

**DERBYSHIRE COUNTY COUNCIL****SCHOOLS FORUM****6<sup>th</sup> October 2016****Report of the Strategic Director for Children's Services****DfE summary of mainstream schools' funding formulae 2016-17****1 Purpose of the Report**

To inform Schools Forum of the DfE's analysis of LAs' mainstream funding formulae allocations for 2016-17.

**2. Information and Analysis**

On 21<sup>st</sup> July 2016 the DfE published a summary of LAs' funding formulae, specifically the value of the indicators used (the formula multipliers) and the proportion of funding allocated via each indicator, the full information can be found at:

<https://www.gov.uk/guidance/schools-block-funding-formulae-2016-to-2017>

Attached as Appendices 1 to 3 are the relevant statistics in respect of shire LAs together with a comparison of Derbyshire's data with the shire averages. In looking at the data it is worth remembering that the outcomes reflect several overarching factors:

- (a) The level of funding received by each Authority;
- (b) Local decisions on how funding is allocated across the various DSG Blocks;
- (c) The level of central versus delegated spend;
- (d) The balance of funding between primary and secondary sectors;
- (e) Historic decisions on formula allocations, including how funding for new responsibilities was delegated to schools; and
- (f) The number of schools and academies, which impact on rates expenditure.

In terms of the appendices, the areas where Derbyshire is at significant variance from other shire LAs were as follows:

(i) Primary Age Weighted Pupil Unit (AWPU) % - lowest of 27 shire LAs and results in an AWPU multiplier which is the 24<sup>th</sup> lowest, £164 below the shire sector average. The low value and percentage are both affected by a number of factors, not least the lump sum (see below).

(ii) Secondary Key Stage 3 and 4 AWPU's – the Key Stage 3 multiplier is in line with the average whilst Key Stage 4 is slightly below it (1.65%, £76).

(iii) Primary and Secondary Deprivation % - 2<sup>nd</sup> highest proportion and reflects historic decisions to embed funding from former Standard Fund grants in the formula and the Council's support for schools with pupils from deprived communities.

(iv) Lump sum % - at 12.59% is the 2<sup>nd</sup> highest shire figure. The lump sum multipliers for both sectors are in line with the shire average, the high percentage is largely due to the number of primary schools in Derbyshire relative to the size of the pupil population.

(v) Low cost high incidence (LCHI) AEN – 2<sup>nd</sup> lowest multiplier in the primary sector which reflects the decisions taken in 2013 to limit the use of this indicator. The Authority considered that the indicator, the number of children scoring below 73 in the Early Years Foundation Stage Profile, was not a good proxy measure of pupils' additional educational needs. As a result of this view much of the primary funding in the system for low level AEN was delegated instead on the basis of deprivation. By contrast Derbyshire's secondary sector multiplier, which measures the number of children not achieving level 4 in English or mathematics at Key Stage 2, is 27% above the shire average.

(vi) Rates/Split site/PFI – Derbyshire's percentage spend is relatively high as our proportion of academies is lower than many other LAs meaning our allocations to support rates bills is much higher.

Other key statistics published by the DfE show the percentage of funding allocated as basic entitlement i.e. the funding allocated as AWPU and the funding which is regarded as pupil led which also includes funding for deprivation, mobility, LCHI, looked after children and English as an additional language. Derbyshire's basic entitlement is currently the lowest of all shire LAs at 73.9% compared with a shire average excluding Derbyshire of 78.2%. Derbyshire's pupil led percentage is the 2<sup>nd</sup> lowest at 85.2% compared with a sector average of 88.2%.

Finally, the DfE have measured the total funding in secondary schools compared to primary schools and express the variation as a ratio. Nationally, the primary:secondary ratio is 1:1.29 i.e. secondary schools' funding was 29% higher than primary schools. Derbyshire's ratio is 1:1.33, which is above the national average and the highest of any shire LA.

The variances between LAs formula factors will be largely closed during the transition to a National Funding Formula, the areas where Derbyshire's formula multipliers are significantly different to the average may indicate where potential losses and gains are more likely to arise.

### **3. Other Considerations**

In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, human resources, legal & human rights, environmental, financial, health, property and transport considerations.

### **4. Background Papers**

Papers held in Children's Services Finance

### **5. Officer's Recommendations**

The Forum is asked to note the report.

