



Shropshire Council  
Legal and Democratic Services  
Shirehall  
Abbey Foregate  
Shrewsbury  
SY2 6ND

Date: Wednesday, 12 March 2014

**Committee:  
Schools Forum**

**Date: Thursday, 20 March 2014**

**Time: 8.30 am**

**Venue: Shrewsbury Training and Development Centre, Racecourse Crescent,  
Monkmoor, Shrewsbury, SY2 5BP**

You are requested to attend the above meeting.  
The Agenda is attached

Claire Porter  
Head of Legal and Democratic Services (Monitoring Officer)

**Members of Schools Forum**

Bill Dowell (Chair)

Phil Adams

Austin Atkinson

Joyce Barrow

Hilary Burke

David Chantrey

Chris Davies

Chris Endacott

Sheila Halsall

Christine Harding

Christine Hargest

Ann Hartley

Sandra Holloway

Colin Hopkins

Jo Humphreys

Peter Ingham

Pete Johnstone

Martin Jones

Sally Lill

Phil Loveday

Yvette McDaniel

Kay Miller

Ian Nurser

Phil Poulton

David Ravenscroft

Kay Redknap

Mark Rogers

James Sparkes

Your Committee Officer is:

**Philip Wilson** Service Manager Business Support People

Tel: 01743 254344


Email: [phil.wilson@shropshire.gov.uk](mailto:phil.wilson@shropshire.gov.uk)

# **AGENDA**

- 1 Apologies**
- 2 Minutes and Matters Arising (Pages 1 - 4)**
- 3 Lobbying**
- 4 Fairer Schools Funding in 2015 - 16 (Gwyneth Evans) (Pages 5 - 44)**
- 5 Task and Finish Group on School Sustainability (Pages 45 - 56)**
- 6 Joint Use Leisure Centres and Swimming Pools Funding Arrangements (Phil Wilson)**
- 7 Universal Infant Free School Meals (Phil Wilson) (Pages 57 - 62)**
- 8 Communications**
- 9 National Funding Formula Update**
- 10 Next Meeting**

Thursday 19 June 2014 at 8.30 am at Shrewsbury Training and Development Centre

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 <p><b>Shropshire</b> Council</p>	<p><b>Schools Forum</b></p> <p><b>Date:</b> 20 March 2014</p> <p><b>Time:</b> 8.30 am</p> <p><b>Venue:</b> STDC, Monkmoor, Shrewsbury</p>	<p><u>Item/Paper</u></p> <p style="text-align: center;"><b>A</b></p> <p>Public</p>
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## MINUTES OF SCHOOLS FORUM HELD ON 23 JANUARY 2013

### Present:

#### School Forum Members

Bill Dowell – 14-19 Forum  
 Phil Adams – Academy headteacher  
 David Chantrey – Primary governor  
 Chris Davies – Special school headteacher  
 Sheila Halsall – Secondary governor  
 Christine Harding – Early Years Provider  
 Christine Hargest - Association of Secretaries  
 Jo Humphreys – Primary governor  
 Peter Ingham- Secondary governor  
 Pete Johnstone – Secondary headteacher  
 Martin Jones – Primary governor  
 Sally Lill – Primary headteacher  
 Phil Loveday – Academy headteacher  
 Yvette McDaniel – Primary headteacher  
 Kay Miller – Primary headteacher  
 Ian Nurser – Primary headteacher  
 David Ravenscroft – Secondary governor  
 Kay Redknap – TMBSS Headteacher  
 Mark Rogers – Primary headteacher  
 James Sparkes – Secondary governor

#### Members

Cllr Ann Hartley

#### Officers

Phil Wilson  
 Rob Carlyle  
 Gwyneth Evans  
 Neville Ward  
 Deborah Fern  
 Graham Moore  
 Helen Woodbridge (Minutes)

#### Observers/visitors

Cllr Hannah Fraser

### 1. Apologies

Apologies had been received from Austin Atkinson, Karen Bradshaw, John Hitchings, Sandra Holloway and Phil Poulton.

The Chair welcomed Sally Lill to her first meeting.

### 2. Minutes and Matters Arising (Paper A)

The minutes of the meeting held on 5 December 2013 were accepted as a true record.

Gwyneth Evans provided an update on the High Needs Targeted Allocation and the effect of MFG. Schools Forum had requested that MFG be dis-applied from this and this has been agreed. The total reduction from Primary AWPU (based on real data) will be £4.02. Secondary AWPU will be reduced by £1.63 as one school does trigger the funding when real data is used.

### ACTION

### 3. **Lobbying**

Ann Hartley advised that she would be meeting with the local MPs the following day. She had asked if the Chair could attend but this had not been allowed. She agreed to report back to the next Schools Forum Meeting. Phil Adams asked if there was any more news of the national funding formula.

Phil Wilson advised that he had attended a Westminster Forum last week where the Chief Executive of the EFA had avoided that question.

The Chair and Gwyneth Evans will attend a briefing at the House of Commons on the funding formula in early February and will then prepare a briefing paper.

Mark Rogers had noticed a change over the last 10/15 years. Lower funded authorities used to perform well but now this performance is dropping comparatively as other authorities have been better funded. Perhaps F40 could press on this issue.

Phil Adams spoke of the difficulties of small schools which are categorised as RI as due to lack of funding they don't have the capacity to improve.

Peter Ingham advised that during the recent Ofsted inspection at his school Ofsted had not been interested in the funding.

The Chair thought that 'the capacity to improve' is key.

It was agreed that Ann Hartley would report that Schools Forum is concerned re the maintaining of standards and the capacity to improve.

Chris Davies reminded Schools Forum of the fact that a curriculum led model can not be afforded.

### 4. **Post 16 Funding Issues – Graham Moore (Paper B)**

Graham Moore talked through his paper which was presented in response to issues raised at Schools Forum. Some Schools Forum members were confused by the move to 540 hours and what can be included. There was some discussion. The Chair advised that schools were being brought into line with colleges.

Phil Loveday commented that colleges have many more economies of scale.

Martin Jones asked about the third strand – training in employment. It was confirmed that training has to be for at least one day per week.

Graham Moore advised that it was possible for a student to be working/studying for 1,000 hours but schools would only be funded for 540 hours.

Phil Loveday and the Chair spoke of the enormous impact of these changes on the budgets of schools with sixth forms. Phil Loveday's school needs 144 students in the sixth form to be viable. Transport is also an issue.

The Chair saw that the financial problems in primary and secondary schools are now being replicated in Post 16.

