

Dudley Metropolitan Borough Council

Select Committee on Lifelong Learning - 25 January 2005

Report of the Director of Education and Lifelong Learning

Outcome of Consultation on Proposed Changes to the LMS Formula for 2005-06 including Proposed New Delegations

Purpose

1. The purpose of this report is to inform the Select Committee on Lifelong Learning of the outcomes of the consultation on new delegations and proposed changes in the LMS Formula.

Background

2. The purpose of the consultation was to invite views in respect of proposed new delegations and amendments in the setting of school budgets in 2005-06.
3. These proposals were discussed at length at the meeting of the Schools Forum on 12 October 2004.
4. A consultation document was circulated on 1 October 2004. The consultation ran for three months, that is, until 31 December 2004.

Summary of proposals in the consultation document

5. **Standards Funds ceased in March 2003 but maintained via the LMS Formula in 2003/04**

Continue to maintain School Improvement and Performance Management Training Grants, the Social Inclusion (including Pupil Retention) Grant, the Newly Qualified Teachers Grant and the Schools Causing Concern Grant.

6. **Repairs and Maintenance**

Delegate £710,000 currently held for planned repairs and maintenance. Schools will continue to receive a flat rate allocation per square meter to cover premises costs. It is proposed that an additional sum will be

allocated according to the condition of their building. Schools will be grouped into 4 bands dependent on the value of the condition backlog. Condition data from the 2002 survey will be used to determine the allocation. It is proposed that an internal insurance scheme may be set up to protect schools from undue hardship resulting from major unplanned repairs bills.

7. **Extended Schools**

- **Option 1**

Current grants for designated community schools and for use of school facilities out of school hours are removed over a two year time span. This funding would be reallocated to schools in support of the development of full service extended schools. This option does not require any additional funding from schools.

- **Option 2**

Follows same principles as Option 1. In addition 25 full service extended schools would receive an allocation to support the use of schools by voluntary and community sector outside core school hours. The additional funding of £397,000 would come from the headroom within the ISB growth.

8. **SEN Statemented Pupils**

A contingency should be established to cover the sum required to fund in-year statements agreed between 1 February and 31 August. The sum required is estimated to be £100,000.

9. **Class Size Supplement**

The Council reserves the right to with-hold the class size supplement from schools that have refused to change an admission number to one compatible with a maximum class size of 30.

10. **Funding for non-statemented pupils**

For one year only, in 2005/06 the formula element relating to non-statemented SEN is allocated using SAT results and free school meals as proxy measures. The budget of £31,600 currently held for coordination and marking of NFER tests be delegated to schools, as an equal amount per pupil.

11. The use of any available growth

Subject to the results of consultation in respect of Extended Schools and SEN statemented pupils any available growth is allocated to workforce reform. Of the projected additional cost of the first phase of workforce reform and PPA, primary schools account for 75% and secondary and special schools 12.5% each. This will be achieved by amending the Age Weighted Pupil Unit in proportions of 75%, 12.5% and 12.5%.

12. Netherton Park Nursery School

The funding required to bring Netherton Park Nursery in line with other Dudley mainstream schools is allocated from within the ISB. This proposal would cost £40,000.

Recommendations following the consultation**13. Standards Funds ceased in March 2003 but maintained via the LMS Formula in 2003/04**

Accept the proposal.

14. Repairs and Maintenance

Delegate the funding but with improvements to the proposed allocation method.

15. Extended Schools

Accept Option 1 now amended to Option 1a, which includes the addition of £258,000 Standards Fund Grant. Details of Option 1a are given in the report on Full Service Extended Schools submitted to Headteachers Consultative Forum – Budget Working Group on 10 January 2005.

16. SEN Statemented Pupils

Accept the proposal.

17. Class Size Supplement

Accept the proposal noting that the earliest date for implementation would be 2006/07 in line with the statutory period for amending admissions limits.

18. Funding for non-statemented pupils

Accept the proposal.

19. The use of any available growth

Accept the proposal. Further discussions will however need to take place with representatives of the Headteachers Consultative Forum - Budget Working Group to determine exactly how any additional growth over and above the estimated amount will be allocated.

20. Netherton Park Nursery School

Accept the proposal for 2005/06. However this funding should be subject to an annual review in the light of the Children Centres agenda.

Finance

21. The Council has received notification of its actual Formula Spending Share (FSS – formerly known as the Standard Spending Assessment or SSA) and will set budgets based on legislative requirements and local priorities.

Law

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

Equal Opportunities

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

Recommendations

24. It is recommended that the Select Committee on Lifelong Learning consider the recommendations in paragraphs 13 to 20 above and comment as it sees fit.

A handwritten signature in black ink that reads "John Freeman". The signature is written in a cursive style with a large initial "J".

John Freeman
Director of Education and Lifelong Learning

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**Proposed Changes to the LMS Formula for
2005-06 including Proposed New Delegations**

Summary of the consultation responses

1. Standards Funds ceased in March 2003 but maintained via the LMS Formula in 2003/04

2 responses were received

2 schools supported the proposals but made no comments (Roberts & Windsor).

2. Repairs and Maintenance

16 responses were received

Concerned that devolved capital might have to be used to pay for repair bills not covered by insurance scheme. (Beauty Bank).

Should be delegated on a formula based on size of school & seriousness of its physical condition (Bramford, Our Lady & St Kenelm x 3).

There should be some acknowledgement of schools that have removed AMP projects through their own funding (Dawley Brook).