**Jane Parfremment**  
**Strategic Director for Children's Services**

# Summary of mainstream allocations by formula indicator 2016-17

# Appendix 1

	AWPU	Deprivation	LAC	EAL	Mobility	LCHI SEN	Lump Sum	Sparsity	Rates/S Site/PFI	London	Sixth forms	Excep Circ
	%	%	%	%	%	%	%	%	%	%	%	%
Buckinghamshire	78.85%	2.46%	0.05%	0.88%	0.07%	6.22%	9.64%	0.00%	1.32%	0.48%	0.00%	0.03%
Cambridgeshire	79.51%	3.70%	0.06%	1.24%	0.00%	2.93%	11.15%	0.00%	1.34%	0.00%	0.00%	0.06%
Cumbria	82.63%	1.90%	0.04%	0.04%	0.00%	3.37%	9.83%	0.74%	1.35%	0.00%	0.00%	0.11%
Devon	81.03%	5.16%	0.09%	0.19%	0.00%	4.24%	7.11%	0.41%	1.53%	0.00%	0.00%	0.23%
Dorset	79.37%	4.28%	0.00%	0.26%	0.04%	3.46%	9.23%	0.15%	2.10%	0.00%	0.31%	0.80%
East Sussex	76.24%	6.46%	0.00%	0.08%	0.00%	4.53%	9.85%	0.03%	2.74%	0.00%	0.00%	0.07%
Essex	78.26%	4.85%	0.04%	0.17%	0.00%	4.08%	10.15%	0.00%	1.78%	0.52%	0.00%	0.14%
Gloucestershire	79.62%	3.84%	0.00%	0.67%	0.00%	7.35%	7.47%	0.00%	1.01%	0.00%	0.00%	0.05%
Hampshire	75.88%	4.59%	0.23%	0.52%	0.07%	4.59%	12.56%	0.10%	1.44%	0.00%	0.00%	0.04%
Hertfordshire	77.70%	5.91%	0.16%	0.64%	0.07%	1.76%	11.02%	0.00%	1.41%	1.24%	0.00%	0.10%
Kent	78.35%	5.20%	0.07%	1.47%	0.00%	4.30%	8.16%	0.00%	2.24%	0.21%	0.00%	0.01%
Lancashire	74.86%	8.35%	0.13%	0.32%	0.00%	1.32%	12.73%	0.00%	1.95%	0.00%	0.33%	0.02%
Leicestershire	77.66%	4.90%	0.00%	0.00%	0.00%	4.91%	11.63%	0.00%	0.79%	0.00%	0.00%	0.11%
Lincolnshire	74.18%	5.91%	0.07%	0.82%	0.00%	6.34%	11.17%	0.26%	1.26%	0.00%	0.00%	0.00%
Norfolk	77.85%	6.70%	0.00%	0.39%	0.00%	3.63%	9.75%	0.15%	1.29%	0.00%	0.18%	0.05%
North Yorkshire	78.12%	4.43%	0.20%	0.43%	0.27%	2.54%	10.98%	0.94%	1.90%	0.00%	0.00%	0.19%
Northamptonshire	74.99%	13.54%	0.00%	0.00%	0.00%	0.00%	9.96%	0.00%	1.45%	0.00%	0.00%	0.07%
Nottinghamshire	82.99%	3.24%	0.37%	0.25%	0.04%	4.36%	7.43%	0.00%	1.18%	0.00%	0.00%	0.13%
Oxfordshire	81.54%	3.35%	0.00%	0.39%	0.05%	3.54%	9.90%	0.00%	1.21%	0.00%	0.00%	0.02%
Somerset	78.17%	5.56%	0.00%	0.32%	0.00%	4.70%	9.71%	0.07%	1.34%	0.00%	0.00%	0.13%
Staffordshire	79.86%	6.92%	0.18%	0.26%	0.00%	2.45%	8.92%	0.13%	1.27%	0.00%	0.00%	0.00%
Suffolk	76.83%	6.20%	0.10%	0.58%	0.00%	5.44%	8.89%	0.53%	1.30%	0.00%	0.09%	0.04%
Surrey	77.81%	7.79%	0.04%	0.44%	0.03%	3.53%	8.81%	0.00%	1.18%	0.00%	0.23%	0.14%
Warwickshire	79.90%	7.54%	0.00%	0.00%	0.00%	4.15%	7.23%	0.00%	1.17%	0.00%	0.00%	0.02%
West Sussex	79.31%	3.79%	0.00%	0.16%	0.00%	4.84%	9.70%	0.00%	1.95%	0.25%	0.00%	0.01%
Worcestershire	78.96%	4.89%	0.00%	0.44%	0.00%	4.81%	8.45%	0.09%	2.23%	0.00%	0.00%	0.12%
Derbyshire	73.90%	9.04%	0.00%	0.04%	0.00%	2.22%	12.59%	0.00%	2.19%	0.00%	0.00%	0.04%
Derbyshire Rank	27	2	16	23	9	24	2	13	4	6	6	17
Shire average ex Derbyshire	78.48%	5.44%	0.07%	0.42%	0.02%	3.98%	9.67%	0.14%	1.53%	0.10%	0.04%	0.10%