Another issue is Shropshire students attending colleges out of county.

Graham Moore advised that Shropshire is a net exporter of students by around 20% of the cohort and there are varying reasons for this.

The creation of an extra sixth form in the north of the county will not help the issue and falling rolls will also exacerbate the situation.

Chris Davies advised of the growth in high needs pupils which is a huge draw on funding.

The Chair summarised that it is the LA's responsibility to ensure learners' needs are met. However, the LA has no funding and therefore no power. A Learning Plan is being created and the LA is working with the Shropshire Learning Network. Janine Vernon and Graham Moore are supporting schools in preparing for the October 2014 census.

The Chair suggested another report at the meeting after next.

It was agreed that Post 16 should be included in the remit of the School Sustainability Task and Finish Group.

**5. Observer Protocol – Phil Wilson (Paper C)**

Phil Wilson went through the paper which was generally approved subject to the amendment of Point 7 to make participation more limited.

**6. Schools Budget 2014-15 – Update - Gwyneth Evans (Paper D)**

Gwyneth Evans presented the paper and advised that a more detailed paper would be brought to the next meeting. She added that schools should receive their budgets for next year next week. £1900 per LAC will be available but Phil Adams was concerned that not all adopted children are known and there is no way of ascertaining this information. £53 pupil premium per FSM pupil will be added to this year's budget. Mark Rogers was concerned that the addition of these funds makes the funding gap wider.

**7. Carbon Tax – Phil Wilson (Paper E)**

Ann Hartley agreed to challenge the deduction of Carbon Tax which is a charge and leaves no incentive for schools to conserve energy.

It was advised that the Carbon Reduction Loan is still available and Phil Adams advised that academies can access low interest loans.

Ian Nurser felt that whilst MFG is still in place, this is another hit for the larger schools.

Phil Loveday wanted to ensure that in joint use sites, this charge was shared.

Sally Lill was concerned because Shropshire's old school building stock means that schools are stuck with poor energy performance.

David Ravenscroft asked about the LA's policy.

Phil Wilson advised that initiatives had been put in place working within the policy but were collapsing eg issues with suppliers of biomass boilers/the need for schools to be fully insulated before the installation of biomass boilers.

Pete Johnstone found the comparison interesting as the newest school did not seem to be energy efficient. This was explained as the school has a swimming pool.

Phil Adams suggested that LAs which had not been in receipt of any BSF funding should be prioritised and it was agreed that this should be raised with the MPs.

**8. Communications**

Ann Hartley will be meeting with local MPs. The Chair and Gwyneth Evans will be attending a Fair Funding Conference at the House of Commons.

This issue of lower funding leading to poorer performance was discussed

further. Chris Davies reminded colleagues that this had been predicted by Schools Forum.

Mark Rogers felt that this applied to most rural authorities and should be communicated as this – not just Shropshire.

Sally Lill suggested that the time taken by schools to come out of a 'requires improvement' category is a good measure.

Phil Adams advised that secondary schools have limited capacity to support other schools and therefore outstanding academy support is not available to Shropshire schools.

Ann Hartley surmised that this is the time to intervene.

The Chair added that Post 16 performance is not good with buildings that are not fit for purpose.

The primary curriculum is to be implemented with no additional funding.

Yvette McDaniel advised that in smaller schools, instead of having release time, headteachers are teaching more and having to spend the saving on the buildings.

Ian Nurser advised that teaching schools do not have the capacity to do everything.

**9. Dedicated Schools Grant Monitoring**

Deborah Fern gave a brief overview.

There was discussion about the 2 year old funding as not all eligible children have taken up their place. It was confirmed that the barriers are being investigated.

**10 Meeting Dates for academic year 2014-15**

18 September 2014, 23 October 2014, 27 November 2014, 22 January 2015, 26 March 2015, 18 June 2015.

**11. Next meeting**

The next meeting will be held on Thursday 20 March 2014

**The meeting closed at 10.40 am.**

**Future meetings:**

19 June 2014, 18 September 2014, 23 October 2014, 27 November 2014, 22 January 2015, 26 March 2015, 18 June 2015.





## Schools Forum

Date: 20 March 2014

Time: 8:30 a.m.

Venue: Shrewsbury  
Training and Development  
Centre

Paper

# B

Public

## Fairer Schools Funding in 2015-16

**Responsible Officer** Gwyneth Evans

e-mail: [gwyneth.evans@shropshire.gov.uk](mailto:gwyneth.evans@shropshire.gov.uk) Tel: 01743 253875 Fax: 01743 254538

### Summary

The Government announced on 13 March 2014 the launch of a consultation document setting out proposals for the next phase of school funding reforms for 5 to 16 year olds. This will begin to address the unfairness of the current funding system and provide additional funding to authorities that are the least fairly funded.

The consultation document 'Fairer Schools Funding in 2015-16' proposes allocating an additional £350m to schools in the least fairly funded local authorities in England in the 2015-16 financial year.

The consultation period runs until 30 April 2014.

### Recommendation

Schools Forum is asked for views in response to the Government's consultation on Fairer Schools Funding in 2015-16.

## REPORT

### Background

1. There is widespread recognition that the current school funding system is unfair and out of date. Shropshire Schools Forum, Shropshire schools, Shropshire Council and Shropshire MPs have campaigned for many years for a fairer deal for Shropshire schools. Significant work has also been undertaken by the F40 campaign group, which represents the local authorities with the poorest funded schools in England.
2. The Government have consulted on reforms to the school funding system since 2011 and have introduced a number of significant changes to how local authorities distribute funding to schools in 2013-14 and 2014-15.

3. This next step in the Government's reforms aims to address the unfairness of school funding levels across local authorities from 2015-16.
4. The proposals provide additional funding of £350m in 2015-16 to fund schools in the least fairly funded authorities whilst ensuring all local authorities receive at least the same cash level per pupil as in 2014-15.
5. The Government has announced that the Minimum funding Guarantee (MFG) will remain at minus 1.5% per pupil in 2015-16.
6. The Government is not proposing to make further changes to local formulae for 2015-16 other than possible minor changes to the sparsity factor introduced in 2014-15. The consultation document seeks views on the usefulness of the 2014-15 sparsity factor within local formulae.
7. A copy of the full consultation document 'Fairer Schools Funding in 2015-16', including Annexes detailing the indicative minimum funding levels for 2015-16, indicative changes to local authority funding in 2015-16 and the proposed area cost adjustment, is attached to this report.

