

SCHOOL FORUM

Item 6c

Members of the School Forum are asked to note the contents of this report and comment on models presented

Standards Fund

Distribution of headroom funding 2008/2009

Forum members will recall from a previous meeting notice of a requirement to distribute headroom from standards fund grant on the basis of deprivation.

In allocating main School Development Grant to schools, we are required to ensure that each of our schools receives at least the same per pupil (in cash term) as in the previous year. As the funding guarantee to schools (a cash freeze) is lower than the increase in the authority's overall allocation which 2.1% in line with MFG, there is headroom available for distribution over and above the guarantee.

In consultation with Forum we must now determine a method to distribute the headroom to schools on a fair and transparent basis. Where a school receives a share of the headroom, the amount will be added to the baseline on which the per pupil guarantee for next year will be calculated.

It is important to note that in distributing the headroom it is a condition of grant that the differential in per pupil funding between our most and least deprived schools must not narrow from its 2008-2008 level.

Monitoring the deprivation differential

The DCSF will, each year, compare SDG to the proportion of pupils known to be eligible for FSM in each school, each year. They feel this will demonstrate the distribution of main SDG against relative deprivation in each year.

The department will then compare the differential in funding between the most and least deprived schools each year. Should the differential in the authority narrow between the years, the Department will require justification of the method of distribution used.

Models being considered

Model 1 - Distribute available headroom funding via the number of pupils eligible for FSM - this method is simple and straightforward. Should guarantee meeting the deprivation differential test as DCSF will measure the distribution using same data.

Not preferred model. Outcome of our local deprivation review suggested that while FSM eligibility is still considered an indicator of relative deprivation it is not necessarily sensitive enough.

Model 2 - As for model 1 except that funding targeted only to schools where the proportion of FSM eligible pupils is above the average for their sector. Still relatively straightforward and perhaps more directed to schools with "higher levels" of deprivation.

Model 3 - Distributed using the same number of notionally identified pupils included in allocating Social Deprivation funding in main budgets, i.e. a combination of FSM and IDACI. More involved process, however, common approach across this and main stream funding.

Model 4 - Distributed using only the number of pupils identified within the 0-20 bands of IDACI.

An appendix to this document provides examples of the models applied to a selection of the most and least deprived school using IDAC rankings

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