# Primary Sector Formula Multipliers 2016-17

# Appendix 2

	AWPU KS1 &2	FSM	IDACI 0- 0.25	IDACI 0.25- 0.3	IDACI 0.3- 0.4	IDACI 0.4- 0.5	IDACI 0.5- 0.6	IDACI 0.6- 1.0	LAC	EAL	Mobi- lity	LCHI SEN	Lump Sum	Sparsity Lump Sum
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Buckinghamshire	2,646	850	210	260	350	425	480	690	1,000	460	500	1,500	126,400	0
Cambridgeshire	2,721	600	220	500	500	750	750	750	750	750	0	750	150,000	0
Cumbria	3,258	422	0	0	0	0	0	0	342	100	0	380	75,000	20,000
Devon	2,964	1,378	80	100	120	720	720	720	900	376	0	575	67,516	55,000
Dorset	2,766	900	113	138	175	225	275	400	0	750	300	800	110,000	11,500
East Sussex	2,687	1,532	0	0	0	0	0	0	0	0	0	658	142,000	5,000
Essex	2,707	437	285	342	456	570	684	1,027	500	615	0	625	150,000	0
Gloucestershire	2,969	893	0	0	0	0	0	0	0	834	0	1,652	72,667	0
Hampshire	2,574	0	365	718	1,525	1,782	2,843	3,197	1,983	603	1,028	1,452	175,000	15,000
Hertfordshire	2,732	2,875	0	106	106	106	326	326	2,207	240	695	478	157,431	0
Kent	2,740	359	415	435	468	515	566	708	525	885	0	729	120,000	0
Lancashire	2,836	581	113	186	284	308	356	405	957	291	0	334	155,000	0
Leicestershire	2,705	413	625	625	937	1,250	1,562	1,875	0	0	0	601	150,000	0
Lincolnshire	2,557	1,186	76	151	233	320	386	484	600	1,000	0	1,641	118,010	0
Norfolk	3,038	330	414	533	857	890	1,254	1,254	0	349	0	612	98,268	18,438
North Yorkshire	2,910	472	630	906	769	1,264	1,375	1,612	2,402	953	999	509	89,047	51,625
Northamptonshire	2,700	2,363	0	0	0	0	0	0	0	0	0	0	138,400	0
Nottinghamshire	3,007	292	63	63	63	63	2,763	2,763	3,000	339	560	699	100,000	0
Oxfordshire	2,941	1,208	0	0	116	232	348	463	0	266	640	821	125,000	0
Somerset	2,821	650	240	290	350	400	800	850	0	535	0	980	91,769	83,000
Staffordshire	2,942	1,251	48	54	126	159	443	589	1,208	323	0	903	96,400	26,000
Suffolk	2,743	400	165	540	1,230	1,280	1,365	1,605	925	1,500	0	885	114,000	100,000
Surrey	2,761	3,960	0	0	0	0	0	0	796	276	629	858	135,000	0
Warwickshire	2,791	1,531	0	0	0	0	0	0	0	0	0	1,531	95,000	0
West Sussex	2,730	628	201	343	504	665	846	1,007	0	330	0	807	150,000	0
Worcestershire	2,886	846	200	249	333	405	457	663	0	447	0	641	111,026	42,796
<b>Derbyshire</b>	<b>2,648</b>	<b>1,473</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>356</b>	<b>0</b>	<b>161</b>	<b>129,622</b>	<b>0</b>
<b>Derbyshire Rank</b>	<b>24</b>	<b>6</b>	<b>19</b>	<b>20</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>16</b>	<b>14</b>	<b>9</b>	<b>26</b>	<b>11</b>	<b>12</b>
<b>Shire average ex Derbyshire</b>	<b>2,813</b>	<b>1,014</b>	<b>172</b>	<b>252</b>	<b>365</b>	<b>474</b>	<b>715</b>	<b>823</b>	<b>696</b>	<b>470</b>	<b>206</b>	<b>824</b>	<b>119,728</b>	<b>16,475</b>

