

MEETING:	SCHOOLS FORUM
DATE:	12 MARCH 2013
TITLE OF REPORT:	DEPARTMENT FOR EDUCATION REVIEW OF 2013-14 SCHOOL FUNDING ARRANGEMENTS
OFFICER	SENIOR FINANCE MANAGER

CLASSIFICATION: Open

Wards Affected

County-wide – All Schools

Purpose

To consider a response to the Department for Education (DfE) Review of 2013-14 School Funding Arrangements.

Recommendation

THAT Schools Forum approves a response to the DfE consultation paper.

Key Points Summary

- The Herefordshire adoption of the national funding formula would seem to fit well with that adopted by the majority of local authorities.
- The funding of the lump sum and small rural schools is particularly important for Herefordshire and it is important that the response fully covers this aspect fully.

Alternative Options

1. Potential alternative options will be provided nationally by the DfE following the consultation..

Reasons for Recommendations

2. The Authority has received a consultation paper from the DfE on the 2013-14 School Funding Arrangements and School Forum's response will be important in helping shape national policy. Although the whole consultation paper is important for the operation of future funding arrangements in Herefordshire, the lump sum and funding of small schools in rural areas is particularly important for Herefordshire.

Introduction and Background

3. The DfE Consultation paper "Review of 2013-14 School Funding Arrangements" is appended,

with a blank copy of the Response Form enclosed separately. Schools Forum will receive a presentation at the meeting on the proposed response for discussion and comment as due to the timescales involved responses will not be received from schools until the 4th March.

4. The consultation paper has been briefly discussed with the Budget Working Group and a copy has been distributed to schools for comments prior to a fuller discussion with Schools Forum at the next meeting on 12th March 2013. The DfE response date is 26th March 2013 so unfortunately there is very little time to prepare our response.
5. In order to help stimulate a full debate at Schools Forum the national formula factor values for 2013/14 as applied in Herefordshire are set out below so that members can compare our funding values to the national funding values set out by the DfE in the Annex to the consultation paper (pages 17-22) as follows
6. Herefordshire Funding values 2013/14

SCHOOL FUNDING FACTOR	VALUE (£)
Primary per pupil funding (AWPU)	2,760
Secondary per pupil funding (KS3)	3,609
Secondary per pupil funding (KS4)	4,547
Deprivation Ever-6 Free school meals	2,848
Looked After Children	900
Low Cost High Incidence SEN primary	228
Low Cost High incidence SEN secondary	335
English as Additional Language	405
Lump Sum	105,000
Pupil mobility	0
London Fringe	n/a
Post-16 DSG funded pupils	n/a
PFI factor	190,000
Business Rates	at cost

7. Some key messages/comparisons from the DfE review paper may also be helpful
 - The majority of Age Weighted Pupil Units (AWPU) are in the range £2,250 to £3,250 - Herefordshire is £2,760.
 - The majority of AWPU's for secondary KS3 are between £3,250 and £4,750 - Herefordshire is £3,609.

- 50% of local authorities allocate between 75%-80% of funding on AWPU funding - Herefordshire is 75.1%
 - 49% of local authorities delegate between 90%-95% on all pupil factors – Herefordshire is 87.9%
 - 83% of local authorities delegate between 2% and 12% on deprivation – Herefordshire is 11.4%
 - 60% of local authorities allocate between 6% and 10% of funding on the lump sum - Herefordshire allocates 10.7%
8. In the light of feedback received by the DfE the consultation is seeking specific views on whether changes are needed to three funding factors, i.e. prior attainment, pupil mobility and the lump sum. There is also some concern relating to the targeting of deprivation funding.
 9. Additionally, there is the suggestion that the DfE will introduce in the school census, from 2104, a marker that will indicate those pupils who receive top-up funding. This high needs marker could be used to target extra funding to schools that have a disproportionate number of high needs pupils, but cannot be introduced before 2015-16 because the census data will not be available. This will be a welcome addition for Herefordshire schools as the requirement for schools to fund the first £6,000 of high needs provision was the most contentious issue raised repeatedly in our local consultation in autumn 2012. and our local high needs protection arrangements will be phased out by 2015/16.
 10. A presentation will be made to School Forum of the proposed consultation response in order to include comments received by schools

Key Considerations

11. The funding of the lump sum and small rural schools is particularly important for Herefordshire and it is important that the response fully covers this aspect fully.

Community Impact

12. The community impact will be assessed by the DfE nationally

Equality & Human Rights

13. The equality and diversity impact will be undertaken by the DfE under national policy framework.

Financial Implications

14. There are no financial implications set out in the DfE consultation proposals

Legal Implications

15. There are no legal implications arising from this consultation

Risk Management

16. The DfE will publish detailed guidance in the summer following the conclusion of this consultation which will be considered by the Budget Working Group and School Forum as part of the 2014/15 budget consideration.

Appendices

17. Department for Education consultation paper "Review of 2013-14 School Funding Arrangements".

Background Papers

18. None.