

WIRRAL COUNCIL

WIRRAL SCHOOLS FORUM

REPORT OF THE DIRECTOR OF CHILDREN'S SERVICES

OUTCOME OF SCHOOL FUNDING FORMULA CONSULTATION 2015-16

1. EXECUTIVE SUMMARY

- 1.1 This report summarises the responses received to the School Formula Funding consultation. The consultation commenced on 24th October 2014 and concluded at the end of the Autumn term.
- 1.2 The report makes recommendations in respect of the school funding formula to be used in 2015-16 and applies to all Wirral maintained and academy mainstream schools. In accordance with Schools Forum Regulations these decisions are proposed and decided by the Local Authority, but members of the Forum must be consulted. Only school members may vote on this item.

2. Background

- 2.1 The school funding formula was amended in 2014-15 to take account of:

- Changes in data for Prior Attainment and English as an Additional Language
- Increases in the funding for Looked After Children
- The delegation of Free School Milk

The current proposals that are being considered have arisen from work with the Schools Forum Funding Working Party and a report to the Forum in July 2014. This report set out the local changes to consider for 2015-16 and the views of schools.

In total 34 responses have been received, 26 primary schools, 5 secondary / academy schools and 3 that are not known. This is a relatively low response, despite the consultation having been extended. However the proposals have been discussed in detail by Headteachers at Primary Cluster meetings last term and at WASH.

3. Proposals / Consultation questions

3.1 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). Many local authorities allocate a higher amount and include a proportion of deprivation, AWPU and Lump Sum funding to this area.

The view of the Forum that no further action be taken at this time was endorsed by those who responded.

3.2 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 proposal is to equalise the level of funding for each looked after child with the average funding allocated for deprivation. This comparison should also take account of funding allocated through the Pupil Premium. Funding would be equalised at about £3,400.

Most responses supported this proposal. It is therefore recommended that the School Funding Formula is changed on this basis for 2015-16.

3.3 Deprivation

There is an amount of £20.3m in the local formula (11% of the Schools Budget) which is provided for deprivation. With the inclusion of the FSM Pupil Premium of £15.2m this rises to £35.5m (18%). There are 7,777 pupils (aged 4 – 15) registered for Free School Meals, 18.3% of the school population (in 2014-15 this figure was 8,237 or 19.5%).

The current 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

There are a number of factors to take into account:

- The numbers of FSM's have reduced since 2011; however the amount per FSM pupil has and will continue to increase. During this time the Pupil Premium was introduced to target additional funding.
- Had this cap been introduced in 2014-15 this would have reallocated £0.8m into AWPU.
- 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.

Schools were asked their views on the introduction of a cap in the amount allocated per FSM to prevent any further increases in the unit value. This would mean that deprivation funding for a school with stable FSM numbers would be unaffected. Those with falling FSM's would always receive less deprivation funding, but any subsequent redistribution would be made through AWPU. This would mean that the schools with the largest pupil numbers would benefit the most.

Responses indicated that 19 schools supported the change whilst 15 did not. It is recommended that the change is introduced in 2015-16 but that the impact is reviewed before agreeing its further use in future years.

3.4 Key Stage 3 and Key Stage 4 AWPU

Schools were asked if they had any views about equalising the rates for KS3 and KS4 AWPU in secondary schools. Schools supported the view that no action is taken at this time.

4. Conclusion

The responses from the School Funding Consultation support the proposed changes to the School Funding Formula for 2015-16.

- 4.1 There should be no change to the formula element for Low Cost High Incidence (LCHI) SEN.
- 4.2 Deprivation funding should be top sliced and LAC funding should be increased to a comparable level per pupil.
- 4.3 The level of deprivation funding should be capped at the 2014-15 adjusted level and the decision reviewed before agreeing its use in future years.
- 4.4 No action is taken at this time to equalise Key Stage 3 and 4 funding.

5. Recommendation

- 5.1 That members endorse the changes described to the School Funding Formula for 2015-16.

Julia Hassall
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