

## Minutes of 8<sup>th</sup> April 2014 Technical Funding Group

### Attendees

#### **School Forum Members:**

Stephen Tiktin (Lower Maintained)  
Shirley Crosbie (Special Maintained)  
John Street (Middle Academy)  
Richard Holland (School Forum Chair)

#### **Officers:**

Dawn Hill  
Gezim Leka  
Christine Mushonga

#### **Apologies:**

Sue Howley  
Paul Burrett  
Anne Bell  
David Brandon-Bravo  
Helen Redding  
Rob Parsons

The meeting commenced at 9.30 a.m. and concluded at 10.50 a.m.

#### **Handouts Provided:**

Fairer School Funding Consultation Document  
Indicative Minimum Funding Levels for 2015/16  
Indicative changes to Local Authority Funding in 2015/16  
Area Cost Adjustment  
Fairer School Funding Consultation Response Form  
Sparsity criteria  
F40 Group Chair response to Consultation

#### **Discussions:**

##### **1. Key Points**

The session started with a brief overview of the Fairer School Funding Consultation, which indicates an increase of £3.8m in funding for CBC.

The Group went on to discuss the following:

- Indicative Minimum Funding Levels for 2015/16 in comparison with CBC local formula.
- The DfE advised that the indicative levels are based on 2013/14 data and will be updated with 2014/15 data when it becomes available. The updated information is yet to be received.
- It was highlighted that the F40 Group Chair had an initial meeting with the Director of the Education Funding Group at the DfE and expressed concern about the method of calculation and the impact that using certain sets of data has had on the outcome. The DfE advised they would be circulating a spreadsheet to each gaining authority showing individual calculations which is yet to be received.
- Individual responses to each question included in the Consultation Response Form.
- The Consultation closes on 30<sup>th</sup> April 2014.

## 2. Consultation Response Form

The Group agreed that the existing distribution of schools funding is unfair, and concurred with the proposed choice of characteristics to which to attain minimum funding levels. DH highlighted that LAs are not required to realign their local formula with the indicative funding levels for 2015/16 as a result of this Consultation. It was also highlighted that no LA will receive less funding as a result of the Consultation. As LAs are not obliged to adopt the proposed minimum funding levels, there is an opportunity to target the additional funding on new factors.

DH clarified that while the additional funding per LA will be revised based on 2014/15 pupil numbers, the total funding pot will remain at £350m. Changes in the 2014/15 pupil figures will therefore result in a corresponding increase or decrease to the indicative additional allocation of £3.8m for CBC.

The Group agreed with the proposed choice of characteristics to which to attach minimum funding levels.

### ○ **AWPU**

The table below shows the comparison between the indicative minimum funding levels for 2015/16 and the current AWPU values for CBC:

<b>Phase</b>	<b>Indicative Minimum Funding Level</b>	<b>CBC Level</b>
Primary	£2,845	£2,959
KS3	£3,951	£4,221
KS4	£4,529	£4,930

The Group agreed with the proposed values of the 2015/16 Minimum Funding Levels for AWPU on the basis that CBC already exceeds the proposed values.

### ○ **Deprivation and FSM**

CBC local formula does not include FSM as a factor, however, the 2014/15 Deprivation values are above the indicative minimum funding levels for 2015/16.

On the assumption that CBC pupils eligible for FSM also fall into one of the IDACI bands, the result is that the moderately deprived currently do not attract any funding. JS also raised concern over schools losing funding where funding is allocated based on postcode data rather than actual need. It was also highlighted that the introduction of UIFSM (September 2014) may bias FSM as an indicator for need. However, DH and SC clarified that the school census will continue to include an indicator for FSM under the current criteria, which excludes eligibility for UIFSM.

It was noted that in producing the indicative minimum funding levels, the DfE has not done an activity-based cost analysis but rather an average across all LAs. The consensus was to revisit Deprivation and FSM at the next Group meeting, and that

it would be useful to conduct an IDACI versus FSM analysis to identify areas of need that may not be highlighted by postcode.

The Group agreed with the proposed values of the 2015/16 Minimum Funding Levels for Deprivation and FSM.

○ **Looked After Children**

CBC local formula currently allocates funding of £468 per looked after child. The indicative minimum funding level for 2015/16 is £1,009.

The Consultation proposes that the same measure would be used as is currently set out in the 2014/15 school funding arrangements, that is, to provide funding for all children reported as looked after for one day or more at the census point. The consensus was that statistics outlining the impact on pupils of being looked after provide a very strong argument for targeted funding.

The Group agreed with the proposed values of the 2015/16 Minimum Funding Levels for Looked after Children.

○ **English as an additional language (EAL)**

CBC local formula does not include English as an additional language as a factor.

