

WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM - 3rd JULY 2013

REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

DfE AND LOCAL FUNDING PROPOSALS

1. EXECUTIVE SUMMARY

This report provides details of DfE and local proposals for changes to the Schools Funding Formula 2014-15.

2. BACKGROUND

As part of the move towards a national funding formula, the DfE have reviewed the changes to the School Funding Formula in 2013-14 and introduced a number of minor changes to 2014-15. Alongside this, there are also a number of local amendments that are proposed and will be subject to consultation with all schools over the summer.

3. DfE AND LOCAL FUNDING PROPOSALS

3.1 Pupil Led Funding

The DfE are moving towards a more pupil-led funding formula, where a greater proportion of school funding is allocated on a per-pupil basis. As a result, they have proposed a minimum of 80% of delegated schools funding is allocated through an appropriate and locally determined combination of the pupil-led factors – Age Weighted Pupil Unit (AWPU), deprivation, prior attainment, looked after children (LAC) and English as an additional language (EAL). In 2013-14, Wirral allocated 93% of funding through pupil-led factors.

They have also set a minimum amount for AWPU of £2,000 for the primary sector and £3,000 for the secondary sector. Wirral allocated £2,729 per primary child and £3,892 per secondary child in 2013-14.

Taking account of this no change is proposed in this area.

3.2 Deprivation

The DfE have not proposed any changes to the deprivation element of the funding formula. Wirral will continue to fund deprivation based on free school meals and the six IDACI bands.

In total £20.5m is allocated through this element (11% of total funding).

3.3 Prior Attainment – Low cost, high incidence special education needs (LCHI SEN)

The measure for the LHCI SEN will still use the Early Years Foundation Stage Profile (EYFSP) as the main indicator for prior attainment for primary aged pupils. Under the old EYFSP, any child who did not achieve 78 points will attract funding. The new EYFSP was introduced in 2012-13 and any child who did not achieve a good level of development will also qualify for funding.

Currently, secondary aged children qualify for funding if they do not achieve a level 4 in English and maths and this identifies approximately 10% of pupils. However, part of the DfE review found that only 20% of pupils who achieved a level 4 in English or maths went on to achieve 5+ A*-C GCSEs in English and Maths. In light of this, the DfE have changed the indicator to target children who do not achieve a level 4 in English or maths.

In 2013-14, Wirral allocated funding to 1,436 children who did not achieve a level 4 in English and maths. Using the new indicator, it is estimated that a further 2,300 secondary children would be identified; a total of 3,736 children would attract funding. This may have the effect of widening the distribution of SEN funding to schools.

In total £8.3m is allocated through this element (5% of total funding).

3.4 English as an additional language (EAL)

The DfE has made no changes to the EAL element, allowing local authorities to continue to identify EAL children based on 1, 2 or 3 years in the school system. In 2013-14, Wirral allocated funding to EAL children who were in the system for one year. However, the Minority Ethnic Achievement Service (MEAS) are working with EAL children across all years, regardless of the amount of years they have been in school. In view to bring funding in line with current practice, it is proposed to change the allocation of funding from 1 year to 3 years. 227 EAL children were identified in 2013-14 with the 3 year indicator, this would identify an additional 359 EAL pupils. Using 2012 data this element would be allocated over 99 rather than 73 schools and would reduce the funding from £773 to £301 per primary pupil and £1,348 to £521 per secondary pupil.

In total £283,000 is allocated through this element (0.2% of total funding).

3.5 Mobility

The DfE have permitted this optional factor in order to support schools with high levels of pupil mobility.

The DfE have proposed a change to this element. Funding can only be allocated to schools that have a mobility rate of 10% or higher. This is to ensure that funding goes to schools where mobility and associated costs is a significant issue. Mobility is not currently an element within Wirral's formula and the need for this has only been previously queried by one or two schools. If introduced 16 out of 90 primary schools would qualify for this element. No secondary schools passed the 10% threshold.

Schools that qualify are also those schools that receive higher levels of deprivation funding as shown below (the average is £555 per pupil).

School Name	Mobility Primary Proportion 2013-14	Total Deprivation Funding 2013-14 £	Deprivation Funding per pupil £
Riverside Primary School	15%	254,047	1,366
Manor Primary School	14%	92,043	1,096
Bidston Village CE Controlled Primary School	14%	286,859	1,221
Rock Ferry Primary School	13%	255,020	1,067
St Joseph's RC Primary School	13%	265,712	1,186
Woodlands Primary School	13%	307,661	1,076
Cathcart Street Primary School	13%	242,144	1,450
Portland Primary School	12%	229,997	1,345
St Michael & All Angels School	12%	188,099	965
St Anne's Cath Primary School	11%	172,763	900
Egremont Primary School	11%	328,384	1,053
Kingsway Primary School	11%	89,393	1,208
Well Lane Primary School	11%	228,260	1,359
Park Primary School	11%	238,225	637
Christ Church CE Primary School	10%	242,922	1,265
Lingham Primary School	10%	160,278	631

In 2013-14, 62 out of 152 local authorities used the mobility element, with an average allocation of £355 per primary pupil. Using the same average allocation and 2013-14 dataset, this would amount to £24,205 being awarded for the mobility element. Riverside, the school with the highest level of mobility, would receive an allocation of £3,300. This is a minor sum compared to the levels of deprivation funding they currently receive.

