

Dudley Schools Forum – 29th April 2014

Report of the Interim Director of Children’s Services

Consultation on Fairer Schools Funding in 2015-16

Purpose of Report

1. To inform Schools Forum of the DfE consultation in respect of proposed changes to school funding arrangements for 2015-16.

Budget Working Group Discussed

2. Yes – 10 April 2014.

Schools Forum Role and Responsibilities

3. From 1 April 2006, the Schools Budget has been funded by a direct Department for Education (DfE) grant: the Dedicated School Grant (DSG).
4. Schools Forum is the ‘guardian’ of the local Schools Budget, and its distribution among schools and other bodies, and therefore must be closely involved throughout the development process.

Action for Schools Forum

5. To note the proposed response to the consultation on proposed changes to school funding arrangements in 2015-16 and provide any comments or views to the Interim Director of Children’s Services.

Attachments to Report

6. Appendix A – Letter from Director General of the DfE dated 13 March 2014.
7. Appendix B – Fairer Schools Funding in 2015-16 consultation document.
8. Appendix C – Proposed consultation response form for on behalf of Schools Forum.

Sue Coates
Senior Principal Accountant
9 April 2014

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Consultation on Fair Schools Funding in 2015-16

Purpose of Report

1. To inform Schools Forum of the DfE consultation in respect of proposed changes to school funding arrangements for 2015-16.

Background

2. On 13 March 2014 David Laws made a statement to the House of Commons concerning fairer funding for schools in 2015-16 and launched a consultation. On the same day the Director General of the DfE (Infrastructure and Funding Directorate) issued a notification to all Directors of Children’s services in England. For information this letter is attached at Appendix A to this report.
3. The consultation will close on 30 April 2014.
4. Confirmation has been received that all local authorities will be funded at the same level in 2015-16 as in 2014-15, however a further £350m has been made available to fund the least fairly funded local authorities.
5. The consultation is seeking views in respect of the proposed methodology to be applied in determining the allocation of £350m as fairly as possible. The proposal is to set a Minimum Funding Level (MFL) that each authority should attract for its pupils and schools. If a local authority attracts less than these minimum funding levels its budget will be increased so that it meets the MFL identified for that authority.
6. The MFL has been set for five pupil characteristics:
 - i) a basic per pupil amount;
 - ii) an amount for each pupil from a deprived background;
 - iii) an amount for each pupil who is looked after;
 - iv) an amount for each pupil with low prior attainment;
 - v) an amount for each pupil with English as an Additional Language.
7. In addition to this a minimum funding level has been set for two school characteristics:
 - i) an amount for each school (lump sum);
 - ii) a minimum funding level for small schools that are essential to serving rural areas (sparsity sum).

8. Finally, the total MFL is uplifted by a factor to reflect an Area Cost Adjustment (ACA).
9. The full consultation document is attached at Appendix B to this report for information. Annex A to the consultation document provides detail of the indicative Minimum Funding Levels for 2015-16, Annex B to the consultation document provides indicative changes to local authority funding in 2015-16, and Annex C provides factors for the ACA.
10. Annex B to the consultation shows 62 authorities that would receive additional funding under the proposed indicative funding levels based on 2014-15 pupil numbers. These 62 authorities include 23 of the F40 group (lowest funded authorities nationally) and 10 authorities from London and the Fringe areas. Dudley is not one of the authorities that would receive additional funding and based on this methodology currently attracts approximately £1.2m above the MFL.
11. The consultation document was discussed at Headteachers Consultative Forum-Budget Working Group (HTCF-BWG) at the meeting on 10 April 2014 and comments from the group are included (**highlighted in bold**) in the proposed response form which is attached at Appendix C. Also included in the response form is additional information to support discussion at the meeting (**highlighted in italics**), however this additional information will be removed from the response form prior to submission to the Department for Education, once Schools Forum has agreed a final response.

Finance

12. The funding of schools is prescribed by the Department for Education (DfE) through the School and Early Years Finance (England) Regulations 2013.
13. Schools Forums are regulated by the regulated by the Schools Forums (England) Regulations 2012.
14. From 1st April 2006, the Schools Budget has been funded by a direct grant; Dedicated School Grant (DSG).

Law

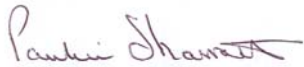
15. Councils' LMS Schemes are made under Section 48 of the School Standards and Framework Act 1998. The Education Acts 1996 and 2002 also have provisions relating to school funding.

Equality Impact

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

Recommendation

17. Schools Forum to note the response to the consultation on the proposed changes to school funding arrangements in 2015-16 at Appendix C and provide any comments or views to the Interim Director of Children's Services.



Pauline Sharratt
Interim Director of Children's Services

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