#### **Proposed basis for the allocation of the additional funding in 2015-16**

8. The consultation document proposes allocating the additional £350m funding by setting minimum funding levels that a local authority should attract for its pupils and schools in 2015-16. If a local authority already attracts at least these minimum funding levels then there will be no change to the amount of schools block funding per pupil that it receives. Where a local authority attracts less than these minimum funding levels for the pupils and schools in its area, their budget will be increased so that it meets those levels.
9. Details of the proposed indicative minimum funding levels are attached at Annex A to the consultation document.
10. Whilst the proposed minimum funding levels uses seven of the characteristics used in the local funding formulae, the Government is not proposing that local authorities should be required to use those seven factors in their local formulae in 2015-16, other than the basic per pupil amount and the deprivation factor which are mandatory. Nor is the Government proposing that local authorities choosing to use any of these seven factors should be required to weight that factor at or above the minimum funding level. It will remain for the local authority to decide how best to apply its local formulae to meet its circumstances.

#### **Proposed impact on Shropshire's schools block funding in 2015-16**

11. As reported to Schools Forum in January, Shropshire's actual schools block allocation for 2014-15 equates to £4,113 per pupil and totals £143.6m.
12. The proposals within the consultation document allocate indicative additional funding of £8.9m to Shropshire schools in 2015-16. This equates to an increase of £255 per pupil from 2014-15 levels, taking the proposed schools block total allocation for 2015-16 to £152.5m, a 6.2% increase.

13. In percentage terms Shropshire is the 7<sup>th</sup> highest gainer under these proposals. A full table of proposed indicative changes to local authority funding in 2015-16 is attached at Annex B to the consultation document.
14. This is clearly a significant potential increase to Shropshire schools funding and is beyond the expectations of local authority officers and schools representatives working on school funding in Shropshire. As such the work of the Task & Finish Group considering the sustainability of Shropshire schools and the very recent messages to CPG have not reflected the impact of these proposals on Shropshire schools funding from 2015-16.
15. It is important to understand the impact of new additional funding on schools currently in receipt of MFG. For many Shropshire schools new additional funding may either all, or in part, be offset by a corresponding reduction to their MFG protection funding initially.

### **Consultation Response**

16. The Government is seeking views on the basis of their proposal to allocate an additional £350m to the least fairly funded local authorities based on the minimum funding levels detailed in Annex A of the consultation document and the basis for the inclusion of an area cost adjustment as detailed in Annex C to the consultation document.
17. Views are also sought on how useful local authorities have found the new sparsity factor introduced in 2014-15 to understand if any changes would be helpful for 2015-16.
18. The consultation questions are attached at the end of the consultation document. The closing date for responses is 30 April 2014.
19. The results of the consultation and the department's response will be published on the DfE e-consultation website in summer 2014.

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Department  
for Education

**Launch date 13 March 2014**  
**Respond by 30 April 2014**  
**Ref: Department for Education**

## **Fairer schools funding in 2015-16**

# Fairer schools funding in 2015-16

This consultation sets out the Department for Education's proposal to allocate an additional £350m in 2015-16, to increase the per-pupil budgets for the least fairly funded local areas. Our proposal will mean that in 2015-16, every local area will attract a minimum level of funding for each of its pupils and schools, making the distribution of funding to local areas fairer whilst ensuring that no area receives a cut to its per-pupil budget. This consultation invites views on how to set these minimum funding levels, and how we will distribute the additional £350 million funding.

We are inviting views on whether small changes to the operation of the sparsity factor would be helpful.

**To** Maintained schools; academies; local authorities; governors; bursars; parents; schools forums; trade union organisations

**Issued** 13 March 2014

**Enquiries To** If your enquiry is related to the policy content of the consultation you can contact the Department on 0370 000 2288

e-mail: [SchoolFunding.CONULTATION@education.gsi.gov.uk](mailto:SchoolFunding.CONULTATION@education.gsi.gov.uk)

## Contact Details

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the Ministerial and Public Communications Division by e-mail: [consultation.unit@education.gsi.gov.uk](mailto:consultation.unit@education.gsi.gov.uk) or by telephone: 0370 000 2288 or via the Department's '[Contact Us](#)' page.

# 1 Introduction

## 1.1 Making school funding fairer

There is widespread recognition that the current school funding system is unfair and out of date. We are committed to addressing this so that, across the country, schools have a fair funding allocation that equips them to provide a world-class education.

Since we first consulted in 2011 on how to improve the school funding system, we have introduced a number of important changes to how local authorities distribute funding to schools. These changes have already led to a more transparent funding system with more money being allocated based on the needs of pupils. In 2013-14, local authorities allocated almost 90% of funding based on the needs of pupils, compared with 71% in 2012-13.

We are now determined to provide additional funding to the least fairly funded local authorities in 2015-16. After we have met our commitment to fund all local authorities at the same cash level per pupil as in 2014-15, we have decided to add a further £350m to fund schools in the least fairly funded authorities. This will be the first time in a decade that funding has been allocated to local areas on the basis of the actual characteristics of their pupils and schools, rather than simply their historic levels of spending. **No local authority or school will receive less funding as a result of this proposal.**

Although these proposals do not represent implementation of a national funding formula, this is the biggest step towards fairer funding for schools in a decade. The proposals we are announcing today put us in a much better position to implement a national funding formula when the time is right. This will be when the government has set spending plans over a longer period of time, allowing us to give schools and local authorities more certainty about how the formula will affect them over a number of years.

This proposal relates to 2015-16. Beyond 2015-16, the allocation of funding between local authorities will be a matter for the next spending review.

## 1.2 Allocating the additional funding fairly

1.2.1 We have carefully considered how we can allocate the £350m as fairly as possible – in a way that reflects the needs of pupils and schools. We are determined to avoid allocating it in a way that could perpetuate the flaws and inconsistencies of the current system, which we have been progressively reforming.

We propose to allocate the additional funding by setting minimum funding levels that a local authority should attract for its pupils and schools in 2015-16. If a local authority already attracts at least these minimum funding levels, then we will not make any change to the amount of funding per pupil that it receives. If a local authority attracts less than these minimum funding levels for the pupils and schools in its area, we will increase its budget so that it meets those levels.

We propose setting a minimum funding level for five pupil characteristics:

- a per-pupil amount ('age weighted pupil unit');
- pupils who are from deprived backgrounds;
- pupils who have been looked after<sup>1</sup>, for example in foster care;
- pupils with low attainment before starting at either their primary or secondary school;
- pupils who speak English as an additional language.

