



**Walsall Council**

**Walsall Children's Services**

**Report to:** Schools Forum

**Date:** 15th October 2013

**Subject:** Schools Forum Funding Consultation Response

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**Purpose of the report:** For Schools Forum to receive the responses to formal consultation on schools funding formula. Having studied those responses then to recommend the revised funding formula to Cabinet.

**Recommendations:** (See final section of report)

## **1. Background**

1.1 Since March 2012 there have been significant changes in schools funding regulations. These changes have been widely discussed, reported and consulted on with Walsall Schools Forum.

1.2 Schools Forum resolved in July to consult with all schools (in line with legislation). The consultation was eventually despatched in September and can be seen in **Appendix 1**.

1.3 This report summarises the responses to the consultation and then has recommendations based on that consultation. *A draft formula will be presented as appendix 2 on the evening of Schools Forum.*

## **2. Consultation responses**

2.1 There were 8 responses to the survey through the automated 'survey monkey' route and 3 written responses through the 'completed word document route'. One response was slightly after the deadline (hours not days) but has been included for completeness.

2.2 No formal responses have been received from Primary Forum or the Walsall Association of Secondary Headteachers (WASH) but previous discussion at these meetings have been minuted as part of Schools Forum. Representatives of these Forums may once again wish to comment during the meeting.

## **3. Question 1**

3.1 *"With no further information regarding the structure of a national funding formula available, the working group decided that the Schools Funding Formula should only be update in the area where regulation dictates there is a legal requirement to do so. (In this case the lump sum element)."*

3.2 Of the 11 responses, 10 agreed with this statement. The 11<sup>th</sup> did not express a preference but did comment that they were not consulted last year and felt that some of the changes last year were unfair. An e-mail has been sent to clarify the comments of the respondent as all schools were consulted last year and there were also some specific queries.

3.3 This would be taken as agreed.

## **4. Question 2**

4.1 Primary and secondary schools can now have different levels of lump sum. The working group thought it was appropriate that primary and secondary sectors should therefore make their own decision. Do you agree with this approach?

4.2 Of the 11 responses, 9 agreed with this statement. One appeared to abstain and the final one was a no. Comments here were that lump sum should vary with size of school, a school with more pupils should get a bigger lump sum. The other comment was, "There should be debate across phases to ensure there is fair division of

funding as if primary schools are underfunded there could be more difficulties for secondary schools to inherit.”

- 4.3 The vast majority would appear to be in favour of having lump sums by phase. The nature of the ‘lump sum’ is that it should be there to cover costs that are the same for schools of all sizes rather than flexed by pupil and DfE do not allow lump sums to be different in sectors.

## **5. Question 3 A, B and C**

- 5.1 The working group determined that the notional £25k of Special Educational Needs (SEN) funding should stay in the lump sum. This was part of the approach considered in depth last year. Therefore the Age Weighted Unit per Pupil (AWPU) was considered the appropriate place for the £25k (or any larger reduction of lump sum) to be redistributed.
- 5.2 One of the key principles agreed in 2013/14 was that the ratio between primary and secondary schools should stay the same. To maintain this principle, the funding “released” from reduction of secondary lump sum should go to secondary allocations and likewise for primary schools.
- 5.3 Primary schools will have a lump sum of £175k and the funding from the reduction of £25k from the 2013/14 lump sum will be distributed via primary AWPU
- 5.4 There were 8 responses that agreed with all 3 of the above statements, 1 response agreed with the first 2 statements but declined to answer the third, 1 respondent skipped the question and the last respondent restated the desire to see a different lump sum for schools with larger pupil numbers.
- 5.5 With no negative responses then these principles should be adopted

## **6. Question 4**

- 6.1 Secondary schools have 2 potential proposals:

- A) A £175k lump sum with £25k going to AWPU
- B) A £150k lump sum with £50k going to AWPU

Which proposal do you favour or do you have an alternative proposal?

