

Schools Forum 24 October 2013

Report of the Director of Children's Services

Consultation on School Funding Arrangements and Changes for 2014/15

Purpose of Report

1. To provide consultation feedback to Schools Forum in order that Forum can provide the Director of Children's Services with a view prior to implementation of proposed changes to the school funding arrangements for mainstream schools for the 2014/15 financial year.

Budget Working Group Discussed

2. Yes – 16 October 2013.

Schools Forum Role and Responsibilities

3. A local authority must consult their Schools Forum and schools maintained by them about any proposed changes to the formula in relation to the factors and criteria taken into account and the methods, principles and rules adopted.
4. The Schools Forum Regulations 2012 at Regulation 11 prescribe that schools forum must inform the governing bodies of schools maintained by the authority of any consultation carried out by the authority, as soon as it reasonably can.
5. The Schools Forums (England) Regulations 2012 at Regulation 8(10) prescribe that Non-schools members, other than those who represent early years providers, must not vote on matters relating to the formulae to be used by the local authority to determine the amounts to be allocated to schools and early years providers in accordance with regulations made under sections 47 and 47a of the Act.

Action for Schools Forum

6. To advise the Director of Children's Services in respect of the proposed changes to the school funding arrangements for mainstream schools effective from April 2014.

Attachments to Report

7. Appendix A – Detail of responses received.

Sue Coates
Senior Principal Accountant
11 October 2013

Schools Forum 24 October 2013

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Purpose of Report

1. To provide consultation feedback to Schools Forum in order that Forum can provide the Director of Children's Services with a view prior to implementation of proposed changes to the school funding arrangements for mainstream schools for the 2014/15 financial year.

Background

2. At the previous meeting on 17 September 2013 Schools Forum were provided with detail of a local consultation exercise in respect of proposed changes to school funding arrangements for mainstream schools effective from 1 April 2014.
3. The consultation covered five areas as summarised below:
 - Question 1 - A review of the quantum and methodology of allocating funding for deprivation;
 - Question 2 - The value of the Lump Sum for primary and secondary schools;
 - Question 3 - The method of identifying schools that receive insufficient funding to cover the first £6,000 of costs for High Needs pupils;
 - Question 4 - The funding of Minimum Funding Guarantee (MFG) from a clawback of gains;
 - Question 5 - De-delegation of funding for services which were funded centrally until April 2013.
4. The consultation closes on 11 October 2013 and at 10 October responses were received as follows:
 - Eight maintained Primary schools.
 - Four Academy schools (secondary).

Full detail of the responses received is attached at Appendix A to this report.

5. Table 1 below provides a brief summary of the responses received in respect of Questions 1 to 4 relating to proposed changes to the local school funding formula for 2014/15.
6. A separate report 'School Funding Reforms De- Delegations 2014/15' is included as an agenda item for Schools Forum. The report responds to question 5 of the consultation in respect of de-delegation of funding for 2014/15.

Table 1 – Questions 1 – 4 of Dudley Consultation on School Funding Reforms: Funding Arrangements and Changes for 2014-15

Qn No.	Detail	Response / Comments	Proposal
1	Do you agree that both the quantum and methodology of allocating funding for deprivation should be reviewed during 2014/15?	7 Primary / 3 Academy (secondary) agree with proposal. 1 Primary / 1 Academy – no opinion <u>Comments-</u> <i>“national changes may overtake local review”</i>	Both the quantum and funding methodology for deprivation will be reviewed during 2014/15.
2	Do you prefer Option 1 or Option 2? <u>Option 1</u> – Lump Sum of £130,000 for all sectors; or <u>Option 2</u> - Lump Sum of £130,000 for primary and a reduction in the lump sum for secondary schools to £100,000 with re-allocation of the £30,000 funding released back to secondary schools in the basic per pupil funding for KS3 and KS4 pupils	Option 1 -1 Primary and 1 Academy (secondary) Option 2 – 3 Primary and 3 Academy (Secondary) No opinion – 4 Primary <u>Comments-</u> <i>“Option 2 creates issues for smaller schools”</i> <i>“Option 2 supports the DfE move allowing funding to be pupil driven”</i>	To fund Lump Sum for Primary schools at £130k and Secondary schools at £100k with re-allocation of funding released to pupils in KS3 and KS4 through the basic per pupil funding.
3	Do you agree with the proposed methodology for 2014/15 in order to identify where additional funding is required by schools that receive insufficient funding to cover the first £6,000 of cost for High Needs pupils	7 Primary / 4 Academy (secondary) Agree with proposal 1 Primary – no opinion. <u>Comments-</u> none	To implement the proposed funding methodology from April 2014.
4	Do you agree with the proposal alongside the recommendation from HTCF-BWG to fund 50% of the MFG in 2014/15 from a claw-back of gains and 50% from all schools?	8 Primary / 4 Academy (secondary) All agree with proposal <u>Comments-</u> <i>“Clawback of gains impacts significantly on our income projections”</i> <i>“strongly believe that we need to move more rapidly to a position whereby you do not draw back funding that has been allocated fairly to schools under the new formula.”</i> <i>“enables those schools who should gain to benefit from part of the gain.”</i>	To fund 50% of the total cost of MFG from a claw back of gains for 2014/15.