In addition, we propose setting a minimum funding level for two school characteristics currently used by local authorities to allocate money to schools:

- a minimum funding level for each school on top of its per-pupil funding ('lump sum'); and
- a minimum funding level for small schools that are essential to serving rural areas ('sparsity sum')<sup>2</sup>.

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<sup>1</sup> For 2015-16, a single indicator will be provided, covering all pupils who have been looked after for one day or more on the 31 March 2014. This is the same measure as was set out in the operational guidance for 2014-15.

<sup>2</sup> The sparsity factor is one of a number of permitted factors that local authorities can use in their local funding formula. This formula factor allows local authorities to allocate additional funding to small schools that are essential to serving small rural communities.



We propose setting our minimum funding levels based on the average amounts<sup>3</sup> that local authorities allocate to these characteristics in their local formulae at present. We propose to apply the minimum funding level for the basic per-pupil amount ('age-weighted pupil unit') at the average that local authorities currently allocate through this factor. In doing this, we will use roughly 75% of the £350m of additional funding<sup>4</sup>. We then propose to apply the minimum funding levels for the other characteristics using the rest of the additional funding (roughly 25%). This will mean that we can set each of the other minimum funding levels close to the level of its current local authority average<sup>5</sup>.

We propose to raise the minimum funding levels for local authorities in areas with higher salaries in line with a 'hybrid area cost adjustment'. This takes account of both teacher salary and general labour market data. We set out this approach in detail at Annex C.

Indicative minimum funding levels, based on the data currently available, are as follows. These are subject to revision when we have final confirmation of local authorities' local funding formulae for 2014-15.

### **Indicative minimum funding levels**

- A basic per pupil amount – primary: £2,845; key stage 3: £3,951; key stage 4; £4,529
- Deprivation – between £893 and £1,974 – full breakdown in Annex A
- Looked after children – £1,009
- Low prior attainment – primary: £878; secondary: £1,961
- English as an additional language – primary: £505; secondary: £1,216
- A lump sum for every school – primary: £117,082; secondary: £128,189
- Additional sparsity sum for small schools vital to serving rural communities – up to £53,988
- An area cost adjustment to increase minimum funding levels in areas

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<sup>3</sup> In order to calculate the indicative minimum funding levels shown in this document, we have used the published final 2013-14 pro forma data to calculate the average per pupil amounts – with the exception of the lump sum and sparsity sum, where we have used provisional 2014-15 school funding data. To calculate the average per pupil amounts for a particular characteristic, we have only included local authorities that allocated funding for the characteristic in question and the average amounts are calculated as a pupil-weighted average. When final 2014-15 pro forma data is available, we will review the minimum funding levels.

<sup>4</sup> In using the final 2014-15 data this proportion may change. For example, if the average age weighted pupil unit is higher in 2014-15 than in 2013-14, this proportion will increase.

<sup>5</sup> Each of the indicative minimum funding levels, with the exception of the minimum funding level for the basic per pupil amount, has been scaled back from the current local authority average proportionately to use the remaining share of the total available funding (roughly 25%). October 2014 census data will be used to calculate each of the minimum funding levels before Dedicated Schools Grant (DSG) funding is confirmed for 2015-16.

with higher labour market costs.

In order to calculate whether a local authority will attract additional funding to reach the minimum funding levels, we will first look at the amount each local authority would be due to receive in 2015-16, given our commitment to fund all local authorities at the same cash level per pupil as in 2014-15. We will then apply the minimum funding levels to calculate a new total. This will be done by:

- i. multiplying each of the minimum funding levels by the relevant number of eligible pupils or schools in the local authority<sup>6</sup>;
- ii. summing each of the totals in (i) to create a new funding amount for the local authority;
- iii. applying the area cost adjustment to the total in (ii);
- iv. if this total is more than the original total set out in paragraph 12, we will increase the local authority's funding to reach this new level;
- v. if not, the level of funding remains the same.

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<sup>6</sup> At the time DSG allocations are confirmed, the department will use October 2014 census data. The exemplification in this document uses October 2013 data.

A worked example of our proposed approach is set out below.

### **Worked Example: Authority X**

**The following example demonstrates how the minimum funding levels would be applied in imaginary authority X, which has 100,000 pupils. This authority only has KS3 pupils and every deprived pupil also lives in an IDACI 6 area.**

#### **i. Total funding 2014-15 £400,000,000**

There are 100,000 pupils in authority X and in 2014-15 this authority will receive £400m with each pupil attracting £4,000.

#### **ii. Apply each of the minimum funding levels:**

- KS 3 AWPU MFL x [100,000 pupils in LA] =£3,951 x 100,000 =£395,100,000
- Deprivation MFL x [5,000 deprived pupils] =£1,974 x 5,000 =£9,870,000
- LAC MFL x [250 LAC pupils] =£1,009 x 250 =£252,250
- LPA MFL x [5000 LPA pupils] =£1,961 x 5,000 =£9,805,000
- EAL MFL x [250 EAL pupils] =£1,216 x 250 =£304,000
- Lump sum MFL x [100 schools] =£128,189 x 100 schools =£12,818,900
- Sparsity MFL<sup>7</sup> x [10 schools with 300 pupils ] =£26,994 x 10 =£269,940

#### **iii. New MFL total**

- The sum of each MFL calculation above is =£428,420,090.
- Authority x attracts an ACA adjustment factor of 1.1.
- The adjusted MFL total would be £428,420,090 x 1.1 =£471,262,099
- Divided by the number of pupils in the local authority =£4,713 per pupil

Authority X would receive the higher total budget of £471,262,099 and the higher per pupil amount of £4,713, because their current funding and per pupil amount is less than these new totals.

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<sup>7</sup> In this example, each school attracts 50% of the sparsity MFL. This is because the sparsity amount is a tapered sum. With 300 pupils, the secondary schools attract 50% of the MFL. More information on how the tapering works can be found in the operational guidance for 2014-15.

The table at Annex B lists the 62 local authorities that currently attract less than the indicative minimum funding levels for their pupils and schools. The table indicates the new level of funding per pupil for 2015-16<sup>8</sup> that would result from these indicative minimum funding levels. **Every other local authority will see its per pupil funding maintained in cash terms, consistent with funding decisions since the start of this Parliament. No school or local authority will lose money as a result of this proposal.**

Note that in most cases, we have used published 2013-14 local authority pro-forma data to calculate the indicative minimum funding levels shown in this document. When final 2014-15 data is available we will review the minimum funding levels and **it is possible some local allocations may vary in order to fit within the envelope of funding we have available.** For example, if the average AWPU turns out to be higher in 2014-15, a greater proportion of the £350m funding would be allocated through the AWPU minimum funding level, meaning a smaller proportion of the overall pot would be allocated through the remaining factors.

