



Primary and Secondary School Budget Notes 2021/22

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1. Key changes to formula factors

The Gloucestershire funding formula has been able to be implemented using the National Funding Formula (NFF) factor rates at their 100% level in 2021/22.

The key changes and clarifications are as follows:

Teachers Pay and Pension Grants

The pre 16 elements of the teachers pay and pension grants have been added into the NFF in 2021/22 and will therefore be in schools' core budgets rather than paid as separate grants.

This has been done by increasing school baselines and adding £180 per primary pupil and £265 per secondary pupil to the basic entitlement (age weighted pupil unit) factor.

Minimum Funding Levels (MFL)

Minimum per pupil funding (MPPF) increases to £5,150 per secondary pupil and £4,000 per primary pupil. It is then further increased for the inclusion of the teacher pay and pensions funding by £180 primary and £265 secondary to £5,415 secondary and £4,180 primary.

Sparsity Factor

This continues to be based on the same distance thresholds of 2 miles primary, 3 miles secondary and pupil number average year group thresholds of 21.4 primary and 120 secondary.

However the sparsity funding has increased significantly for 2021/22 with an increase of 73% in the maximum primary sparsity factor from £26,000 to £45,000 and an increase of 11% in the maximum secondary factor from £67,600 to £75,000.

Deprivation Factor

Income Deprivation Affecting Children Index (IDACI) is a relative measure of socio-economic deprivation. The IDACI measures use SIX bands. For 2021/22 the NFF uses the latest IDACI 2019 data and uses a ranking system to group each lower super output area (LSOAs, an area with typically about 1,500 residents) into one of six bands of decreasing deprivation. In the past IDACI bands have been defined on the basis of scores.

Minimum Funding Guarantee (MFG)

The Minimum Funding Guarantee has been set at the same +2.00% level as the funding floor in the NFF.

2. Formula Factors Measures and Unit Values

The table below outlines the description, data source and unit values for each factor:

Funding Factor	Description	Data Source	Primary	Secondary
Basic entitlement (Age Weighted Pupil Unit)	Single unit for primary aged pupils and a single unit for each of Key Stage 3 and Key Stage 4	Autumn 2020 census	£3,142.64	KS3 - £4,431.70
				KS4 - £4,994.22
Deprivation	Free School Meals	Autumn 2020 census	£462.89	£462.89
	Free School Meals Ever 6	2020 to 2021 FSM6 data mapped to the spring 2020 census. Where FSM6 ratio is lower than the FSM ratio it will be increased to the same value.	£578.62	£845.28
	(IDACI) Band F	Income Deprivation Affecting Children Index (IDACI) 2019 data matched to the Autumn 2020 census using pupil's postcodes.	£216.35	£311.95
	(IDACI) Band E		£261.64	£417.61
	(IDACI) Band D		£412.58	£583.65
	(IDACI) Band C		£447.80	£633.96
	(IDACI) Band B		£477.99	£684.28
	(IDACI) Band A		£623.90	£870.44
Prior Attainment	Primary phase (years 1-6) pupils who did not achieve a good level of development.		Early Years Foundation Stage Profile (EYFSP) total score mapped to the autumn 2020 census. As there were no EYFSP tests this year the year 1 ratio will use the year 2 ratio	£1,101.89

	Secondary pupils not reaching the expected standard in KS2 at either reading or writing or maths. National weightings have been applied to year groups 7 to 11.	KS2 attainment data mapped to the autumn 2020 census. As there were no KS2 tests this year the year 7 ratio will use the year 8 ratio or the local authority year 8 average		£1,670.44
English as an additional language (EAL)	English as an additional language, for a maximum of 3 years after the pupil enters the statutory age school system	Autumn 2020 census for language group, plus autumn 2017, 2018 and 2019 censuses.	£553.46	£1,494.34
Mobility	Pupils whose school census record at their current school (or one of its predecessors) in the last three years is not typical, above a 6% of NOR threshold	Autumn 2020	£905.66	£1,298.11
Lump Sum	A standard lump sum for each school		£118,540.96	£118,540.96
Sparsity	<p>Schools that are eligible for sparsity funding must meet two criteria:</p> <ul style="list-style-type: none"> they are located in areas where pupils would have to travel a significant distance to an alternative school should the school close they are small schools 	Autumn 2020 census	£45,283.05 (Tapered)	£75,471.75 (Tapered)
Split Sites	Based on split sites more than 1 miles apart		£61.80 per pupil + base of £45,794.06	

