

Minutes of 16th July 2013 Technical Funding Group

Attendees

School Forum Members:

Stephen Titkin (Lower Maintained)
John Street (Middle Academy)
Martin Foster (Trade Union)
Jim Parker (Headteacher Manshead Upper)
David Brandon-Bravo (Headteacher Parkfields Middle)
Shirley Ann Crosbie (Special Maintained)
Rob Watson (Headteacher Stratton Upper)

Officers:

Sue Tyler
Helen Redding
Rob Parsons
Dawn Hill
Gezim Leka
Christine Mushonga

Apologies:

Anne Bell
Richard Holland
Sue Howley

Meeting commenced at 4.00 p.m. and concluded 5.45 p.m.

Handouts Provided:

Slides – School Funding Reform – changes for 2014/15
School Forum paper October 12 (including minutes from Tech Group)
2013/14 School Funding Consultation - FAQ
2012 October 2012 data (Supplied by DfE and must be used for modelling purposes)
2013/14 Factor values for Statistical Neighbours
2014/15 Timetable
Proposed Executive paper for August 2013
Applications to EFA for dis-application of regulations
Modelling

Discussions:

1. Key Points

The session started by highlighting the School funding reform changes for 2014/15:

- LA pro-forma submissions in October 13 and January 14.
- Total of 13 allowable factors, only 11 apply to CBC.
 - i. A Basic per pupil entitlement (Mandatory)
 - ii. Deprivation (Mandatory)
 - iii. Prior Attainment
 - iv. LAC
 - v. EAL
 - vi. Pupil Mobility
 - vii. Sparsity
 - viii. Lump Sum
 - ix. Split Site
 - x. Rates
 - xi. PFI
- Option for LAs to apply for exceptions for Premises factors, Minimum Funding Guarantee (MFG) exclusions, variation to lump sum for

- amalgamated schools and vary pupil numbers due to reorganisation or change in years of admission.
- It was highlighted that DfE expects authorities to request approval to vary pupil numbers, if this is not done the DfE reserves the right to adjust amounts recouped from LAs to properly fund academies affected by this.
- MFG remains at negative 1.5% per pupil with the same exclusions plus sparsity.
- One new factor – sparsity, where funding may be targeted at schools that have been identified by the DfE as sparse. Where used, maximum allowable is £100k, but can be flat rate or tapered.
- LAs permitted to have different lump sums for Primary and Secondary (weighted average for middles) capped at £175k per school.
- LAC now applies to any child in care for at least 1 day during a specified period.
- AWPU to be at least £2k for Primary pupils and at least £3k for Secondary pupils. LAs are to ensure that at least 80% of delegated funding is distributed by pupil-led factors. No constraints on the Primary/Secondary ratio.
- LAs permitted to create fund, in addition to Growth Fund, to cover temporary falling roles (applies to Good or Outstanding Schools only)
- High Needs providers treated equally when making placements. Mandatory for Schools to meet up to £6k of special needs costs.
- Consultation process

2. Principles to apply on funding formula 2014/15

The Group discussed AWPU, Statistical Neighbours (SN) data and Lump Sum. A discussion took place on the impact new factors will have on AWPU values. The funding pot will not increase to accommodate new factors which implies a reduction in AWPU. The group looked at data taken from statistical neighbours, from which a mean average has been used as the starting point for modelling purposes. It was noted that the range of unit rates for individual factors is extensive but as no other useful benchmark is available, then modelling should proceed on this basis.

Also the Group agreed the Lump Sum factor was thoroughly discussed for the 2013/14 budget round. It was recognised that once pupil numbers exceed approx 250 that money would be moved away from the larger schools to smaller schools, should the lump sum increase above £120k.

3. Exceptional factors, MFG exclusion and variation of pupil numbers

It was agreed that this agenda item to be discussed at the next Sub Group meeting

4. Models and impact on AWPU

○ LAC

A single unit value may be applied for any child who has been looked after for at least one day during a specified period. The spread of LAC in CBC (106 pupils) is significantly higher under the new criteria. However, the feedback from the group was that most looked after pupils frequently move from one school to the next and that funding rarely follows the child. The largest number of LAC in any one school is 7 (Upper School), with 4 being the largest in both Middle and Lower.

All LAC children automatically qualify for PPG and the consensus was that the funding received for PPG was more than adequate, with some schools struggling to allocate the amounts received.

Models and impact on the AWPU were presented to the Group. The models were based on October 2012 LAC data and Statistical Neighbours unit rates.

It was agreed that LAC will not be recommended to be introduced as a new factor for 14/15.

HR raised concern that if there was a way additional funding could support LAC this should be considered as outcomes for LAC are not where they should be.

