve Bowden Senior Finance Officer – Children’s Services
Tel: 01803 208254
E-mail steve.bowden@torbay.gov.uk
Delegated Statementing and Standards Fund Allocations

Matt Redwood Resources Manager – Children’s Services
Tel: 01803 208238
E-mail: mathew.redwood@torbay.gov.uk
Any matters relating to general principles