Rates	Based on rateable value set by the Valuation Office Agency	Rates will be funded at the estimate of the actual cost + any prior year adjustments	
Exceptional Factor - Rents	Based on school premises	Exceptional factor for rents where the rent or lease agreement forms 'an intrinsic part of the school's activities' and exceeds 1% of school budget	
Minimum level of per pupil funding	A minimum per pupil level for both Primary and Secondary Schools. The calculation includes all pupil led, lump sum and sparsity allocations, but excludes all premises and MFG allocations.	£4,180	KS3 & KS4 schools – £5,415 KS3 only schools - £5,215 KS4 only schools – £5,715

A full technical specification providing detailed information of the school level data is available on the ESFA website: [ESFA Schools Block Dataset Technical Specification](#)

3. Area Cost Adjustment (ACA)

Schools have received an area cost adjustment uplift which for Gloucestershire is 0.00629. This has been applied to the pupil led, school led and split site formula factor unit values.

4. Minimum Per Pupil Funding (MPPF) Level

The national funding formula ensures every school receives a minimum level of funding per pupil. The minimum per pupil funding (MPPF) rates are set at £4,180 for primary schools and £5,415 for secondary schools with KS3 & KS4 pupils. This calculation is based on all formula factors (both pupil and school led) but excludes business rates, rents, MFG and split sites.

5. Minimum Funding Guarantee Budget (MFG)

The NFF includes a +2.00% funding floor transitional adjustment against the school's previous year's indicative NFF (not the school's actual budget received).

The DfE have not allowed Local Authorities to use a funding floor in 2021/22, but instead recommend they set the MFG at +2.00% if they wish to mirror the floor protection in the NFF. The Gloucestershire formula therefore includes a +2.00% MFG.

6. Capping and Alternative Gains Cap

The NFF no longer includes a cap on gains or the alternative gains calculation. As the schools forum recommendation is that the Council matches the NFF we have therefore removed the cap on gains and the alternative gains calculation from the formula. All schools will therefore receive their full funding allocation without any capping reduction.

7. De-Delegation (applies to maintained schools only)

The de-delegation rates per pupil are as follows:

Description	Primary	Secondary
Education Functions (contribution to LA statutory duties for maintained schools)	£5.00	£5.00
Targeted Intervention & Support (Primary only)	£9.27	N/A
October Pupil Increases above Thresholds (Primary only)	£6.32	N/A
Union Facilities (Primary only)	£3.05	N/A

8. Central School Services Block of DSG (CSSB)

The CSSB includes funding held centrally for:

- Copyright licences
- Admissions co-ordination
- School forum co-ordination
- Centrally retained duties (for both maintained schools and academies)

9. Copyright Licences

The Department for Education (DfE) buys copyright licences for all state-funded primary and secondary schools in England – covering schools for almost all their copyright requirements.

Purchasing these licences directly means that DfE can save schools money and the administrative time involved in applying for many different licences.

The licences mean you can copy, re-use and share content from a wide range of sources within your school for non-commercial, educational purposes.

Your school leadership (head and chair of governors) needs to make sure that:

- all intended activities are covered adequately by the licences
- all staff follow the terms and conditions

For more information on what content you can use, and how to gain other permissions please refer to: <https://www.gov.uk/guidance/copyright-licences-information-for-schools>

10. Growth Fund

The Growth Fund is part of schools block DSG funding retained centrally to support new schools and schools which are required to provide extra places in order to meet basic need within the Authority, including pre-opening and reorganisation costs. The amount needed for the growth fund is agreed each year by the Schools Forum.

