



Minimum Funding Per Pupil (“MFPP”) Adjustment to Resource Base Top-up Funding

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Resource Base Headteachers; and
School Forum

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Purpose of the Report

This report provides an explanation of the MFPP Adjustment made by the Local Authority (LA) to the Top-up funding received by the 43 Resource Bases in the City and explains why this adjustment should not be made in 2021-22 and corrected for previous years.

The report seeks to demonstrate why the MFPP Adjustment should not be applied to Resource Base Top-up funding in the current year (2021-22) and requests the support of Resource Base Headteachers and School Forum Members to request the LA to:

1. Remove the MFPP Adjustment from Resource base Top-up Funding calculations in 2021-22; and
2. Correct the MFPP Adjustments made in previous years.

Background

From 2018-19 the DfE changed the way that Resource Base places were to be funded. Prior to 2018-19, schools received £10,000 for each Resource Base place commissioned by the LA, irrespective of whether the place was filled. However, the school did not receive any GAG funding for the pupils in the Resource Base.

In 2018-19, the funding for Resource Base pupils changed such that schools received £6,000 for each Resource Base place filled PLUS the GAG funding through the normal National Funding Formula (NFF) funding allocation. Any places commissioned by the LA that were not filled were funded at £10,000 per place.

The effect of this change is summarised in the Table 1:

Table 1	2017-18			2018-19			2019-20			2020-21			2021-22		
	Primary	KS3	KS4	Primary	KS3	KS4	Primary	KS3	KS4	Primary	KS3	KS4	Primary	KS3	KS4
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Place Funding	10,000	10,000	10,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
GAG Funding (NFF):															
AWPU	0	0	0	2,756	3,876	4,401	2,756	3,876	4,401	2,867	4,031	4,577	3,213	4,404	4,963
Other Pupil-led factors (e.g. Deprivation, Prior Attainment, EAL etc.)	0	0	0	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
Total Place Funding	10,000	10,000	10,000	8,756	9,876	10,401	8,756	9,876	10,401	8,867	10,031	10,577	9,213	10,404	10,963
Top-up Funding	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
MFPP Adjustment	-	-	-	+/- y	+/- y	+/- y	+/- y	+/- y	+/- y	+/- y	+/- y	+/- y	+/- y	+/- y	+/- y
				Primary	Secondary		Primary	Secondary		Primary	Secondary		Primary	Secondary	
GAG - NFF Minimum per-pupil funding				3,500	4,800		3,500	4,800		3,750	5,000		4,180	5,415	
													-180	-265 re TPS	
													4,000	5,150 Excl TPS	

As a result of the change in Place Funding in 2018-19, BCC published the Briefing Note attached as Appendix 1. This Briefing Note includes the following explanation for the Top-up adjustment:-

“In deciding to implement the National Funding Formula in 2018/19 the minimum per-pupil level of funding will be set at £4,800 per secondary pupil and £3,500 per primary pupil.(in line with the requirements of the NFF)

The combination of £6,000 place funding and the Minimum Per Pupil Funding (MPPF) could result in the following:

- *Secondary schools will receive £6,000 per place (from the High Needs block) and a (MPPF) of £4,800 (through the National Funding Formula) in total a minimum of £10,800.*
- *Primary schools will receive £6,000 per place and a (MPPF) of £3,500, in total a minimum of £9,500.*

To ensure that all commissioned resource base places are funded at £10,000, the LA will adjust the “Top Up” funding schools receive via CRISP as follows:

- *Primary schools who receive (MPPF) below £4,000, will have their “Top Up” funding increased by the difference.*
- *Primary and Secondary schools who receive (MPPF) above £4,000, will have their “Top Up” funding reduced by the difference. “*

However, rather than adjusting school’s Top-up by the difference noted above, the MFPP Adjustment has been calculated with reference to a schools average per pupil funding (excluding the lump sum, but INCLUDING other pupil led factors).

If the MFPP Adjustment had been calculated on the basis set out in the Briefing Note above, the maximum adjustment you would expect in 2018-19

would be +£500 per place in a Primary school and -£800 per place in a Primary/Secondary school.

Conclusions

The decision to implement the MFPP Adjustment appears to be in opposition to the Government's intended effect in making the change to the way Resource Base places are funded.

In making the change from £10k per place in total, to £6k per place plus pupil-led funding, the DfE would have fully appreciated that:

- The pupils in the Resource Base were more likely (although not necessarily) to attract the additional funding receivable for additional factors such as deprivation and low prior attainment; and
- The per pupil funding for Primary pupils was less than the per pupil funding of Secondary pupils.

Despite this, the LA introduced an MFPP Adjustment with the apparent intention of contradicting this change.

The effect of calculating the MFPP Adjustment with reference to a school's average funding per pupil (excluding lump sum) is to deduct the additional funding due to the school for the pupils with the greatest needs; the pupils that attract the greatest level of additional funding.

Proof that the MFPP Adjustment should not be applied in 2021-22 is that the minimum per-pupil level of funding will be set at £5,150 per secondary pupil and £4,000 per primary pupil (in line with the requirements of the NFF and excluding the pension adjustment). Both of which are clearly at or above the £4,000 required to bring the Resource Base place funding up to the £10,000 stated in the Briefing Note. (NB This would imply that no school is due to receive positive MFPP Adjustment relating to 2021-22.)

There can therefore be no reason for this MFPP Adjustment to be made in 2021-22, as the effect is to reduce Top-up funding to those schools that arguably require it the most.

By way of example, the impact of the MFPP on Bartley Green School is attached as Appendix 2.

Action requested

The LA is requested to:

1. Remove the MFPP Adjustment from Resource base Top-up Funding calculations in 2021-22; and
2. Correct the MFPP Adjustments made in previous years.

