



**Statement on Social Deprivation Funding**

**(a) Current Arrangements**

1. Herefordshire Council uses the traditional measure of free school meals to fund social deprivation in its school funding formula. The factor is designed to measure and fund both the scale (i.e. absolute number of pupils on free meals) and the impact in the school (i.e. the relative percentage on free meals within the school). This factor is considered effective in distributing the available funding to schools. However the amount of available funding is a separate decision independent of the method of allocation.
2. This funding factor was inherited from the former Hereford and Worcester County Council in 1997 and has not been developed further either by the Council or at the request of schools.
3. Herefordshire Council is the third lowest funded authority (out of 149) in 2006/07 in terms of Dedicated Schools Grant per pupil and is keen to see additional funding included in the DSG settlement to meet rural deprivation. As a low wage economy within the West Midlands, based on agriculture and service industries, the Council is concerned that traditional measures of urban deprivation do not meet the often hidden costs of deprivation in a rural county with large numbers of small schools. Lack of transport is a key measure of deprivation in a rural authority. This is shown in the ward analysis of the indices of multiple deprivation relating to access.
4. Herefordshire Council's social deprivation funding factor is:

£8.89 per pupil per percentage point of free meal pupils as a percentage of pupils on roll up to 10% and an additional £18.05 per pupil per percentage point above 10%

E.g.	Free school meal entitlement	64 pupils	
	Total number on roll	361 pupils	
	% Free school meals	17.7% (i.e. 64/361)	
	Funding up to 10% free meals	64 x £8.89 x 10 =	£5,690
	Funding above 10% free meals	64 x £18.05 x 7.7=	£8,895
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			£14,585

The total funding allocated in financial Year 2006/07 is £310,400 out of a total DSG of £78,336,000, equivalent to 0.4% or an average £13.25 per pupil (based on 23,432 pupils)

**(b) SEN Funding**

In common with other authorities, Herefordshire has revised its method of funding pupils with SEN in 2003/04. In line with DfES guidelines the Council is reducing reliance on statutory assessment as the main tool for allocating resources to schools



for meeting the needs of children and young people with special educational needs. It is being replaced by a system of banding based on funding for carefully assessed short term and long term needs linked to a 12 month review cycle. The money released from reducing the number of statements is re-cycled to pupils based on need, and review dates are set as appropriate. The banded funding system is robustly monitored. In recent years, the funding allocated to schools for specific SEN needs of named pupils has grown from £1,356,000 in 2002/03 to £2,030,000 in 2006/07.

Additionally, 6% of the Age Weighted Pupil funding is notionally allocated to meet non-specific SEN funding needs of schools.

### English as an Additional Language

Herefordshire Council has recognised the growing needs of some schools to support the introduction of foreign pupils with additional language needs. Schools Forum approved the allocation of an additional £100,000 to meet the costs of centrally appointed teaching assistants to visit and support schools, and to fund an initial first term grant of up to £200 per pupil to help resettlement. This funding could otherwise have been used to support social deprivation in schools.

### (c) Financial Resources at Authority and Impact in Schools

The effect of Herefordshire's funding formula on a sample of schools is as follows;

#### (i) **SOCIAL DEPRIVATION FUNDING BASED UPON FREE SCHOOL MEALS (FSM)**

	No. Pupils	FSM	%	LMS bud (£)	Social Dep (£)
Large Primary High Need School	349	116	33.2	1,040,758	58,972
Small Primary High Need School	79	18	32.8	274,072	5,752
Primary Med Need School	130	7	5.4	332,404	335
Primary Low Need School	416	3	0.7	936,749	27
Secondary High Need School	837	134	16	2,846,552	26,449
Secondary Med Need School	1150	60	6.2	3,895,317	16,117
Secondary Low Need School	1182	40	3.4	3,947,038	1,202

#### (ii) **SEN FUNDING TO SCHOOLS**

	LMS Bud	SEN (£)*	%
Large Primary High Need School	1,040,758	154,858	14.88
Small Primary High Need School	274,072	31,755	11.6
Primary Med Need School	332,404	34,532	10.39
Primary Low Need School	936,749	60,625	6.47
Secondary High Need School	2,846,552	373,624	13.13
Secondary Med Need School	3,895,317	379,501	9.74
Secondary Low Need School	3,947,038	290,895	7.37

[\* Note – includes the notional 6% of the Age Weighted Pupil Unit]



There is a correlation between schools with a high free meals percentage and a high allocation of SEN funding. For a school with high SEN funding this is significantly greater than funding allocated for social deprivation.

(d) Measurement of Social Deprivation

The Council uses the free school meal indicator, largely due to the difficulty in collecting data for other measures in a very sparse rural area where school catchment ward data does not map well to pupils on school rolls.

(e) Personalised Learning

Herefordshire has closely followed the DfES guidance for the allocation of personalised learning funding.

15% of funding has been allocated on the basis of pupil numbers and included in the Age Weighted Pupil Unit of funding (AWPU). 35% has been allocated on the basis of free school meals (% points) and the remaining 50% has been allocated on the basis of value added. For primary schools the value added has been determined as the difference between Key Stage 2 and Key Stage 1 and secondary schools the difference between KS4 and KS2 results for the school's intake. Funding has been allocated on a per pupil basis based on the percentage difference between the school added value and the county average. Given the late announcement of this additional funding and the very limited time to consult Schools Forum, there were few alternative options available.

This statement will be reviewed by Schools Forum at the meeting on 7<sup>th</sup> June 2006. It would be very helpful if the DfES attainment statement could be available for the meeting. Consultation options for 2007/08 will be considered by Schools Forum at the meeting on 11<sup>th</sup> October 2006.