The ESFA is very clear that the growth fund can only be used for the purposes of supporting growth in pre-16 pupil numbers to meet basic need and to meet the costs of new schools.

Funding schools that have a significant increase in pupils not related to basic need are not compliant criterion and are disallowed under the Schools and Early Years Finance Regulations.

11. SEN High Needs Funding – Mainstream Settings

The DfE definition of a High Needs pupil is one where the educational provision cost, including the basic provision given to all pupils exceeds the Age Weighted Pupil Unit (AWPU) plus £6,000.

All mainstream schools are provided with resources to support pupils with additional needs including pupils with SEND. Schools have an amount identified within their overall delegated School Budget, called the **Notional SEN budget**.

The Notional SEN budget consists of 100% of the Prior Attainment factor rate and 2.5% of the Age Weighted Pupil Unit factor rate.

Pre – 16 pupils

Schools and Academies will be expected to contribute the first £6,000 of the additional educational support provision for high needs pupils from their notional SEN budget - this is over and above the cost of standard teaching and learning (which is funded by the age weighted pupil unit (AWPU)).

The number of high needs pupils for whom schools are expected to contribute will be restricted to 1 for every 40 pupils on roll (October 2020), rounded to the nearest whole number.

Post - 16 pupils

The first £6,000 of funding for high needs post 16 pupils will either be provided by the ESFA if recognised as part of your 16-19 funding allocation, or where that is not the case by additional top-up funding from the LA on a per-pupil basis adjusted where a pupil is not present for the full year.

Post - 16 pupils are excluded from the 1 in 40 pupils on roll rule as this only applies to pre - 16 pupils.

Top-Up Funding

Top-up funding above these levels will be provided on a per-pupil basis adjusted where a pupil is not present for the full year. Top-ups will be issued monthly by the commissioner placing the pupil. In the case of Gloucestershire, LAC or Welsh pupils this funding will be provided by

Gloucestershire County Council. For other local authority pupils this will be agreed between the commissioner and educating institution.

Where the Education, Health and Care Plan (EHCP) provision states the number of 1:1 support hours per week the following annual hourly funding rates will apply:

Early Years Support (EYS)	£312
Midday Supervision (MDS)	£455
Teaching Assistant Grade D (TAD)	£529
Teaching Assistant Grade F (TAF)	£615
Teaching Assistant Grade G (TAG)	£688
Teaching (T)	£1,585

For other provisions the funding will be based on a resource allocation.

Our aspiration remains to move the mainstream funding model to a more sophisticated banded model. We will provide updates in relation to the development and timescale of any revised funding model. For more information please visit the Joint Additional and High Needs Transitional Programme website: [JHNTP](#)

The top up funding allocations are based on current EHCP's known as at 15th February 2021 and therefore are **indicative**. The funding allocations will be updated end of March to take into account any know changes since this date.

The allocations will already include part year (April to August) adjustments for:

Infants/Junior/Primary

- Year 6 high needs pupils where transfer to secondary schools is anticipated
- Year 2 high needs pupils attending infant schools where transfer to junior school is anticipated

Secondary

- Year 11 & 13 high needs pupils where leaving school at end of 2020/21 Academic Year is anticipated

The top up funding allocation at pupil level will be made available via [Perspective Lite](#). This will be updated each month.

Perspective Lite is a web based system/tool which allows the secure transfer of files between schools and the LA. It also provides live headline key stage data as well as news bulletins, amongst some other useful functionality and is available to purchase via your [GCC Plus traded services account](#).

The top up funding allocation at pupil level file will be called **916nnnn_2021[Month]HNTopUpFunding.xlsx** where nnnn is your school DfE number.

