BRIEFING PAPER

SUBJECT: Review of 2013-14 School Funding Arrangements

DATE: 24th April 2013

RECIPIENT: Schools Forum

THIS IS NOT A DECISION PAPER

SUMMARY:

1. This document provides a summary of feedback given to the Department for Education (DfE) in response to their request for views on how the 2013-14 funding arrangements have been implemented.

BACKGROUND and BRIEFING DETAILS:

2. The Department for Education has conducted a short review of the school funding arrangements for 2013-14. The *Review of 2013–14 School Funding Arrangements* summarises how the 2013-14 reforms have been implemented.

3. On the basis of this review, which also includes analysis of all local authority funding formulae and reports of visits to a number of local authorities that have raised particular issues, the Department will consider whether they need to make small changes in 2014-15.

4. The DfE has been clear that these arrangements are intended to pave the way for a new national funding formula and that there are a number of issues about its shape and structure that still need to be resolved.

5. The consultation responses to the DfE are shown in Appendix 1.

Appendices/Supporting Information:

Appendix 1 – Consultation Response

Further Information Available From: **Name:**   Chris Tombs

                                        Tel: 023 8083 3785

                                        E-mail: Chris.tombs@southampton.gov.uk

SECTION 1: ARE WE MOVING TOWARDS NATIONAL CONSISTENCY?

1. **Question 1: Should we set a minimum threshold for the pupil-led factors and, if so, at what level?**

   If the DfE is still committed to moving towards a national funding formula it would be useful to set a minimum threshold based on national figures.

2. **Question 2: On what basis did local authorities decide on the quantum or proportion of funding to target to deprived pupils?**

   Southampton's deprivation funding was based on 12/13 levels in the current formula. The Schools Forum has targeted growth funding at deprivation for several years.

3. **Question 3: On what basis did local authorities decide on the per-pupil amounts for the prior attainment factors?**

   Again, these are based on current levels of funding. Historically these levels have been based on an allocation per "step" based on numbers of pupils with SEN in the city.

SECTION 2: AREAS OF CONCERNS AND POSSIBLE CHANGERS FOR 2014-15

4. **Prior Attainment**

   Question 4: Do you agree that local authorities should continue to use EYFSP data as an attainment-related proxy or should we consider use of a different indicator to identify low cost SEN in primary schools? If so, what indicator?

   Yes - EYFSP data would be the best proxy indicator as this aligns to the use of prior attainment elsewhere.

5. **Pupil mobility**

   Question 5: **Would it help to allow an additional weighting to be given if a school experiences in-year changes to pupil numbers above a certain threshold? If so, where should this threshold be set?**

   It would be helpful to recognise exceptional situations where high numbers of pupils move in and out of a school, e.g. schools with high numbers of pupils with parents in the military.

6. **The lump sum**

   Question 6: In areas with large numbers of small schools, could the problem of having a fixed lump sum be overcome by reducing the relevant AWPU?

   Not an issue in Southampton

7. **Question 13: Would the ability for both schools to retain their lump sums for one or two years after amalgamation create a greater incentive to merge?**

   Yes. However schools which merge will make significant savings in the short term, e.g. one Headteacher, Business Manager etc which should be an incentive in itself.

8. **Targeting funding to deprived pupils**

   Question 14: If you think local authorities will be unable to use the allowable deprivation indicators in order to prevent significant losses to schools with a high proportion of deprived pupils, why do you think that is the case?

   Changing the way we allocate additional funding for pupils with statements has moved money away from more targeted funding per pupil, towards proxy indicators e.g. prior attainment. Currently schools with pupils with low incidence statements only pay for the first five hours of LSA support. Under the new process, they will need to fund the first 12 hours of LSA support (which equates to £6,000). This could penalise those schools with high numbers of low incidence statements but good results, unless additional allocations are made from the High Needs block.

9. **Service Children**

   Question 15: Do you have any evidence that service children (once we account for deprivation, mobility and pastoral care through the Pupil Premium) require additional funding in order to achieve as well as non-service children?

   No evidence

10. **Schools with falling rolls**

    Question 17: In cases where a population bulge is imminent, what is preventing good and necessary schools from staying open?

    Some of our Secondary schools are experiencing falling NORs but are forecast to be full in a few years time. They have been particularly affected by the removal of our Real Term Protection factor that ensured funding levels remained at least 95% of last years funding. The MFG, which operates at a pupil level, does not protect these schools. Some secondary schools have seen their funding drop by up to 8% mainly due to NOR falls.

SECTION 3: OPTIONS FOR ADJUSTING HIGH NEEDS FUNDING IN 2014-15 AND BEYOND

11. **Question 19: Would a formula factor that indicates those pupils who receive top-up funding be a useful addition to help deal with the funding of high needs?**

    Question 20: To address the variation in base funding between neighbouring local authorities, how fast should local authorities be required to move towards the £6,000 threshold? Should it be made a requirement from 2014-15?

    Question 21: Should the Department play an active role in spreading good practice and model contracts/service level agreements?

    Answer of Yes to the above 3 questions.

12. **Question 22: Do you have ideas about how the pre and post-16 high needs systems might be brought closer together?**

    The introduction of EHC Plans to replace statements and Section 139A Moving On Plans from September 2014 should enable these systems to be brought closer together.

SECTION 4: SCHOOLS FORUMS

13. **Question 23**: **Do you think that Schools Forums are operating more democratically and transparently? If not, what further measures could the Department take in order to improve this?**

   It is useful to publish all papers on our website. However there was no evidence to suggest that our Forum was particularly undemocratic or opaque before the changes were implemented.