○ **EAL**

EAL pupils may attract funding for a maximum of 3 years after the pupil enters the statutory age system. There can be separate unit values for primary and secondary. The school with the largest number of EAL 3 (over 3 years) is Cranfield Lower school which is due to parents at Cranfield University. The group agreed that in general pupils are learning through the medium of English. The other area of impact is also Dunstable (Hadrian, Dunstable Icknield, Watling and St Christophers), however it was noted that these schools do receive funding through the deprivation factor.

Models and impact on the AWPU were presented to the Group. The models were based on October 2012 data and Statistical Neighbours unit rates

It was noted that while demographic growth may change over time, at present there is no effect or change to the need for EAL. The issue will be revisited to accommodate any future changes in demographic profile.

It was agreed that EAL will not be recommended to be introduced as a new factor for 14/15.

○ **Mobility**

Funding may be targeted at schools experiencing pupil mobility - pupils who did not start in Aug or Sep and above a 10% threshold of school population. The data provided showed above 10% mobility in Campton, Derwent and Gothic Mede. These schools receive PPG for Service children so the group considered that there was no real need for a mobility factor. Lawnside in Biggleswade was also discussed. It was also noted that only 3 out the 10 statistical neighbours have a mobility factor.

Models and impact on the AWPU were presented to the Group. The models were based on October 2012 data and Statistical Neighbours unit rates for Mobility factor

It was agreed that Mobility will not be recommended to be introduced as a new factor for 14/15.

○ **Sparcity**

A fixed or variable amount may be applied to small schools where the average distance to pupils' second nearest school is more than 2 miles (primary) or 3 miles

(secondary) as the crow flies. The maximum value for the sparsity factor is £100,000 per school (including fringe uplift)

The general consensus was that this factor is for supporting schools in rural or remote areas and that in comparison to other areas of the country like North Yorkshire, Cumbria, Norfolk etc no CBC schools fall within this category. The consensus was that though some schools may be relatively isolated, all schools are protected by the Lump Sum. Rob Parsons highlighted that any affected schools have the option to submit applications for Infant Class Size funding. The group also felt that introducing the sparsity factor would raise the issue of accountability for funding.

The data provided was discussed and showed distance to the 2nd nearest school. It was also noted that these are as the crow flies measurement and in some cases schools that showed as being below 2miles, should the walking route be taken exceed the 2 mile threshold. Funding amounts per pupil were also provided and showed that CBC small schools are well funded per pupil in comparison to larger schools e.g. school of 53 pupil received £5,201 per pupil in 13/14 compared to a school of 310 pupils receiving £3,200 per pupil.

The measurement to the 2nd nearest school also had a cliff edge approach whereby a school would qualify and is only 0.1 of a mile difference in distance to a school that wouldn't qualify for funding.

It was agreed that Sparsity will not be recommended to be introduced as a new factor for 14/15.

○ **Split Site**

The allocations must be based on objective criteria, both for the definition of a split site and for how much is paid. Only one school qualified in 2013/14 and was funded from September 2013. Should there be no change an additional cost of £50k would be needed for 14/15.

It was agreed that Split site criteria and funding amount be revisited at the next meeting.

○ **Lump Sum**

The lump sum, if used, must apply to all schools, although the value may be different for primary and secondary schools. The upper limit of the lump sum is £175,000 (including fringe uplift)

The group felt that Lump Sum had been adequately discussed for the 2013/14 distribution and that there are no changes to last year's viewpoint.

It was agreed that Lump Sum will be recommended to remain at £120,000 for 14/15.

○ **Rent**

LAs have the option to apply for exceptions to be made for Rent where the impact of cost is more than 1% of a school's total budget and impacts less than 5% of the schools in the area. CBC applied for this exception premises factor in 2013/14 and was disallowed by the EFA.

However, CBC has resubmitted an in principle application to the EFA, along with individual school data for 9 schools. The DfE have confirmed that the Secretary of State intends to approve the application for 6 of the 9 schools.

The group considered the three models presented and the consensus was that a flat rate reduction to AWPU of £1.23 per pupil should be applied to all schools to fund Rent as a new factor.

It was agreed that Rent will be recommended to be introduced as a new factor for 14/15.

5. 2nd meeting of Technical Funding Group – 31st July 2013

It was agreed that the following items will be discussed –

- Split Site – values and criteria
- PFI – rationale for new factor
- Deprivation
- Prior Attainment
- Application to vary pupil number
- Growth Fund criteria and allocation of funding
- Falling Roles Funding
- Consultation process
- Modelling

Glossary of Terms

CBC	Central Bedfordshire Council
MFG	Minimum Funding Guarantee
DfE	Department for Education
LAC	Looked after Children
AWPU	Age Weighted Pupil Unit
KS3	Key Stage 3
KS4	Key Stage 4
PPG	Pupil Premium Grant
EAL	English as an Additional Language.

The next meeting will be held on 31st July 2013 at Priory House, Chicksands.