# Secondary Sector Formula Multipliers 2016-17

# Appendix 3

	AWPU KS3	AWPU KS4	FSM	IDACI 0- 0.25	IDACI 0.25- 0.3	IDACI 0.3- 0.4	IDACI 0.4- 0.5	IDACI 0.5- 0.6	IDACI 0.6- 1.0	LAC	EAL	Mobi- lity	LCHI SEN	Lump Sum	Sparsity Lump Sum
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Buckinghamshire	3,758	4,335	1,050	290	380	470	560	620	820	1,000	1,100	500	1,500	126,400	0
Cambridgeshire	3,838	4,989	600	220	500	500	750	750	750	750	750	0	420	150,000	0
Cumbria	3,993	4,938	422	0	0	0	0	0	0	342	100	0	889	175,000	100,000
Devon	4,021	4,647	445	0	0	0	300	300	300	900	565	0	1,103	147,516	100,000
Dorset	3,720	4,568	900	0	0	175	225	275	400	0	600	0	750	150,000	50,000
East Sussex	3,706	4,655	2,751	0	0	0	0	0	0	0	771	0	842	145,000	5,000
Essex	3,868	4,711	437	370	444	592	740	888	1,333	500	176	0	981	150,000	0
Gloucestershire	3,767	4,519	764	0	0	0	0	0	0	0	834	0	1,798	175,000	0
Hampshire	3,789	4,536	0	432	856	1,750	2,125	3,305	4,005	1,983	1,560	400	1,115	175,000	15,000
Hertfordshire	3,837	5,177	2,272	62	90	90	1,322	1,322	2,242	2,207	1,904	695	635	172,190	98,394
Kent	3,803	4,173	334	447	469	504	555	610	763	525	3,344	0	863	120,000	0
Lancashire	4,080	4,080	999	450	800	1,050	1,150	1,250	1,300	957	247	0	328	160,000	0
Leicestershire	3,588	4,284	413	634	634	951	1,268	1,584	1,901	0	0	0	1,000	150,000	0
Lincolnshire	3,482	4,292	1,305	162	327	490	685	807	1,075	600	1,000	0	1,544	175,000	100,000
Norfolk	3,688	4,631	330	560	688	1,032	1,067	1,454	1,454	0	349	0	730	175,000	100,000
North Yorkshire	3,763	4,666	634	940	1,166	775	1,221	1,097	183	2,402	921	19,068	637	175,000	100,000
Northamptonshire	3,849	4,348	3,292	0	0	0	0	0	0	0	0	0	0	175,000	0
Nottinghamshire	4,059	4,957	292	63	63	63	63	2,763	2,763	3,000	339	560	699	100,000	0
Oxfordshire	4,213	4,415	2,013	0	0	127	254	381	508	0	727	0	795	125,000	0
Somerset	3,632	4,187	720	280	340	410	470	880	940	0	653	0	827	175,000	100,000
Staffordshire	3,737	4,373	1,221	48	54	126	159	443	589	1,208	770	0	588	175,000	26,000
Suffolk	3,947	4,351	400	165	540	1,230	1,280	1,365	1,605	925	1,500	0	1,110	114,000	100,000
Surrey	3,662	4,522	2,607	864	1,558	1,558	1,558	1,558	1,558	796	673	774	1,080	175,000	0
Warwickshire	3,740	4,977	1,867	0	0	0	0	0	0	0	0	0	797	95,000	0
West Sussex	3,758	4,385	437	416	833	1,249	1,666	2,082	2,498	0	406	0	863	150,000	0
Worcestershire	3,938	4,467	1,009	277	363	451	531	589	785	0	1,083	0	901	119,999	63,910
Derbyshire	3,829	4,470	1,921	0	0	0	0	0	0	0	322	0	1,115	150,967	0
Derbyshire Rank	12	15	6	19	19	21	22	22	22	16	21	7	4	13	14
Shire average ex Derbyshire	3,817	4,545	1,058	257	389	523	690	935	1,068	696	784	846	877	150,966	36,858