## DEPRIVATION WORKING PARTY

- It is a key function of the formula to focus funding to counter the impact of deprivation.
- Local authorities and schools forums are expected by government to review the extent and impact of deprivation funding and take appropriate action.
- Performance "gaps" between children from deprived backgrounds and others in Wirral remain too great and have not been narrowing.
- There has been no significant change in this aspect of the formula since its commencement in 1991.
- The formula still allocates a substantial proportion of the budget on the basis of floor area. This reflects in part the deep concerns regarding maintenance of buildings which were in a rapidly deteriorating condition in 1991 at the point of delegation. The period since has seen widespread large scale capital investment and fairly substantial annual formula capital allocations to all schools.
- So far as is practicable funding to schools should reflect the numbers and needs of pupils, rather than other factors (such as floor area).
- The issues of how much funding should be earmarked to reflect deprivation and what mechanisms should be used to allocate that funding are related but separate.
- Similarly funding for children with identified and specific special educational needs is related but separate.
- The current formula uses free school meals as an indicator for deprivation. This is still
  by far the most widely used mechanism in local authorities. However other
  approaches are being examined which are based on data about the local communities
  where children live. There are a range of complex issues about the use of such data
  which has both advantages and disadvantages.
- One key question is how concentrated should deprivation funding be? In the current formula each child qualifying for a free school meal produces additional funding to the school, so that a school with an average numbers of FSM receives significant deprivation funding. Some authorities use thresholds to concentrate the funding, while mechanisms other than FSM can achieve the same effect.
- Any changes in funding should be accompanied by appropriate protection and transition arrangements so that any intended increase in resources is not made at the expense of existing resources at other schools.

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