

Dudley Schools Forum - 9 July 2013

Report of the Director of Children's Services

Report on the DfE Review of 2013/14 School Funding Arrangements

Purpose of Report

1. To provide Schools Forum with financial benchmarking data in respect of the Schools Funding arrangements for 2013/14 financial year.

Budget Working Group Discussed

2. Yes -.17 June 2013.

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 financial benchmarking data in respect of statistical and regional neighbours for Dudley in respect of School Funding arrangements for 2013/14.
6. This data will be useful background information for decision making in the Autumn term when discussing the 2014/15 school funding arrangements.

Attachments to Report

7. Appendix A - Summary of Benchmarking data.
8. Appendix B - Benchmarking data 2013/14 – Regional Neighbours.
9. Appendix C - Benchmarking data 2013/14 – Statistical Neighbours.

Sue Coates
Senior Principal Accountant
24 June 2013

Schools Forum 9 July 2013

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Purpose of Report

1. To provide Schools Forum with financial benchmarking data in respect of the Schools Funding arrangements for 2013/14 financial year.

Background

2. As a result of the School Funding Reforms introduced for 2013/14 each Local Authority was required to submit to the Education Funding Agency a pro-forma document which provided detail of their mainstream local funding formula. The pro-forma for Dudley was submitted on 22 January 2013 and circulated to Forum at the meeting on the same evening.
3. The DfE have now reviewed each pro forma and published the summarised results. Extracts of this data have been used for benchmarking purposes comparing Dudley with both its regional and statistical neighbours.
4. Whilst it is useful to consider the position for Dudley in comparison with regional neighbours, under the current DSG funding model each Local Authority receives different per pupil amounts of funding for reasons of demography and historical funding methodology. More accurate comparisons may be made when examining the position for Dudley in comparison with our statistical neighbours who have similar demography.
5. A summary of the benchmarking data is attached at Appendix A and details the position for Dudley together with comments in relation to the proposed areas for review and changes for 2014/15, announced recently by the DfE.
6. Full graphical presentation of this data is attached at Appendix B and Appendix C which shows the position for Dudley in relation to regional and statistical neighbours respectively.
7. The statistical data will be discussed further at the meeting.

Finance

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

Law

11. 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

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

Recommendation

13. Schools Forum to note Dudley's benchmarking data for the school funding arrangements for 2013/14 and the possible impact for the 2014/15 funding arrangements.



Jane Porter

Director of Children's Services

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Appendix A

Summary of Benchmarking data Formula Funding 2013/14

Formula Factor	Statistical data	Ranking Statistical neighbours	Ranking Geographical neighbours	Comments
Basic Funding per pupil Primary KS3 KS4 % funding through basic	£3,125 £4,453 £4,453 82.7%	1/10 2/10 7/10 1/10	2/11 1/11 4/11 1/11	Dudley currently allocates the greatest percentage of its total funding through this factor compared to both statistical and regional neighbours Dudley currently funds both KS3 and KS4 pupils at the same unit rate, whilst 8/10 of our statistical neighbours and 4/11 of our regional neighbours fund at differential unit rates for KS3 and KS4
% funding through deprivation	3.9%	8/10	11/11	Both the methodology and quantum of funding (£7.465m for 2013/14) will be reviewed during the autumn term 2013.
% of funding through Low Cost High Incidence based on prior attainment)	4.1%	6/10	5/11	Dudley currently allocate £7.9m through this factor.
Looked After Children (LAC)	n/a	n/a	n/a	Dudley does not currently have a factor for LAC whilst 7/10 of our statistical neighbours and 4/11 of our regional neighbours do have a factor. Funding for LAC will be reviewed during the autumn term 2013 for 2015/16 financial year.

Formula Factor	Statistical data	Ranking Statistical neighbours	Ranking Geographical neighbours	Comments
% funding through EAL	0.85%	1/9	3/7	One of our statistical neighbours and four of our geographical neighbours do not have a separate funding factor for EAL
% funding through mobility	n/a	n/a	n/a	Only one of our statistical neighbours and two of our geographical neighbours have this factor the mandatory eligibility criteria for 2014/15 for L.A s that use this factor will be 10% for 2014/15.
% funding for sixth form commitments	0.09%	3/3	1/2	This factor reflects funding allocated to sixth form pupils in respect of ex- mainstreamed grants (£180k for 2013/14). Seven of our statistical neighbours and eight of our geographical neighbours do not have a factor for sixth form commitments.
Lump Sum allocation				
£ value	£130,000	6/10	6/11	Dudley are ranked mid range in £ value but low in % of funding allocated. The value of the Lump Sum is currently under review and consultation for 2014/15, when differential values for each sector will also be permitted.
% through Lump Sum factor	6.6%	10/10	10/11	
Primary : Secondary ratio	1:1.211	10/10	10/11	The current ratio remains low compared to both statistical and geographical neighbours but remains at the same approximate level as 2012/13.
Total % of pupil led funding	91.6%	1/10	1/11	Dudley allocates the highest percentage of funding through this factor.