## 1.3 The role of local authority in 2015-16

1.3.1 Our proposal uses seven of the characteristics used in local formulae, but we are not proposing that local authorities should be required to use those seven factors in their local formulae in 2015-16 (with the exception of the basic per pupil amount and the deprivation factor, which are mandatory). Nor are we proposing that local authorities choosing to use any of these seven factors should be required to weight that factor at or above the minimum funding level. It will remain for the local authority to decide how best to apply its local formulae to meet its circumstances.

We are not proposing any changes for 2015-16 to the way in which local authorities can allocate funding to schools – except, possibly, minor changes to the sparsity factor. When we introduced the sparsity factor for 2014-15, we said that we would review how useful local authorities had found this factor. We would like to seek views on this through this consultation, particularly to understand if any changes would be helpful for 2015-16. We have set out a number of questions on the sparsity factor as part of the consultation response

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<sup>8</sup> Any additional funding allocated would be applied only to the schools block within local authorities' DSG allocations. Local authorities will continue to be free to move funding between their schools, high needs and early years blocks in 2015-16 provided they comply with the requirements of our Minimum Funding Guarantee (MFG).

form provided alongside this document.

We will retain the Minimum Funding Guarantee, which has been in place over many years and which dictates that for the vast majority of schools, funding per pupil cannot drop by more than 1.5% per year<sup>9</sup>.

## **2 Annex A: Indicative minimum funding levels for 2015-16**

- 2.1 Please click [here](#) to download Annex A, the Indicative minimum funding levels for 2015-16.

## **3 Annex B: Indicative changes to local authority funding in 2015-16**

- 3.1 Please click [here](#) to download Annex B, the Indicative changes to local authority funding in 2015-16.

## **4 Annex C: Area Cost Adjustment (ACA)**

- 4.1 Please click [here](#) to download Annex C, the Area Cost Adjustment (ACA)

## **5 Consultation**

- 5.1 To respond to our proposals go to [www.education.gov.uk/consultations](http://www.education.gov.uk/consultations). The consultation closes on 30 April 2014.

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<sup>9</sup> Some funding is excluded from the calculation of the Minimum Funding Guarantee. Details of this are in '2014-15 Revenue Funding Arrangements: Operational Information for Local Authorities.

## **6 How To Respond**

**6.1** Consultation responses can be completed online  
[www.education.gov.uk/consultations](http://www.education.gov.uk/consultations).

by emailing: [SchoolFunding.CONULTATION@education.gsi.gov.uk](mailto:SchoolFunding.CONULTATION@education.gsi.gov.uk)

or send by post to:

Ministerial and Public Communication Division, Level 2, Department for  
Education, Mowden Hall, Staindrop Road, Darlington, DL3 9BG

## **7 Additional Copies**

**7.1** Additional copies are available electronically and can be downloaded from the  
Department for Education e-consultation website at:  
[www.education.gov.uk/consultations](http://www.education.gov.uk/consultations)

## **8 Plans for making results public**

**8.1** The results of the consultation and the department's response will be published  
on the DfE e-consultation website in summer 2014.

## Annex A: Indicative minimum funding levels for 2015-16

1. The table below provides more information about each of the indicative minimum funding levels. These may change when we have final confirmation of local authorities' 2014-15 local funding formulae.

		Minimum funding levels		
		Primary	Secondary	
Age-weighted pupil unit		£2,845	Key stage 3: £3,951 Key stage 4: £4,529	
Pupils who have been eligible for free school meals in the past six years		£893	£1,080	For a pupil who is both eligible for free school meals and lives in an IDACI band 1 to 6 area, the local authority would attract both the FSM and relevant IDACI band minimum funding levels.
Pupils who live in an area that is in one of the income deprivation affecting children index (IDACI) bands	IDACI 1	£237	£321	
	IDACI 2	£290	£423	
	IDACI 3	£387	£530	
	IDACI 4	£453	£596	
	IDACI 5	£511	£659	
	IDACI 6	£741	£894	
Looked after children		£1,009	£1,009	The same measure would be used as is currently set out in the 2014-15 school funding arrangements. The minimum funding level would apply to the children reported to the Department, through the annual children looked after return and who are looked after children, for one day or more at the census point.
Pupils with low prior attainment		£878	£1,961	For the primary measure, this would apply to pupils who did not reach the expected level of development on the new Early Years Foundation Stage Profile or who achieved fewer than 78 points on the old EYFSP. For secondary pupils the minimum funding level applies to pupils not reaching L4 at KS2 in either English or maths.
English as an additional language		£505	£1,216	This minimum funding level would apply to pupils with EAL who entered the English state school system in the past three years.
Lump sum		£117,082	£128,189	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.
Sparsity sum		£53,988	£53,988	A taper would apply, whereby the size of 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 sparsity factor in local formulas. Details of this are in '2014-15 Revenue Funding Arrangements: Operational Information for Local Authorities'.

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## Annex B: Indicative changes to local authority funding in 2015-16

1. Figure B1 below lists the 62 authorities that would receive additional funding under our indicative minimum funding levels, assuming 2014-15 pupil numbers<sup>1,2</sup>. The minimum funding levels may change when we have final confirmation of LA's 2014-15 local funding formulae.

