

School Funding Review Group– Discussion Draft

1. School Forum at the meeting on 17th May agreed to investigate the option for a fundamental review of the Herefordshire School Funding Formula. Clearly this is a complex task that will need a significant commitment from headteachers and officers if the review is to be successful. This paper sets out a proposed draft of the timetable and costs of such a review.
2. It is essential that schools and headteachers are clear that there will be no additional funding to implement the outcome of the formula review. The funding available through Dedicated Schools Grant will simply be allocated in a different way between schools and there will be “winners and losers”. The Minimum Funding Guarantee will offer some limited protection for the losers at the expense of the winners but only in the short term.
3. The principles for such a review are proposed as follows
 - a. Will begin with a “blank piece of paper” – nothing ruled in and nothing ruled out.
 - b. Key funding area suggestions will be identified by the working group and full detailed working models designed for use in wider consultation.
 - c. Pupil teacher ratios, class sizes and support staff ratios for different sizes of schools will determine the Age Weighted Pupil Units of funding – this will be funded by pupil numbers and typically accounts for approximately 80% of the available budget.
 - d. All funding delegated to all schools will be included in the review with the exception of funding for nursery classes (which are covered by the new Early Years Single Formula) – and will specifically include
 - Balance of funding (costs) between primary, high and specials schools including AWPU weighting
 - Determine staffing needs and hence costs for sizes of school
 - Fixed costs
 - Delegated SEN funding
 - Cost of teachers e.g. average and/or high cost teacher adjustment
 - Need for additional funding for small schools
 - Formula to support cost efficient school planning and organisation
 - e. To take account of the principles underpinning the national review of DSG .i.e. the local funding of schools should reflect the national funding formula for authorities so that local funding of schools is responsive to national changes in funding.
4. Draft proposals from the SEN and Special School Funding Groups will be referred to the School Funding Formula review group for consideration and sign-off following full consultation to ensure consistency.
5. The School Funding Review Group is set up with the one purpose of taking through the Funding Formula review. It will report in to Budget Working Group and Schools Forum. The work of the Budget Working group will continue but be

focussed on budget recommendations and may include desirable but small incremental formula changes.

6. Representatives from a wide range of schools to be involved fully reflecting the differing sizes, types and geography of schools in the county e.g.

High	Primary	Special
Large (urban)	Large (urban)	1 x special
Medium	Medium	PRU
Small (rural)	Small (rural)	
VA school	VA school	
Social Deprived	Socially deprived	

To include one bursar from a high school and a primary school and officers from the LA. The new permanent Director of Children Services, when appointed, will be invited to join the review group. (Interim DCS to be invited in the intervening period.

School representatives to be nominated by the headteacher groups and some heads not previously involved with Schools Forum should be encouraged.

7. Regular meetings

- Half termly
- Supply paid to all teaching headteachers at £100 per half day.
- All meetings start 1.30pm finish by 4pm
- Proposed at WRVS for ease of access, parking etc.
- Meeting notes be published on council website for schools access
- Additional 0.5 fte LMS accountant to service meetings/ budget modelling

8. Target implementation date 1st April 2013 and full consultation autumn 2012.

9. Governance – all decisions will be taken by Schools Forum following full consultation with schools. Interim progress reports will be received by Schools Forum

10. Budget Requirements

To implement new formula in April 2013 the proposed budget would be

Room Hire -including sandwich lunch/refreshments

2 x autumn 10, 2 x Spring 10, 6 x 2011/12 and 6 x 2012/13

Cost 16 meetings x £150 = **£2,400**

Supply 4 teaching heads per meeting at £100 x 16 meetings **£6,400**

LMS Accountant £18k per year x 2 years = **£36,000**

Printing, admin, web-site costs, **£1,000**

Total **£45,800**

This budget would need to be found by Schools Forum, £23,000 each year 2011/12 and 2012/13 (equivalent to £1 per pupil each year)

11. Risk management

- Insufficient number of commitment from Headteachers and bursars, they need to sign up for the full duration of the review
- Final funding model is unaffordable and has to be scaled back leading to an unsatisfactory outcome.
- Additional LMS expertise is not available to complete the review
- Review takes longer than forecast, budget is exceeded.
- Government changes schools funding regulations
- Other school review work is sidelined, e.g. cluster working, small schools review