Proposal

7. The Director of Children's Service is responsible for proposing and deciding on changes to the local funding formulae for Dudley schools. As part of this process, Schools Forum must be consulted and it is normal practice to discuss the proposals with Headteachers Consultative Forum – Budget Working Group.
8. Whilst the Director's decision on this matter is final, Schools Forum members (excluding non school members other than the representative of the early years providers) are invited to give any advice in respect of the proposed changes outlined in Table 1, before a final decision is reached.

Finance

9. The funding of schools is prescribed by the Department for Education (DfE) through the School Finance and Early Years (England) Regulations 2012.
10. Schools Forums are regulated by the Schools Forums (England) Regulations 2012.
11. From 1 April 2006, the Schools Budget has been funded by a direct grant: Dedicated School Grant (DSG).

Law

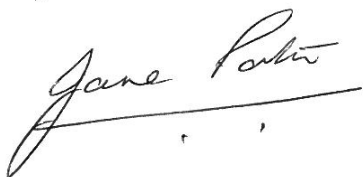
12. Councils' LMS Schemes are made under Section 48 of the School Standards and Framework Act 1998. The Education Acts 1996 and 2002 also have provisions relating to school funding.

Equality Impact

13. The Council's Equal Opportunities Policy is taken into account when considering the allocation of resources.

Recommendation

Schools Forum members (excluding the non school members other than the representative of the early year's providers) are invited to give a view in respect of the School Funding Reform consultation proposals, as outlined in Table 1 of this report.



Jane Porter
Director of Children's Services

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APPENDIX A

QUESTION 1			Do you agree that both the quantum and methodology of allocating funding for deprivation should be reviewed during 2014/15? (paragraph 48 refers)	
Yes	No	No Opinion	Comments	Consultation response from:
1				Amblecote Primary
1				Chair of Goves - Colley Lane
1				Bishop Milner
1				Bromley-Pensnett
1				Windsor High School
1				Cotwall End
1				Mount Pleasant
1				Redhill School
1				Our Lady & St Kenelm
1				St Mary's CE
		1		Lutley/Lapal
		1	Given the likely move to a national funding formula - query if this might incur work which gets overtaken by the national picture	Earls

QUESTION 2			Do you think that values of the Lump Sum allocated to schools in 2014/15 should be as Option 1 or Option 2? (paragraph 57 Table 2 refers)	
Option 1	Option 2	No Opinion	Comments	Consultation response from:
		1	As a primary school either option is the same	Amblecote Primary
	1			Chair of Goves - Colley Lane
1			Option 2 creates funding issues for those smaller secondary schools who are losers	Bishop Milner
1				Bromley-Pensnett
	1			Windsor High School
	1			Cotwall End
		1	Providing we retain a lump sum of £130K as a primary	Mount Pleasant
	1			Redhill School
	1			Our Lady & St Kenelm
		1		St Mary's CE
		1		Lutley/Lapal
	1		Secondary lump sum - £100K and £30K put into KS3/4 pupil funding. Option 2 - supports the overarching DfE move to drive the majority of school funding via pupil formula elements.	Earls

QUESTION 3			Do you agree with the methodology outlined in Table 3 (paragraph 65) for 2014/15 in order to identify where additional funding is required by schools to cover the first £6,000 of costs for High Needs Pupils?	
Yes	No	No Opinion	Comments	Consultation response from:
1				Amblecote Primary
1				Chair of Goves - Colley Lane
1				Bishop Milner
1				Bromley-Pensnett
1				Windsor High School
1				Cotwall End
1				Mount Pleasant
1				Redhill School
1				Our Lady & St Kenelm
1				St Mary's CE
		1		Lutley/Lapal
1				Earls

QUESTION 4		Do you agree with the proposal alongside the recommendation from HTCF-BWG to fund 50% of the MFG in 2014/15 from a claw-back of gains and 50% from all schools? (paragraphs 69-73 refer)	
Yes	No	Comments	Consultation response from:
1			Amblecote Primary
1			Chair of Goves - Colley Lane
1		Clawback of gains has impacted significantly on our funding projections	Bishop Milner
1			Bromley-Pensnett
1			Windsor High School
1			Cotwall End
1			Mount Pleasant
1			Redhill School
1			Our Lady & St Kenelm
1			St Mary's CE
1		I strongly believe that we need to move more rapidly to a position whereby you do not draw back funding that has been allocated fairly to schools under the new formula. Many of the schools in receipt of the clawback have many hundreds of thousands of pounds allocated to them via pupil premium. Please compare my 2 schools with priory and Wren's Nest	Lutley/Lapal
1		Supports continued move to allocate funds in-line with the new formula and enable those schools who should gain to benefit from part of the gain	Earls