**Figure B1: Indicative changes to local authority funding in 2015-16**

Local Authority	Actual 2014-15 funding		Indicative funding under minimum funding levels proposal		Indicative increase in funding under minimum funding levels proposal	
	Funding per pupil	Total funding	Funding per pupil	Total funding	Percentage	Total
Bromley	£4,082	£169.6m	£4,543	£188.7m	11.3%	£19.1m
Cambridgeshire	£3,950	£294.3m	£4,225	£314.8m	7.0%	£20.5m
Brent	£5,066	£190.7m	£5,416	£203.9m	6.9%	£13.2m
Sutton	£4,360	£124.7m	£4,637	£132.6m	6.4%	£7.9m
Northumberland	£4,244	£166.2m	£4,513	£176.8m	6.4%	£10.6m
South Gloucestershire	£3,969	£137.5m	£4,217	£146.1m	6.3%	£8.6m
Shropshire	£4,113	£143.6m	£4,368	£152.5m	6.2%	£8.9m
Merton	£4,534	£98.6m	£4,812	£104.7m	6.1%	£6.0m
Croydon	£4,559	£208.6m	£4,830	£220.9m	5.9%	£12.4m
Bournemouth	£4,154	£79.2m	£4,393	£83.8m	5.8%	£4.6m
Buckinghamshire	£4,040	£275.4m	£4,263	£290.5m	5.5%	£15.2m
Cheshire West and Chester	£4,129	£173.6m	£4,352	£183.0m	5.4%	£9.4m
Leicestershire	£3,995	£339.7m	£4,197	£356.9m	5.1%	£17.2m
Warwickshire	£4,079	£281.3m	£4,267	£294.3m	4.6%	£13.0m
Devon	£4,156	£358.1m	£4,345	£374.3m	4.5%	£16.2m
Surrey	£4,096	£548.8m	£4,282	£573.5m	4.5%	£24.8m
Bury	£4,230	£111.1m	£4,418	£116.1m	4.5%	£5.0m
Norfolk	£4,334	£432.9m	£4,494	£448.9m	3.7%	£16.0m
North Lincolnshire	£4,316	£95.0m	£4,469	£98.4m	3.5%	£3.4m
Westminster	£5,663	£88.2m	£5,862	£91.3m	3.5%	£3.1m

<sup>1</sup> The figures in the table above have been calculated on the basis of 2014-15 pupil numbers (using the October 2013 school census). For 2015-16 we intend to use data from the October 2014 school census.

<sup>2</sup> The methodology for calculating the indicative funding, as a total and per pupil, is set out in the worked example on page 6.

Local Authority	Actual 2014-15 funding		Indicative funding under minimum funding levels proposal		Indicative increase in funding under minimum funding levels proposal	
	Funding per pupil	Total funding	Funding per pupil	Total funding	Percentage	Total
Derbyshire	£4,245	£405.0m	£4,392	£418.9m	3.4%	£14.0m
Poole	£4,007	£68.3m	£4,142	£70.6m	3.4%	£2.3m
Redbridge	£4,668	£199.7m	£4,823	£206.3m	3.3%	£6.6m
Rutland	£4,087	£20.9m	£4,214	£21.5m	3.1%	£0.6m
Gloucestershire	£4,203	£316.0m	£4,331	£325.6m	3.0%	£9.6m
Herefordshire	£4,306	£90.9m	£4,430	£93.5m	2.9%	£2.6m
Stoke-on-Trent	£4,507	£145.1m	£4,634	£149.2m	2.8%	£4.1m
Windsor and Maidenhead	£4,325	£77.5m	£4,440	£79.5m	2.7%	£2.1m
Central Bedfordshire	£4,144	£145.7m	£4,253	£149.5m	2.6%	£3.8m
Cheshire East	£4,077	£186.7m	£4,180	£191.4m	2.5%	£4.7m
Cumbria	£4,449	£269.2m	£4,560	£275.9m	2.5%	£6.7m
Suffolk	£4,241	£370.1m	£4,347	£379.3m	2.5%	£9.2m
Swindon	£4,102	£117.7m	£4,203	£120.5m	2.5%	£2.9m
Salford	£4,551	£131.2m	£4,658	£134.3m	2.3%	£3.1m
Bracknell Forest	£4,187	£62.6m	£4,284	£64.1m	2.3%	£1.4m
North Yorkshire	£4,338	£316.5m	£4,435	£323.7m	2.2%	£7.1m
Wiltshire	£4,213	£249.1m	£4,305	£254.5m	2.2%	£5.4m
Reading	£4,454	£71.1m	£4,547	£72.6m	2.1%	£1.5m
Northamptonshire	£4,189	£395.2m	£4,265	£402.4m	1.8%	£7.2m
Worcestershire	£4,231	£291.5m	£4,302	£296.4m	1.7%	£4.9m
Blackpool	£4,459	£80.2m	£4,530	£81.4m	1.6%	£1.3m
Durham	£4,573	£281.1m	£4,643	£285.4m	1.5%	£4.3m
Cornwall	£4,397	£285.0m	£4,451	£288.5m	1.2%	£3.5m
Telford and Wrekin	£4,367	£97.0m	£4,419	£98.1m	1.2%	£1.1m
Medway	£4,352	£161.1m	£4,402	£163.0m	1.2%	£1.9m
Hertfordshire	£4,320	£670.3m	£4,365	£677.3m	1.0%	£6.9m
Somerset	£4,278	£273.2m	£4,320	£275.9m	1.0%	£2.7m
Lincolnshire	£4,329	£392.0m	£4,370	£395.7m	0.9%	£3.7m
Dorset	£4,167	£202.3m	£4,204	£204.1m	0.9%	£1.8m
Peterborough	£4,490	£124.7m	£4,513	£125.3m	0.5%	£0.6m
Barnsley	£4,459	£126.7m	£4,478	£127.3m	0.4%	£0.5m
Bedford	£4,466	£101.0m	£4,484	£101.4m	0.4%	£0.4m

Local Authority	Actual 2014-15 funding		Indicative funding under minimum funding levels proposal		Indicative increase in funding under minimum funding levels proposal	
	Funding per pupil	Total funding	Funding per pupil	Total funding	Percentage	Total
Plymouth	£4,364	£140.1m	£4,380	£140.6m	0.4%	£0.5m
Isle of Wight	£4,489	£69.6m	£4,504	£69.9m	0.3%	£0.2m
East Riding of Yorkshire	£4,258	£177.9m	£4,271	£178.5m	0.3%	£0.5m
West Berkshire	£4,359	£95.2m	£4,372	£95.5m	0.3%	£0.3m
Walsall	£4,643	£183.3m	£4,655	£183.8m	0.3%	£0.5m
Milton Keynes	£4,440	£167.3m	£4,448	£167.6m	0.2%	£0.3m
Oxfordshire	£4,274	£333.1m	£4,281	£333.6m	0.1%	£0.5m
Barnet	£4,988	£214.3m	£4,994	£214.5m	0.1%	£0.2m
Hillingdon	£4,820	£187.0m	£4,824	£187.2m	0.1%	£0.2m
Derby	£4,544	£154.4m	£4,546	£154.4m	0.0%	£0.1m

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## Annex C: Area Cost Adjustment (ACA)

1. This annex provides a detailed explanation of how we have developed the area cost adjustment that we are proposing is used to ensure that the allocation of additional funding reflects differences in area labour market costs.
2. The hybrid area cost adjustment would be applied to each minimum funding level so that in each local authority area, the minimum funding level reflects any disproportionate differences in labour market costs.

