

WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM 2nd July 2014.

REPORT OF THE DIRECTOR OF CHILDRENS SERVICES

Schools Funding Working Party – notes of meeting 13th June 2014.

Attending – Gill Zapka, Elaine Cogan, Jane Gordon, Steve Dainty, Phil Sheridan.

Apologies – Richard Longster, Steve Peach

Schools Funding Formula – Local Changes

The DfE are still to confirm their intentions for a National Schools Funding Formula, which would be introduced from 2016-17 at the earliest. The working group considered the make up of the current formula (attached) and discussed possible local changes that could be considered for 2015-16.

1. Low Cost High Incidence SEN (LCHI)

Wirral allocates all funding in this area through Prior Attainment data (Early Years Foundation Stage Profile and Level 4 English or Maths.) This is an unusual position, many local authorities allocate a higher amount and include a proportion of deprivation, AWPU and Lump Sum funding to this area.

Any changes considered would not automatically adjust the distribution of school funding, it would however alter the overall funding a school could attribute to School Action / School Action plus.

Recommendation. That no further action be taken at this time, but to keep this area under review.

2 Looked After Children

The funding formula redistributed some deprivation funding last year (£225,000) to increase the overall amount allocated to Looked After Children. The basis for the decision was to target additional resources in this area, taking account of additional needs and attainment.

The group discussed a proposal to equalise the level of funding for each looked after child with the average funding allocated to a child who receives a free school meal. This comparison should also take account of funding allocated through the Pupil Premium.

Currently LAC funding is £2,950 and FSM funding is £3,400 for a primary pupil and £3,449 for secondary pupil.

To make overall funding the same this would involve a top slice from deprivation of c. £200,000, about 1% of the total funding allocated in this area. Funding would be equalised at about £3,400.

Recommendation. That this proposal should be considered within the local funding formula in 2015-16.

3. Deprivation

The group discussed the overall level of funding provided for deprivation. There is an amount of £20.3m in the local formula (11% of the Schools Budget). With the inclusion of Pupil Premium of £15.2m this rises to £35.5m (18%). There are 8,182 pupils registered for Free School Meals, 19.7% of the school population.

The deprivation funding compared to AWPU is as follows:

	AWPU £	Deprivation £	Pupil Premium £
Primary	2,753	2,100	1,300
Secondary KS3	3,931	2,514	1,300
Secondary KS4	5,049	2,514	1,300

A request was made by a member of the group that deprivation allocations are re-examined. A number of factors should be taken into account:

- As the number of FSM have reduced since 2011 the amount per FSM pupil has and will continue to increase. During this time the Pupil Premium was introduced to target additional funding.
- Although levels of FSM have reduced this may not be matched by other measures of deprivation. The attainment gap is wide and widens further at KS3 and KS4.
- Some LA's allocate deprivation funding using Ever 6 which is a broader distribution of funding for more pupils
- A reallocation / reduction in deprivation amounts would provide some schools with additional funding, by reducing allocations to others. At a time of little or no extra resources this may create some instability within the formula.
- The view of the Forum 12 months ago was that there should be no changes to this area.
- It would be possible to cap the unit value of a FSM.

Recommendation. That a cap on the unit value of deprivation is considered. That the Forum advises on what additional work should be undertaken in this area.

4. Key Stage 3 and Key Stage 4 AWPU

Wirral's formula has a separate rate for KS3 and KS4 AWPU in secondary schools. The basis for these rates are historic and reflect previous spending decisions. At £5,049 Wirral's KS4 rate is higher than most authorities, whilst KS3 at £3,931 is about average.

The group considered if these rates should be equalised. However in doing so this change would disadvantage those schools with smaller KS3 classes compared to KS4, possibly as a result of falling rolls.

Recommendation. No action is taken at this time.

Review of Central Budgets

The review of central budgets arises from the planning required to implement a decision to reduce the Council's financial support to the Schools PFI agreement by £2.3m with effect from 2015-16.

This change is initially being considered through a review of School's Budgets that are held centrally.

The following potential reductions in central budgets were identified and could be implemented from 2015-16:

- School Closure retirement costs £200,000
(There is no call on this element of the budget)
- School Harmonisation Costs £450,000
(It is expected that the reserve of £1.1m will be sufficient to meet backdated implementation costs and any appeals.)

Other budgets were broadly discussed and should be looked at in more detail.

These include:

	£
• Admissions	365,400
• Contributions to Combined Budgets	2,336,200
• Planned Programmed Maintenance	449,000
• High Needs	

Recommendation. That the group consider budget commitments and outcomes in these centrally managed areas and submit a further report in September.