This change is not recommended

3.6 Looked After Children

For 2013-14, local authorities were given the option to choose one of three measures for this factor, identifying children who have been looked after for one day or more, six months or more, or 12 months or more. Wirral selected 6 months or more to tie in with the calculation of Pupil Premium, which follows the same methodology. However, national evidence shows that children who have been looked after for one day are equally as likely to under-perform at KS4, as those who are looked after for 12 months or more and may have equally challenging backgrounds.

As a result, the DfE will require all local authorities to use a single one day or more measure to allocate LAC funding. For the funding formula 2013-14, Wirral identified 390 pupils using the six months or more indicator. Using the new indicator on the same dataset would identify a further 31 children – a total of 421.

North West Schools Block Funding Analysis 2013-14 - Looked After Children

Code	LA	Factor	Amount per pupil £	Number of pupils	LOOKED AFTER CHILDREN TOTAL £	Looked after Children Proportion of Funding
355	Salford	LAC_X_Mar11	2,340	222	518,977	0.41%
341	Liverpool	LAC_X_Mar11	2,165	374	810,661	0.32%
876	Halton	LAC_X_Mar11	1,517	104	157,081	0.20%
888	Lancashire	LAC_6_Mar11	1,500	611	916,178	0.14%
359	Wigan	LAC_X_Mar11	1,263	274	345,496	0.18%
877	Warrington	LAC_X_Mar11	1,063	52	55,292	0.05%
343	Sefton	LAC_X_Mar11	1,000	225	225,429	0.14%
353	Oldham	LAC_6_Mar11	990	185	183,428	0.11%
357	Tameside	LAC_6_Mar11	832	203	169,305	0.12%
354	Rochdale	LAC_6_Mar11	679	210	142,680	0.10%
344	Wirral	LAC_6_Mar11	576	390	224,354	0.12%
889	Blackburn with Darwen	LAC_X_Mar11	500	163	81,600	0.08%
356	Stockport	LAC_6_Mar11	400	160	63,945	0.04%
340	Knowsley	LAC_X_Mar11	346	114	39,524	0.05%
909	Cumbria	LAC_X_Mar11	302	331	100,000	0.04%
890	Blackpool	LAC_X_Mar11	300	180	54,060	0.07%
350	Bolton	LAC_6_Mar11	300	270	81,114	0.04%
895	Cheshire East	LAC_X_Mar11	250	236	59,009	0.03%
351	Bury	Not Applicable	0	0	0	0.00%
896	Cheshire West and Chester	Not Applicable	0	0	0	0.00%
352	Manchester	Not Applicable	0	0	0	0.00%
342	St. Helens	Not Applicable	0	0	0	0.00%
358	Trafford	Not Applicable	0	0	0	0.00%

It was noted at the previous Schools Forum meeting that the amount awarded per looked after child in Wirral was not as high as other local authorities nationally. Above is a table of other North West authorities and a breakdown of the amount awarded per pupil and number of pupils. Out of 23 local authorities, 18 chose to use the looked after child element, 5 chose not to. Wirral ranks as the 11th highest in the amount awarded per pupil. Wirral's rate was set to provide funding for teachers attending review meetings.

Of those authorities not choosing to use the LAC element, St Helens indicated that they never previously used a LAC indicator in their formula and have no plans to do so in the future. Manchester, with a LAC population of 1,310 pupils and a LAC per 10,000 rate of 226 pupils, felt that as looked after children were already being funded through the Pupil Premium grant, that additional resources were not required.

On Wirral if the LAC rate within the formula was increased, this would redistribute resources and could provide additional funding to some schools to target to LAC in addition to the Pupil Premium. For example the rate could be doubled to £1,152, however this would cost an additional £250,000.

With schools settlements being "flat cash" this sum would need to be identified (and top sliced) from other formula elements

3.7 Sparsity

For 2014-15, the DfE have introduced a sparsity factor to help avoid small rural schools becoming unviable. As this factor is directed at local authorities with rural schools, it is not proposed to consult on this element.

3.8 Lump Sum

For 2014-15, along with a maximum lump sum cap of £175,000 (reduced from £200,000), the DfE have also allowed local authorities to differentiate the lump sum by primary and secondary phase.

It is proposed that the local formula will continue to allocate the lump sum figure of £100,000 to both primary and secondary sector schools.

3.9 Delegation of free school milk

Currently for primary schools, the delegated amount for free school milk of £148,600 is based on 60% free school meals and 40% AWPU. In 2014-15, it is proposed delegation will be solely based on free school meals, since this will better reflect the cost incurred for free school milk.

RECOMMENDATION

1. The views of the Forum are sought prior to a consultation with schools over the summer
2. A report on the outcome and recommendations are brought to a later meeting.