### A Hybrid ACA – how does this work?

3. The hybrid ACA has a teachers' pay element and a non-teaching staff element and we describe how both have been calculated below. Both elements are combined to provide an overall adjustment for each local authority and we describe how we do this and how the adjustment has been calculated for an example authority.

### Teachers' pay element

4. There are four regional pay bands for teachers: Inner London, Outer London, the Fringe and the Rest of England. We do not think it is right to use the average pay for each of these four pay band areas, because in each, average teacher pay will be influenced by the way in which the local authorities in those areas are currently funded. So we have used the following method:

- From the most recent published School Workforce Census (autumn 2012), we have looked at each teacher's<sup>1</sup> basic pay<sup>2</sup> and calculated how far that teacher was up the pay ranges for their regional pay band. For example, a classroom teacher in the Rest of England with basic pay of £21,588 in autumn 2012 is at the bottom of the main pay range for the Rest of England, which extends from £21,588 to £31,552.
- We then calculated what the same teacher's pay would be if he or she were in an equivalent position on the pay ranges for the other pay bands. For example if that teacher were at the bottom of the main pay range in Inner London (which runs from £27,000 to £36,387) they would have a basic salary of £27,000.
- We have repeated this for every teacher and every regional pay band.
- For each regional pay band, we calculated the notional average basic pay as if all teachers in England were in that pay band. For example, to calculate the average

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<sup>1</sup> All grades of teachers were included in the calculation, including the leadership group.

<sup>2</sup> 'Basic pay' refers to the pay spines and pay scales defined in the [School Teachers' Pay and Conditions Document 2012](#) (which was in force at the time when the data was collected). Basic pay excludes items such as allowances for additional responsibilities.

pay in Inner London, we included not only the teachers in Inner London, but also teachers elsewhere, with their pay converted to Inner London rates. In this example, a classroom teacher in the Rest of England whose basic pay is £21,588 would be treated as having a notional basic salary of £27,000, purely for the purpose of calculating the Inner London average. The notional average basic pay for Inner London comes out at £41,388 and for the Rest of England £34,790. These notional amounts are purely for the ACA calculation and are not the actual regional averages.

- The adjustment for Inner London is the ratio of the two, 1.1897.

5. The average basic pay for each band, and the adjustment factors, are shown in figure C1 below.

**Figure C1: Notional average basic pay and adjustment factors for teachers' regional pay bands.**

	Inner London	Outer London	Fringe	Rest of England
Notional average basic pay for ACA calculation	£41,388	£38,256	£35,827	£34,790
Adjustment factor	1.1897	1.0996	1.0298	1.0000

### Non-teaching staff element

6. The non-teaching staff element of the ACA is based on the Department for Communities and Local Government's (DCLG) labour cost adjustment (LCA), a general labour market (GLM) measure that is used to allocate funds to local authorities.

7. DCLG's LCA is based on regression analysis<sup>3</sup> of pay data from the Annual Survey of Hours and Earnings<sup>4</sup>. The regression controls for variables such as age, gender, occupation, industry and public/private sector. The output is LCAs for 55 areas of England<sup>5</sup>.

8. DCLG has set a lower limit, to reflect the fact that national pay scales for public sector employees will not completely reflect the local labour market. The effect of the lower limit is that the 23 'cheapest' areas have their LCAs raised to the value of the threshold area, West Sussex Non-Fringe.

<sup>3</sup> Further information on [DCLG's LCA methodology](#) can be found on the CLG website.

<sup>4</sup> Further information on the [Annual Survey of Hours and Earnings](#) can be found on the Office for National Statistics website.

<sup>5</sup> Some local authorities fall into more than one ACA area. For example, Kent is divided into Fringe and Non-Fringe ACA areas. In these cases, a weighted average ACA for the local authorities could be calculated on the basis of the number of pupils in each area.

9. Some local authorities fall into more than one ACA area. For example, Kent is divided into Fringe and Non-Fringe ACA areas. In these cases, a weighted average ACA for the local authorities could be calculated on the basis of the number of pupils in each area.

### **Hybrid ACA**

10. We have used recently published data on local authority expenditure on education (section 251<sup>6</sup>) to calculate the proportion of total school funding that was spent on (1) expenses related to employing **teachers** (the teacher proportion – 54.4%) and (2) expenses relating to employing **non-teaching staff** (the non-teaching staff proportion – 27.4%). The remaining 18.2% of expenditure was on non-staff costs. These splits have been calculated by apportioning the cost lines according to figure C2 on the following page.

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<sup>6</sup> The most recent [Section 251 data](#) (Apprenticeships, Skills, Children and Learning Act 2009) can be found on the Department's website.

**Figure C2: Assumed apportionment of spending between teachers, non-teaching staff and non-pay**

Spending by schools	Teachers	Non-teaching staff	Non-Pay	Excluded	Total	References to notes below
Teaching staff (E01)	100%				100%	
Supply teaching staff (E02)	100%				100%	
Education support staff (E03)		100%			100%	
Premises staff (E04)		100%			100%	
Administrative & clerical staff (E05)		100%			100%	
Catering Staff (E06)		100%			100%	
Cost of other staff (E07)		100%			100%	
Indirect employee expenses (E08)	69%	31%			100%	Note 1
Development and training (E09)	69%	31%			100%	Note 1
Supply teacher insurance (E10)	100%				100%	
Staff related insurance (E11)	69%	31%			100%	Note 1
Building maintenance and improvement (E12)		35%	65%		100%	Note 2
Grounds maintenance and improvement (E13)		35%	65%		100%	Note 2
Cleaning and caretaking (E14)		65%	35%		100%	Note 2
Water and sewerage (E15)			100%		100%	
Energy (E16)			100%		100%	
Rates (E17)			100%		100%	
Other occupation costs (E18)			100%		100%	
Learning resources (not ICT) (E19)			100%		100%	
ICT learning resources (E20)			100%		100%	
Examination fees (E21)			100%		100%	
Administrative supplies (E22)			100%		100%	
Other insurance premiums (E23)			100%		100%	
Special facilities (E24)			100%		100%	
Catering supplies (E25)			100%		100%	
Agency supply teaching staff (E26)	100%				100%	
Bought-in professional services - curriculum (E27)		40%	60%		100%	Note 2
Bought-in professional services - other (E28)		40%	60%		100%	Note 2
Loan interest (E29)			100%		100%	
Community focused extended school staff (E31)				100%	100%	Note 3
Community focused extended school costs (E32)				100%	100%	Note 3

**Notes**

1. Divided between teachers and other staff in the same proportions as E01, E02, E03, E04, E05, E06 and E07 combined.
2. Based on assumptions derived from a sample of company accounts of firms contracted by local authorities to supply these services.
3. Excluded, as not part of the school budget.



