

West Berkshire Schools' Forum	
Title of Report:	School Formula 2014/15
Date of Meeting:	7th October 2013
Contact Officer(s)	Claire White & Ian Pearson
For Decision	

1. Introduction

- 1.1 At the last meeting of the Schools' Forum, minor amendments to the current formula were agreed, and this formed the basis of a consultation with all primary and secondary schools (maintained and academy).
- 1.2 The consultation was sent to all schools on 17th July 2013, with a closing date of 20th September 2013. Appendix A contains this document.
- 1.3 In the light of responses received, the Schools' Forum is required to finalise its recommended formula to the Council's Executive on 17th October for final approval, and will then be submitted to the Education Funding Agency before the deadline of 31st October 2013.

2. Consultation Responses

- 2.1 There were a total of 5 responses to the consultation – 3 from primary schools, 2 from secondary schools (both Academies).
- 2.2 Two respondents did not agree with part of the proposals, the reasons stated below:
- 1) The small school sparsity factor is not being used by West Berkshire in the way that the DfE intended and is unfair to those schools it was designed to help, running the risk of small rural schools becoming financially unviable and unsustainable. Note that the other Primary respondents were both from very small schools who do not qualify for sparsity funding and were commenting how disappointed they were that the sparsity factor does not help all small schools.
 - 2) The change to the deprivation measure (using 75% Ever 6 Free School Meals and 25% IDACI) does not target the schools with the most deprived pupils, and using Ever 6 means that schools are being funded twice using this method (also used for calculating the pupil premium). Note that the other Secondary respondent agreed with the revised measure being proposed and felt it was a better targeted and directed measure of deprivation.

- 2.3 The Heads Funding Group (HFG) considered and debated these responses, and determined that no changes should be made to the original proposal.
- 2.4 An option to change the sparsity factor was considered. This was to amend the sparsity formula for primary schools back to the DfE recommended 2 miles, but that the funding for primary schools only be tapered and based on £50,000 for schools with 100 pupils or less (see Appendix B). Four schools would receive additional funding using this method. However, HFG felt that the original decision was still valid in that it would not be equitable and fair to direct funding away from all other schools (including the other small schools) to support just these few schools, particularly where a school just over the 2 miles qualifies for funding whereas a school just under 2 miles receives no additional funding. Hence the original proposal to move the qualifying mileage to 3 miles to reflect a more realistic distance measure of sparsity. It should be noted that a further representation has been made to the Schools' Minister that in considering the future funding formula for schools there should be a small school protection factor that can be applied fairly to all small schools.
- 2.5 The arguments for changing the basis of deprivation funding to 75% based on pupils eligible for free school meals in the past 6 years and 25% based on IDACI were revisited. Only one school had disputed this change in method. HFG determined that using the Ever6 rather than current free school meal method captured children who may drift in and out of eligibility, and it is the method used and thus favoured by the Government. Due to doubts on the reliability of IDACI, its use should be reduced from 50% to 25% though should not be removed altogether. It was therefore agreed to keep to the original proposal.

3. The Proposed Formula

- 3.1 If accepting the recommendation from HFG, the proposed formula for 2014/15 is as follows:
- 3.1.1 Basic Entitlement (no change): £2,907 per primary pupil, £4,332 per secondary pupil
- 3.1.2 Deprivation (change to measure and %): 75% of total deprivation funding based on number of pupils ever eligible for Free School Meals in the last 6 years, 25% of total deprivation funding based on the Income Deprivation Affecting Children Index.
- 3.1.3 Prior Attainment as a proxy for pupils with low level special educational needs (DfE change to secondary measure): Primary based on number of pupils not achieving a score of 78 in the Early Years Foundation Stage Profile; Secondary based on number of pupils not achieving a level 4 in English or Maths.
- 3.1.4 English as an Additional Language (no change): number of pupils in the statutory school system for up to 3 years where English is not their first language.

- 3.1.5 Lump Sum (technical change): Fixed lump sum of £126,400 for all schools (additional amount of £667 due to an additional delegation from the centrally retained budget for schools finance to be added as part of the buy back service for 2014/15).
- 3.1.6 Sparsity (new factor introduced by DfE): Fixed sum of £100,000 for small secondary schools with 600 pupils or less where the average distance to pupil's second nearest school is more than 3 miles (applies to 1 secondary school), and a fixed sum of £100,000 for small primary schools with 150 pupils or less where the average distance to pupil's second nearest school is more than 3 miles (no schools qualify).
- 3.1.7 Rates (no change): Funded at actual cost to school.
- 3.2 The effect of the proposed formula for 2014/15 on the funding of individual schools compared to 2013/14 funding is relatively minor (see Appendix C), and is mainly as a result of realigning the funding for pupils from deprived backgrounds; the core funding a school receives per pupil has not changed.
- 3.3 Note that the final funding rates will be determined in January 2014 when the resources available from the schools block of the Dedicated Schools Grant are known (based on the October 2013 census).

Recommendation: Schools' Forum to agree the formula proposal as set out in this report, and to recommend it to the Council's Executive for approval

Appendices

Appendix A – Consultation Document to Schools

Appendix B – Option for Sparsity Funding

Appendix C – Revised Formula Exemplification (Appendix G in consultation document)