

School Funding Consultation 2013/14 - Frequently Asked Questions

Basic per- pupil entitlement

1. Q Is AWPU now the Basic Entitlement as in various parts of the document it talks of AWPU and Basic Entitlement?
A These are the same thing

Deprivation

2. Q Can the indices FSM, Ever 6 FSM and IDACI be mixed?
A No. Local decision making is to be much simpler, more transparent and efficient. Under the new arrangements the LA will be able to use a free school meals (FSM) indicator and/or an IDACI rating when distributing funding for deprived pupil.
3. Q Please can you confirm what is IDACI?
A It is the Income Deprivation Affecting Children Index and is part of the indices of Multiple Deprivation (IMD). It is an area based measure defined at the level of Lower Super Output Area. It takes the form of a score between 0 and 1, which can be interpreted as the proportion of families in the LSOA, with children aged under 16, which are income deprived.
4. Q Is there any choice on the index used, can we stay with our current ACORN index of deprivation?
A No. The DfE have restricted the deprivation factor to FSM, Ever 6 and IDACI.
5. Q How will the LA know which of our pupils are categorised into these various indices?
A Data will be provided by the DfE. LAs are required to use only the DfE data. IDACI and FSM will be as at Autumn 2011 Census and Ever 6 Spring 2011.
6. Q Why IDACI?
A The DfE are enabling LAs to use IDACI as it is the only national index of deprivation that is focused on children, using individual post code information. IDACI is calculated as Lower Super Output Area (LSOA) level. An IDACI score is the measure of probability that a child living in the LSOA will be deprived. In other words, a child with an IDACI score of 0.2 has a 20% chance of coming from a deprived family.

This means that whilst FSM can be used to target funding at specific pupils who come from deprived families, IDACI allows LAs to ensure that funding can also be distributed to schools that have pupil living in the most deprived areas who might not be eligible for, or take up FSM.

Lump sums

7. Q Why have these particular lump sums been identified?
A The aim of the lump sum is to meet unavoidable fixed costs incurred by a school – that is a headteacher, a caretaker and some administrative support. Analysis carried out by the DfE showed that, for a primary school, the average lump sum required for this purpose is around £95,000. Because a number of other factors are being removed and it is required that a single lump sum be applied for both primary and secondary schools, it was agreed that this might need to be higher.
8. Q Can a different lump sum be set for primary and secondary?
A No the same lump sum must be applied to both phases. The lump sum is predominantly aimed at supporting small schools that will not attract enough funding through their per-pupil funding. It is the DfE's view that the majority of funding should be distributed through the basic per-pupil entitlement or the remaining pupil characteristics factors so that funding can genuinely follow the pupil.
9. Q Is the protection for federated schools with a single budget share likely to continue i.e. will they get one lump sum or two?
A LAs will still be able to issue a single budget share but this will be at least as great as if the schools had still been separate. In practice under the new system this will mean calculating the budgets separately and adding them together before issuing the budgets.
- 10.Q What is the impact on the AWPU value for primary schools of raising the lump sum?
A The lump sums must be the same for all phases. The LA and School Forum agreed at the beginning of this process to ensure the same amount of funding that was directed to each phase, remained at 12/13 levels. The AWPU values for primary schools, after allowing for those factors that are no longer permitted, would be higher if the lump sum was lowered. Lower Schools were funded £95,000 in 2012/13 for lump sum.

Exceptional Items

- 11.Q A number of schools pay for rent for curriculum classes. As this is no longer permitted as a factor, can this be applied for under exceptional items.

- A No. The LA are able to ask the Secretary of State for permission to include such items but they must affect no more than 5% of schools and account for at least 1% of the budget. Rent does not meet this criterion.

Central provision of services

- 12.Q If one or both phases of schools express a wish to de-delegate an element of their budget share does the LA have the option to refuse? Can the LA charge an administration fee for managing such budgets?
- A Either primary or secondary schools within the Schools Forum might take the initiative in requesting that a permissible item should be de-delegated, but there would be no obligation on the LA to accept the de-delegation, including charging any necessary administrative costs.
- 13.Q Can any of the newly delegated funding be de-delegated for Academies?
- A De-delegation does not apply to Academies but they can still buy into services from their delegated budgets
- 14.Q There are only three exceptions to the general rule that Schools Block funding is delegated to schools in the first instance. Does that mean the LA may not de-delegate funding even if there was a clear mandate from schools to do so or there are protocols in place based on continued central funding? The specific example is union facilities time?
- A That is correct. The DfE are limiting central services to those listed in Exception 1. Union Facilities does come under staff cover which means maintained schools can vote to de-delegate.
- 15.Q It has been confirmed that Trade Union time is included within Exception 1 so funding would be delegated to all schools and Academies in the first instance and maintained schools within a phase could agree for this funding to be de-delegated for this purpose. There are a number of trade union representatives that are currently employed by Academies and are unclear how this would operate under the proposed changes. Currently, Academies reclaim these costs from the LA. It is our understanding that under the proposed changes Academies would receive their 'share' of the budget and it is only maintained schools in a phase that can agree to de-delegate funding.
- A Yes, that is correct. De-delegation applies only to maintained schools and so funding is in Academies' budgets to start with.
- 16.Q Within Exception 1, contingencies can be retained for maintained schools for a limited range of circumstances, one being amounts for schools in financial difficulty. Can you clarify

how parity of treatment is ensured between maintained schools and Academies?

- A Academies will be responsible for managing their own budgets and are principally responsible for their own contingency. In the case of an Academy falling into serious financial difficulty, the Education Funding Agency will review the case and determine whether to provide support, and what form of support should be provided.

General

17.Q Can you confirm that the pupil numbers collected in the Autumn School Census 2012 will be used to calculate the funding for 2013/14.

- A Yes, the Autumn 2012 census will be used to allocate funding for 2013/14.

Minimum Funding Guarantee

18.Q How will the MFG be afforded?

- A LAs will be able to limit gains in order to make the MFG affordable.

19.Q Re a cap on gains, can a different cap be applied to primary and secondary sectors?

- A No. The proposal is to have a single percentage cap.

20.Q The level of the MFG has been set for two years, why only two years?

- A The funding parameters beyond 2014/15 are subject to the next Spending Review and decisions on the future level of protection will be made following that.

Early Years

21.Q Does the lump sum applied to Nursery need to be the same as Primary and Secondary?

- A No

22.Q Does the Deprivation factor in the EYSFF need to change in line with the Primary and Secondary?

- A No. LA's can have a deprivation factor in the EYSFF which is different.