Adjustments to High Needs Funding during the Financial Year

Schools are reminded that the funding from the High Needs Block will fluctuate throughout the year as pupils and statements change, for example:

- Adjustments will take place where more up-to-date information about pupil transfers becomes available. As budgets can only be based on the most up-to-date information available when issued, there may be some changes necessary during the year e.g. year 7 transfers, pupils in year 11 move into the sixth form etc.
- Where a pupil moves between schools, funding will transfer with the pupil for the remainder of the financial year
- Where a pupils' needs are reassessed and the funding has changed this will be adjusted accordingly from the date of the change
- Where a new qualifying EHCP is issued, the appropriate funding will be from the date stated in the EHCP
- Where a pupil moves from a special school, top up funding will start from the date the pupil commences in mainstream

12. SEN High Needs Funding – Special Centres

Pupils attending the special centres are included within the schools formula allocation. In addition, place funding of £6,000 is paid. Unoccupied places on October census day are paid at £10,000 per place. This is based on the number of places agreed by the DfE on an academic year basis.

Top-up funding above these levels will be provided on a per-pupil basis adjusted where a pupil is not present for the full year.

The special centre top-up rates from 1st April 2021 are as follows:

Standard rate	£3,244
EPIC centre rate	£5,800

13. 16-19 Funding Allocations

The 16-19 funding allocations are calculated using the ESFA funding formula that incorporates factors including student numbers, student retention, higher cost subjects, disadvantaged students and area costs.

This is supplemented by additional funding for high needs students, bursaries and other financial support awarded to individual students.

The figures shown in the budget represent 4/12ths of the 2020/21 academic year allocations and 8/12ths of the 2021/22 academic year allocations. Please note that the 2021/22 academic year allocations are indicative and subject to change.

For more information please refer to the ESFA 16-19 funding pages:

<https://www.gov.uk/guidance/16-to-19-funding-how-it-works>

14. Pupil Premium

The Pupil Premium is additional funding allocated to schools depending on the number of pupils eligible for Free School Meals (FSMs). The aim of this policy is to improve the outcomes of these pupils. It is recognised nationally that children who come from economically deprived backgrounds do less well academically than their peers. The premium also includes funding to support Children in Care and also children of service families.

Schools are held to account for the use of the funding and are required to detail how the funding is used with a statement posted on their website. Governors are expected to monitor the use of the additional funding and ensure that it is well targeted.

The pupil premium rates for 2021/22 financial year will stay the same as 2020/21 and are as follows:

- £1,345 for each eligible primary-aged pupil
- £955 for each eligible secondary-aged pupil
- £2,345 to support looked-after children
- £2,345 to children adopted from care under the Adoption and Children Act 2002 and children who have left care under a Special Guardianship or Residence Order
- £310 for each eligible service child

From April 2021, pupil premium allocations for mainstream and special schools will be calculated based on the number of eligible pupils recorded by schools in their census in October 2020.

In this transitional year, pupil premium allocations will be confirmed to the usual timeline in June 2021. As from next year, allocations for mainstream and special schools will be published earlier in the year, giving these schools greater certainty around future funding levels earlier in the year.

The DfE has provided the number of pupils by school previously eligible for FSM, as per past census data. This information is available on the key to success website:
<https://www.keytosuccess.education.gov.uk>.

The LA has not validated any of the pupil premium information. As the school census is a statutory return, the guidance on free school meal eligibility therefore has legal force. It is the individual responsibility of the school to ensure this had been adhered to.

As the LA has no control over this funding and distributes the income we receive from the DfE as per their allocation. Schools can access their own indicative numbers on the DfE website (listed above) for use in planning.

For more information please refer to the DfE pupil premium page:
<https://www.gov.uk/government/publications/pupil-premium/pupil-premium>

15. Devolved Formula Capital

The devolved formula capital rates for 2021/22 financial year have not yet been announced.

For more information please refer to the DfE capital allocations pages <https://www.gov.uk/government/publications/capital-allocations>

16. Other ESFA Grants

Teachers Pay Grant (TPG) and Teachers Pension Employer Contribution Grant (TPECG):

In the 2021/22 financial year, the TPG and TPECG have been rolled into DSG funding through the schools and high needs national funding formula. The TPG and TPECG will continue to be paid for mainstream academies to August 2021 for their academic year.

