

Schools Forum

7 July 2015

Review of Schools funding formula for primary and secondary schools

1. Purpose of report

- 1.1 To propose a review of the current funding formula for primary and secondary schools.

2. Recommendations

- 2.1 To note the contents of the report and to recommend a review of the current main funding formula and agree the membership of the funding review working group.

3. Background

- 3.1 New funding arrangements introduced in April 2013 included a requirement for local authorities to simplify the funding formula used to allocate funds to their schools.
- 3.2 The choice of permitted funding factors was much reduced and the recommendations of the formula working group at the time, agreed by Forum, was that the quantum of funding allocated for a particular purpose in 2012-2013 would be largely maintained, although such funds would be required to be distributed via a different funding factor e.g. the total funding for premises costs, previously distributed using floor areas, was added to in part to the new lump sum and in part to the age weighted pupil unit (AWPU).
- 3.6 In order for a meeting of a funding review working group to take place before the end of the current term and to enable modelling work during schools summer break, an email has already been sent to Forum members asking for volunteers for the review group.
- 3.7 At the time of writing three positive responses have been received;

Tracey Coles, Primary Head teacher, Blackwood Primary School
Alison Bruton, Academy Head Teacher Queen Mary's High School
Christine Fraser, Head Teacher, Castle Special School

When considering the make up of the Working Group, Schools Forum should also consider if this is representative of the mix of schools within Walsall, so

as to ensure that any changes proposed by the group are equitable and take account of the different circumstances that schools will be operating within.

4. Proposal

- 4.1 A review of the current funding formula take place, this review to look specifically at the amount of funding being distributed through each of the permitted funding factors being used in the Walsall funding formula for primary & secondary schools.
- 4.2 The main focus of the review will be to consider specifically the amount of funding being distributed through the mandatory deprivation factor and to consider the impact on schools should changes be recommended.
- 4.3 In addition, the working group will consider the funding ratio between primary and secondary schools. Although the DfE have deferred prescribing the funding ratio, they are encouraging local authorities to review where the ratio falls below the DfEs expectation of 1:1.27. Walsall's funding ratio in 2015-16 is 1:1.24.

5. Financial implications/Value for Money

- 5.1 The review should ensure that the Individual Schools Budget (ISB) for 2016-17 should not increase over the 2015-16 ISB. Any increase necessary will be to reflect growth in pupil numbers.
- 5.2 Past experience has shown that any movement in funds or changes to funding methodology impacts of the value of the minimum funding guarantee (MFG). However the financial impact cannot be predicted, at this time. This will become clearer during the autumn term once funding options have been modelled.

6. Legal Implications

- 6.1 The review of the schools funding formula for primary and secondary schools should ensure that all requirements, as determined by The Schools and Early Years Funding regulations, are adhered to.

7. School Improvement

- 7.1 No issues directly arising from this report.

8. Members eligible to vote

- 8.1 All elected members with voting rights are eligible to vote on this matter.