- 6.2 The results were 7 respondents for option A and 4 for option B. In total 7 of the 11 responses were from secondary schools and the vote with just those 7 were 5 for Option A and 2 for Option B.
- 6.3 Therefore the result of the consultation would indicate that Option A was the preferred outcome.

## **7. Question 5**

- 7.1 Do you agree that a flat per pupil rate is the fairest of the allowable ways to share out one off monies amongst schools? Yes/No

7.2 Of the 11 responses, 9 agreed the principle. Of the remaining two responses, one was partially in agreement but looked at combining this with a lump sum approach. The final response felt that AWPU should be considered, noting the higher rate for secondary than primary and feeling that should be involved in any decision.

7.3 It is worth re-iterating at this point, that the Education Funding Agency (EFA) has been clear about how surpluses should be used. The document has stated that using the formula to distribute the surplus would be the only way to do this now. In theory the Department for Education (DfE) could be asked to disapply the rule regarding maximum lump sums for Walsall but that would seem unlikely as they have introduced the regulation this year.

7.4 On the basis of the vote then once again this principle would seem to be carried.

## **8. Summary**

8.1 In general it would be clear that the work that the funding formula group has done has been agreed by all schools. The one clear area of choice has seen 7 of the 17 secondary schools cast a vote and a clear majority in favour of £175k lump sum.

8.2 The consultation has been e-mailed to all heads, there has been discussion at Forums, the survey monkey version of the consultation has been e-mailed out and the consultation also appeared on the "staffroom".

8.3 The EFA make it clear that it is the responsibility of the representatives on Schools Forum to inform those they represent of discussion. Walsall schools finance team are happy to support this as required but it is important to recognise that consultation has taken place and the responses received.

8.4 The automated survey monkey questionnaire was seen as a success as it got more responses than the traditional way of consulting. Walsall Schools Finance would like to use more of this in future because it is more time efficient and seemed to attract more responses.

8.5 The recommendations of Schools Forum will now go to Cabinet. When this happened in autumn 2012, Schools Forum resolved that the Chair of Schools Forum should write to Cabinet. This letter was to recommend the formula to Cabinet and make it clear that this was the result of extensive work with schools in Walsall and was clearly endorsed by nearly all Walsall schools. This letter was read out during the Cabinet meeting.

## **9. Recommendations**

9.1 That Walsall Schools Forum note the results of the consultation.

9.2 That Walsall Schools Forum approve Appendix 2(to follow) as the Walsall schools funding formula for 2014/15 subject to changes demanded by EFA and updated for October 2013 pupil census.

9.3 That Walsall Schools Forum note that the schools block funding formula principles remain as agreed for the 2013/14 financial year and that the only change remains the lump sum methodology.

- 9.4 Walsall Schools Forum approve that the primary and secondary sectors may use different lump sums
- 9.5 Walsall Schools Forum approves reduction of primary lump sum to £175k per school with the balance going to primary AWPU.
- 9.6 Walsall Schools Forum approves reduction of the secondary lump sum to £175k per school with the balance going to secondary AWPU.
- 9.7 Walsall Schools Forum approve that any use of surplus in 2014/15 and future years be based on a flat per pupil rate. This will be achieved by pushing the funding through AWPU and asking the EFA to disapply the Minimum Funding Guarantee (MFG) in regards to these funds.
- 9.8 Walsall Schools Forum approves for the purpose of submitting the formula to DfE for 31 October, it will be assumed that a surplus of £1.5m will be spread between secondary and primary schools. (The balance to be decided before final submission, with the same per pupil rate going to special schools and nursery schools).
- 9.9 Walsall Schools Forum unanimously endorses the revised schools funding formula to Cabinet on behalf of all Walsall Schools.
- 9.10 Walsall Schools Forum approve the Chair writing to the Director of Childrens Services and Chief Finance Officer of Walsall Council to communicate that Walsall Schools Forum are very satisfied with the revised formula.