

# DARLINGTON SCHOOLS FORUM

7<sup>th</sup> March 2017

ITEM NO 5

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## SCHOOL FUNDING FORMULA & BUDGET UPDATES 2017/18

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### Purpose of Report

1. To update Forum regarding any changes to the 2017/18 funding formula or 2017/18 budget.

### Background

2. School Forum agreed the schools funding formula and the allocation of Dedicated Schools Grant (DSG) for 2017/18 at their January 2017 meeting.

### Updates

#### School Funding Formula

3. Forum agreed the unit values and hence the 2017/18 funding formula at their January meeting. Forum was presented with the proposed school budget shares on a school by school basis. Included within the school budget shares for one school was an estimate of the percentage of pupils being entitled to free school meals, as it had been identified that the data supplied by the Education Funding Agency (EFA) in the formula tool was incorrect. The budget share for that school was therefore at that point an estimate.
4. Following the Forum meeting, updated data was received and hence the budget share calculation for that school was updated to include the correct dataset. The result of this update was that the actual budget share for this school decreased by £20,684 on the estimated amount. The school was informed of this change in their budget share. No other schools budget share was affected.
5. As the schools budget share decreased by £20,684 this resulted in the overall budget having a “spare” resource. As Forum members will recall when the budget was presented at the January meeting there was a shortfall in the overall DSG budget in 2017/18 of £97,993. This “spare” budget has therefore been used to reduce this shortfall to £77,309.
6. No other changes were made to the school budget share calculation and hence the formula was submitted to the EFA on 20th January in line with the deadline.
7. The EFA confirmed on 2nd January that the Darlington formula complied with the regulations and criteria. As a result no changes were required to the formula and therefore the school budget shares that were presented to Forum in January will be the school’s budgets for 2017/18.

## 2017/18 DSG Budget

8. As previously reported to Forum the EFA allocate DSG to Darlington inclusive of high needs funding that is paid direct to academy and free schools. Although this is in the initial allocation, this funding is not paid to the Local Authority and hence the DSG allocation is reduced. The budget has been updated for this reduction in DSG. Further reductions will be made to the DSG allocation by the EFA for the payment of school budget shares to mainstream academy and free schools at a later point.
9. Appendix 1 (attached) shows the movements on the budget and hence the revised budget for 2017/18.
10. The budget is currently £77,309 in excess of the DSG allocation. Forum members will be aware it is intended to balance the budget through a combination of any carry forward underspend from 2016/17 and by in year budget management.
11. Forum will receive updates on the 2017/18 budget at all meetings during the next year.

## **Recommendations**

12. That Forum notes the content of this report and the changes to the budget.

**Brett Nielsen  
Finance Manager,  
Resources Department**