Details of the methodology and funding rates are set in the following links: [TPG methodology guidance](#) and the [TPECG methodology guidance](#)

Catch Up Premium (covid-19)

In July 2020 the government announced £1 billion of funding to support children and young people to catch up (following the initial UK Lockdown from March 2020).

The £1 billion funding pot includes a universal £650 million catch-up premium alongside a fund of £350 million for the National Tutoring Programme to provide additional, targeted support for those children and young people who need the most help for the 2020/21 academic year.

Further information can be found in the [Covid catch-up premium guidance](#).

Other ESFA Grants

The ESFA will confirm details of other grants in due course.

17. Three Year Governors' Budget Plan (maintained schools only)

With effect from 2021/22 each maintained school must submit a Governors' Budget Plan (GBP) to the LA showing its intentions for expenditure for the next three years and the assumptions underpinning each year's budget plan.

The GBP template for 2021/22 onwards has therefore been redesigned to include the additional years which schools must complete to fulfil this three year requirement. This must include providing any additional information requests that may appear when completing the GBP template such as reasons for large differences to the previous year. Schools must also take full account of estimated deficits/surpluses at the previous year-end in preparing their budget plan.

The format of the budget plan will take account of the Consistent Financial Reporting Framework (CFR) and for year 1 this will be at a detailed CFR level. For years 2 & 3 we will

not require the plan at such a detailed level as year 1, therefore, the format will be at a summarised CFR level.

Schools that submit a Governors' Budget Plan showing a deficit will also be required to submit a recovery plan as part of the LA's balance control mechanism. Where necessary further revised plans may also be requested throughout the year where a school is in deficit or at risk of going into deficit.

To familiarise yourself with the redesigned GBP template please download the illustrative GBP template from the Governors Budget Plan page on schoolsnet:

<https://www.gloucestershire.gov.uk/schoolsnet/school-office/schools-finance/financial-returns/governors-budget-plan/>

The Governors Budget Plan timetable is as follows:

Date	Action
w/c Monday 12 April 2021	2021/22 GBP template made available
Friday 28 th May 2021	Late date for submission of GBP template
Wednesday 30 th June 2021	Recovery plans submission date (for deficit schools only)

18. Schools Financial Value Standard (SFVS)

The SFVS helps schools to manage their finances and to provide assurance to the local authority that they have secure financial management in place.

LA maintained schools are required to submit the SFVS annually to the authority. Further information can be found on the ESFA website:

<https://www.gov.uk/guidance/schools-financial-value-standard-and-assurance-sfvs>

19. Useful Links

School and Academy Financial Management and Assurance:

Reporting for academies, maintained schools, local authorities including school procurement, risk protection arrangement (RPA), payments and compliance.

<https://www.gov.uk/education/school-and-academy-financial-management-and-assurance>

Benchmarking

Benchmarking allows you to check how your finances compare with other similar schools or multi-academy trusts.

<https://www.gov.uk/guidance/schools-financial-efficiency-financial-benchmarking>

Buying for Schools

Department for Education advice on buying goods and services for your school.

<https://www.gov.uk/guidance/buying-for-schools>

School Resource Management Free Webinars

Department for Education have commissioned entrust to deliver a series of free webinars on topics relating to resource management. They are free to attend (but funding runs out on 31 March so it's best to be quick), and replays are available along with a lot of background information.

<https://educationspace.co.uk/SRM/>

Schoolsnet Finance Pages

Please use the schools finance pages on schoolnet to keep up to date with information with regards to school budgets, year end accounting, school regulations and funding.

<https://www.gloucestershire.gov.uk/schoolsnet/school-office/schools-finance/>

20. Contact for Queries

If you have any queries regarding your budget allocation please submit an email to:

schoolbudgets@gloucestershire.gov.uk