Resource Base Headteachers and School Forum members are asked to support these requests.

APPENDIX 1

Briefing Note

Resource Base Funding 2018/19

Resource Base Place funding

1. The DfE have introduced a change to the methodology to fund special units and resourced provision in mainstream schools and academies. From 2018 to 2019, pre-16 places at Resource Bases occupied by pupils as recorded on the October 2017 school census as sole or dual (main) will:
 - For the first time attract funding through the mainstream school formula.
 - Receive an additional £6,000 per pupil from the High Needs block
2. However if the following apply:
 - the place is or will be occupied by a pupil registered on the roll of another school
 - **a place isn't occupied at the time of the school census count, but is likely to be filled, and requires funding ,i.e. it has been commissioned**
 - spare capacity is required for another reason funding will be at £10,000 per place,
3. Maintained schools will receive funding based on the commissioned numbers as at 1st April and 1st September, whereas academies will receive funding from the EFA based on commissioned places numbers as at 1st September and a corresponding deduction will be made from the LA 's DSG allocation
4. Maintained School Resource Base Example:

	Example 1	Example 2
Actual resource base pupils on October census	11	10
Commissioned 1st April Places	10	12
Commissioned 1st September Places	12	12
Funding		

	Example 1	Example 2
April- August (5/12ths) – based on census @£6000	11 Actual =£27,500	10 Actual =£25,000
April- August (5/12ths)- not on census @£10,000	0 place =£0	2 places =£8,333
September – March (7/12ths) @ £6,000	11 places =£38,500	10 places =£35,000
September- March (7/12ths) @ £10,000	1 place =£5,833	2 places =£11,667
Total funding	£71,833	£80,000

If actual pupil numbers on roll at the 1st March 2018 exceed the planned commissioned numbers for 1st April, schools will receive place funding based on the actual number on roll.

Resource Base Top Up Funding Adjustments

1. The new National Funding arrangements for 2018/19 require local authorities to fund Resource Bases at £6,000 per place (previously £10,000) from the High Needs block and to include the resource base pupil numbers in the mainstream formula (previously excluded from the October census pupil numbers).
2. In deciding to implement the National Funding Formula in 2018/19 the minimum per-pupil level of funding will be set at £4,800 per secondary pupil and £3,500 per primary pupil.(in line with the requirements of the NFF)
3. The combination of £6,000 place funding and the Minimum Per Pupil Funding (MPPF) could result in the following:
 - Secondary schools will receive £6,000 per place (from the High Needs block) and a (MPPF) of £4,800 (through the National Funding Formula) in total a minimum of £10,800.
 - Primary schools will receive £6,000 per place and a (MPPF) of £3,500, in total a minimum of £9,500.
4. To ensure that all commissioned resource base places are funded at £10,000, the LA will adjust the “Top Up” funding schools receive via CRISP as follows:
 - Primary schools who receive (MPPF) below £4,000, will have their “Top Up” funding increased by the difference.
 - Primary and Secondary schools who receive (MPPF) above £4,000, will have their “Top Up” funding reduced by the difference.
5. Maintained schools will be adjusted based on the commissioned numbers as at 1st April and 1st September, whereas Academies will only be adjusted for 7/12ths of the year (commissioned by LA and funded by EFA on academic

year basis) in year 1 only and in year 2 will be adjusted for 5/12ths of year 1 and 7/12ths of years 2.

6. 2018/19 Funding (examples)

School A (Secondary)

Actual resource base pupils on October census	11
(MFPP) received in 2018/19	£5,801
Element 1 base funding	£4,000
Funding in excess of Element 1	£1,801
Total deduction from Top Up Funding is £1,801 x 11 pupils =	£19,811

School B (Primary)

Actual resource base pupils on October census	10
(MFPP) received in 2018/19	£3,545
Element 1 base funding	£4,000
Funding below Element 1	£455
Total addition to Top Up Funding is £455 x 10 pupils =	£4,550

Academy A (Secondary)

Actual resource base pupils on October census	6
(MFPP) received in 2018/19	£6,001
Element 1 base funding	£4,000
Funding in excess of Element 1	£2,001
Total deduction from Top Up Funding is £2,001 x 6 pupils x 7/12ths =	£7,002

Academy B (Primary)

Actual resource base pupils on October census	10
(MFPP) received in 2018/19	£3,545
Element 1 base funding	£4,000
Funding below Element 1	£455
Total addition to Top Up Funding is £455 x 10 pupils x 7/12ths =	£2,654

Note: In 2019/20 the Secondary academy would be deducted £5,003 and the Primary Academy would be allocated £1,896 for April to August and then the adjustment would be recalculated for the September to March proportion of the financial year 2019/20.

Impact of MFPP Adjustment on Bartley Green School

	2018-19	2019-20	2020-21	2021-22
Resource Base places commissioned	20	20	20	20
Resource Base places taken	21	21	17	17
Top-up Funding (before MFPP Adj. & excl. ESN)	100,828	115,683	106,887	94,073
MFPP Adjustment	(17,783)	(31,808)	(35,739)	(39,440)
(2021-22 currently doesn't include any Top-up attributable to Year 7 joining Sept. 2021)				

If the MFPP Adjustment had been calculated correctly based on the difference between the Minimum Per Pupil Funding published by the DfE and the £4,000 required to achieve £10,000 per place, the MFPP Adjustments would have been as follows:

	2018-19	2019-20	2020-21	2021-22
MFPP Adjustment - Correct calculation	(16,800)	(16,800)	(17,000)	0
Amount due back to the school	983	15,008	18,739	39,440