Survey carried out in 2002 will bear little resemblance to current needs (Dawley Brook).

Account should be taken of the nature of the backlog rather than just the total cost of the backlog (Greenfield). This would disadvantage Primary schools. (Manor Way).

In order to be fair to all, a new banding system should be developed which recognises size and seriousness of school condition (Hob Green, Oldswinford Primary, Our Lady & St Kenelms).

A banding system based on suitability is proposed as this impacts directly on teaching and learning (Red Hall).

Should a new reserve fund be established for schools to provide for major maintenance/replacement programmes? (Roberts).

A fairer system would be based on a lump sum per school plus an amount to reflect the condition of the building not the cost to repairs (Foxyards & Ridge)

A new banding system which recognises size, seriousness of condition and energy costs is needed to be fair to all (Alder Coppice)

1 school supported the proposal but made no comments (Windsor).

3. Extended Schools

23 responses were received

Organisations who develop the value of citizenship and community pride and spirit such as Brownies, Guides etc. may no longer be able to operate if school charges the economic rate for the hire of premises (Ashwood Park)

Give a proportion to schools based on the activities that they are to set up rather than block funding to all involved. Clusters should work together rather than everyone trying to provide everything. Funding could be distributed accordingly (Beauty Bank).

Concerned about the impact of this proposal on the Wordsley school swimming pool (parent Wordsley school x2)

Angry and disappointed at the lack of swimming facilities in the area and the impact that this proposal will have on Wordsley school swimming pool (parent Wordsley school x 2)

“School swimming pools are one of our most valuable resources we cannot afford to lose any more but we will if you do not continue to give them financial support” (Lifesavers).

Funding for extended schools should not be taken from present funding streams (Bramford, Foxyards, Greenfield, Hob Green) should come from government grants or community funding (Alder Coppice, Hob Green, Manor Way, Oldswinford Primary, Our Lady and St Kenelm x 3, Ridge, Wrens Nest) Extended schools should be self- financing (Red Hall).

The school has strong objections to the proposals. This will be the final nail in the coffin for uniformed organisations (Dawley Brook).

Wrens Nest feel that it will not be possible to set up a Full Service school to meet the specifications identified by the DfES with the budget in either Option 1 or Option 2.

1 school supported Option 2 but made no comments (Roberts).

1 school supported Option 1 but made no comments (Windsor).

4. SEN stated pupils

15 responses were received.

Will benefit all schools and is welcomed (Alder Coppice, Bramford, Foxyards, Manor Way, Oldswinford Primary, Our Lady & St Kenelm x 3, Red Hall, Ridge).

Pleased with the proposal. Situation exacerbated this year with the lack of education psychologists and the length of time the statements process has taken (Wrens Nest).

This is an important improvement (Beauty Bank).

3 schools supported the proposal but made no comment (Hob Green, Roberts & Windsor).

5. Class size supplement

5 responses were received.

Good as this might force pupils to other schools with surplus places. Suggest being politically strong and dropping places to 28 (Beauty Bank).

The school has an admission number of 36 with two year groups that have 37 pupils each due to successful appeals. If class size supplement is lost will not be able to staff school to within legal limits (Dawley Brook).

The calculation for Reception should be reviewed as Governors feel that it penalises 45 intake primary schools. A sliding scale should be introduced for the 12th to 15th child so that the school would receive the same funding as if they had 41 children plus the CSI grant (Governors Foxyards).

As a school that has fully implemented the Pupil Class Size initiative the governing body agree with this recommendation (Foxyards, Ridge)

6. Funding for non-statemented pupils

4 responses were received.

Teacher assessment should be used as an indicator of SEN levels (Beauty Bank).

SAT's tests in Year 3, 4 and 5 are optional, they cannot be used in place of the NFER test. Where there is high mobility in a school population, it is not feasible to use SAT's results as a funding indicator (Dawley Brook).

2 schools supported the proposal but made no comment (Roberts & Windsor).

7. The use of any available growth

21 responses were received.

Concerned about how they will implement the statutory requirement for 10% non-contact time (Amblecote, Beauty Bank).

Funding should be biased towards Primary (Amblecote, Greenfield).

Primary Sector should get at least 75% of any growth money (Bramford, Foxyards, Hob Green, Manor Way, Red Hall, Ridge).

Workforce reform is a huge extra burden for Primary schools with falling rolls (Beauty Bank, Dawley Brook).

All growth money should be apportioned according to cost pressures caused by workforce reform and PPA (Alder Coppice, Oldswinford Primary, Our Lady & St Kenelm x 3).

The current growth money will not meet the costs of covering PPA time. This will have a significant impact on the quality of teaching and learning (Hob Green, Foxyards x 2, Ridge, Wrens Nest). Appropriate concerns should be addressed to DfES (Hob Green).

Hope that the LEA can be realistic in its support and fund actual salary increases (Wollescote).

AWPU weightings should be increased for all sectors with proportionately lower increases for secondary. Primary schools have received significant increases in resources over the past two years due to ALF. Secondary schools have to respond to other educational initiatives such as the 14-19 curriculum changes. The school is forecasting a shortfall of £250K in its 2005/06 budget (Windsor).

The Authority should not lose sight of the Activity Led Funding model (Foxyards & Ridge)

1 school supported the proposal but made no comment (Roberts).

8. Netherton Park Nursery School

One response was received in support of the proposal from Netherton Park Nursery.