The indicative minimum funding levels for 2015/16 are £505 for Primary pupils and £1,216 for Secondary pupils. The proposal is that the minimum funding level would apply to pupils with EAL who entered the English state school system in the past three years.

SC was of the understanding that within schools, funding for English as an additional language was allocated to promote greater fluency in English to aid learning. The consensus was that although there is not a high need in CBC at present, it may be necessary to reconsider this factor should there be increase in need in the future.

However, the Group recognised there is a need for funding on a national scale, where for example schools in other LAs provide interpreters or learning material in other languages.

The Group agreed with the proposed values of the 2015/16 Minimum Funding Levels for English as an additional language.

○ **Low Prior Attainment**

CBC local formula does not include Low Prior Attainment as a factor.

Indicative minimum funding levels for 2015/16 are £878 for Primary pupils and £1,961 for Secondary pupils. The Consultation proposes that for the primary measure, this would apply to pupils who did not reach the expected level of development on the new EYFSP or who achieved fewer than 78 points on the old EYFSP. For secondary schools the minimum funding level applies to pupils not reaching L4 at KS2 in either English or Maths.

The Group recognised that need for funding on a national scale. ST raised concern that CBC Local Formula does not include targeted funding for low prior attainment. It was argued that while schools may allocate deprivation funding to close the attainment gap, this may give rise to the inadvertent funding basis that only deprived pupils have low prior attainment. The consensus was that it may be necessary to revisit this factor at the next Group meeting.

The Group agreed with the proposed values of the 2015/16 Minimum Funding Levels for Low Prior Attainment.

○ **Lump Sum**

CBC local formula allocates a lump sum of £120k to both Primary and Secondary schools.

The indicative minimum funding levels for 2015/16 are c£117k (Primary) and c£128k (Secondary.) Middle schools would attract a minimum lump sum weighted by their ratio of primary to secondary year groups in the school. All-through schools would attract the secondary amount.

The general consensus was that there may be a national need to vary the lump sum according to phase.

The Group agreed with the proposed values of the 2015/16 Minimum Funding Levels for Lump Sum.

○ **Sparcity**

CBC local formula does not include Sparcity as a factor.

The indicative minimum funding level for 2015/16 is £53,988 for both Primary and Secondary schools. The proposal is that a taper would apply, whereby the sum is in inverse proportion to the size of the school. The criteria for attracting the minimum funding level would be the same as the criteria for the sparcity factor in the local formulas.

Under the current criteria, 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.)

The general consensus was that it would be useful to revise the criteria such that funding targets geographic locations rather than size of school. Where funding is allocated on school size, pupil movement may result in significant fluctuations in funding allocated from one year to the next, which may have a negative impact on a school's economic viability.

The Group also agreed that revision of the criteria of the Sparcity factor to take into account the average number of pupils in each year group would not be beneficial as year groups impact all schools.

It was further highlighted that due to the perceived notion of higher attainment in small schools, parents may opt for schools where distances travelled to attend school are greater than those specified in the current criteria. This would result in

additional funding for a school whose geographic location is not necessarily sparse.

The Group agreed on the revision of the criteria for the Sparsity factor. It was suggested that the criteria should target geographic locations to improve the operation of this factor and that it may be necessary to revisit Sparsity at the next Group meeting.

○ **DfE approach to allocation of additional funding**

The consensus was that labour market cost differences should not be taken into account when allocating the additional £350m. The current funding arrangements already make allowances for labour market cost differences, which has contributed to the unfair distribution of schools funding. The Group further disagreed with the hybrid approach set out by the Department, which indicates additional funding for some of those LAs at the higher end of the funding scale.

**3. Conclusion**

- It was agreed that DH would arrange for circulation of any further correspondence received from the F40 group; as well as the updated Minimum Funding Levels for 2014/15 and working paper based on 2014/15 data as soon as it is received from the DfE.
- It was reiterated that the indicative additional allocation of £3.8m for CBC may be reduced based on 2014/15 data.
- It was also agreed that DH would arrange for circulation of possible dates for the next Group meeting to be held in September, taking into account any future commitments of Group members to various Support and Aspiration Group meetings.

**Glossary of Terms**

CBC	Central Bedfordshire Council
DfE	Department for Education
DH	Dawn Hill
LA	Local Authority
AWPU	Age Weighted Pupil Unit
KS3	Key Stage 3
KS4	Key Stage 4
FSM	Free School Meals
IDACI	Income Deprivation Affecting Children Index
JS	John Street
UIFSM	Universal Infant Free School Meals
SC	Shirley Crosbie
EYFSP	Early Years Foundation Stage Profile
L4	Level 4
ST	Steven Tiktin