11. Figure C2 produces a ratio of Teachers' Pay to Other Pay and Non-Pay expenditure of 54%:27%:18%<sup>7</sup>. In other words, of the expenditure on labour, 66% was spent on teachers and 34% was spent on non-teaching staff. Therefore, for a combined ACA the teacher pay band data will take a weighting of 66% and the general labour market (GLM) will carry a 34% weighting.

12. This approach provides a solution to the geography mismatch between the GLM geographies and the teachers' regional pay bands, as those authorities who are in Outer London but who pay their teachers at Inner London rates have this reflected in the teachers' pay section of the ACA. The hybrid ACA for each local authority, based on the combination of the teaching and non-teaching staff pay data, in the ratios described above, is shown in figure C3.

### Example calculation

13. Ealing is in the Inner London teacher pay band, and it has a Labour Cost Adjustment of 1.1671 for non-teaching staff. The ACA for Ealing is calculated as follows:

<b>Example – The area cost adjustment for Ealing</b>	
ACA	= 1 + teacher proportion * (teacher cost adjustment – 1) + non-teaching staff proportion * (LCA – 1)
	= 1 + 54.4%*(1.1897 - 1) + 27.4%*(1.1671 - 1)
	= 1.1489

### Area cost adjustment figures by local authority

14. Figure C3 provides the adjustments we are proposing for each local authority. Using the methodology above, the ACA for a local authority area is greater than 1 if either the teacher pay element or the non-teaching staff pay element of the hybrid ACA is greater than 1. The teacher pay element is greater than 1 if all or part of the local authority is in the Fringe, Outer London or Inner London teachers' pay bands. The non-teaching staff pay element is greater than 1 if the GLM labour costs are greater than a

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<sup>7</sup> More precisely, the proportions are 54.4% : 27.4% : 18.2%.

lower limit that has been set by the Department for Communities and Local Government to be equivalent to the West-Sussex Non-Fringe GLM labour cost adjustment<sup>8</sup>.

15. Authorities that are partly in the Fringe teachers' pay band and partly in the Rest of England teachers' pay band appear twice in figure C3, as 'Fringe' and 'Non-Fringe'.

### Table of area cost adjustment by local authority

Figure C3: Area cost adjustment by local authority

Local Authority	Teachers' regional pay band	Teacher cost adjustment	Non-teaching staff element (LCA)	Hybrid ACA
Barking and Dagenham	IL	1.1897	1.1081	1.1328
Barnet	OL	1.0996	1.1671	1.1000
Barnsley	Rest	1.0000	1.0000	1.0000
Bath and North East Somerset	Rest	1.0000	1.0528	1.0145
Bedford	Rest	1.0000	1.0566	1.0155
Bexley	OL	1.0996	1.1081	1.0838
Birmingham	Rest	1.0000	1.0122	1.0033
Blackburn with Darwen	Rest	1.0000	1.0000	1.0000
Blackpool	Rest	1.0000	1.0000	1.0000
Bolton	Rest	1.0000	1.0197	1.0054
Bournemouth	Rest	1.0000	1.0000	1.0000
Bracknell Forest	Fringe	1.0298	1.1484	1.0569
Bradford	Rest	1.0000	1.0006	1.0002
Brent	IL	1.1897	1.1671	1.1489
Brighton and Hove	Rest	1.0000	1.0061	1.0017
Bristol, City of	Rest	1.0000	1.0528	1.0145
Bromley	OL	1.0996	1.1081	1.0838
Buckinghamshire Fringe	Fringe	1.0298	1.1114	1.0467
Buckinghamshire Non-Fringe	Rest	1.0000	1.1036	1.0284
Bury	Rest	1.0000	1.0197	1.0054
Calderdale	Rest	1.0000	1.0006	1.0002
Cambridgeshire	Rest	1.0000	1.0464	1.0127
Camden	IL	1.1897	1.3034	1.1863
Central Bedfordshire	Rest	1.0000	1.0566	1.0155
Cheshire East	Rest	1.0000	1.0131	1.0036
Cheshire West and Chester	Rest	1.0000	1.0131	1.0036
City of London	IL	1.1897	1.5771	1.2613
Cornwall	Rest	1.0000	1.0000	1.0000

<sup>8</sup>Further information on the methodology for [DCLG's area cost adjustment](#) can be found on the DCLG website.

<b>Local Authority</b>	<b>Teachers' regional pay band</b>	<b>Teacher cost adjustment</b>	<b>Non-teaching staff element (LCA)</b>	<b>Hybrid ACA</b>
County Durham	Rest	1.0000	1.0000	1.0000
Coventry	Rest	1.0000	1.0122	1.0033
Croydon	OL	1.0996	1.1081	1.0838
Cumbria	Rest	1.0000	1.0000	1.0000
Darlington	Rest	1.0000	1.0000	1.0000
Derby	Rest	1.0000	1.0000	1.0000
Derbyshire	Rest	1.0000	1.0000	1.0000
Devon	Rest	1.0000	1.0000	1.0000
Doncaster	Rest	1.0000	1.0000	1.0000
Dorset	Rest	1.0000	1.0000	1.0000
Dudley	Rest	1.0000	1.0122	1.0033
Ealing	IL	1.1897	1.1671	1.1489
East Riding of Yorkshire	Rest	1.0000	1.0000	1.0000
East Sussex	Rest	1.0000	1.0061	1.0017
Enfield	OL	1.0996	1.1081	1.0838
Essex Fringe	Fringe	1.0298	1.0783	1.0377
Essex non-Fringe	Rest	1.0000	1.0128	1.0035
Gateshead	Rest	1.0000	1.0000	1.0000
Gloucestershire	Rest	1.0000	1.0227	1.0062
Greenwich	IL	1.1897	1.3034	1.1863
Hackney	IL	1.1897	1.3034	1.1863
Halton	Rest	1.0000	1.0131	1.0036
Hammersmith and Fulham	IL	1.1897	1.3034	1.1863
Hampshire	Rest	1.0000	1.0512	1.0140
Haringey	IL	1.1897	1.1081	1.1328
Harrow	OL	1.0996	1.1671	1.1000
Hartlepool	Rest	1.0000	1.0000	1.0000
Havering	OL	1.0996	1.1081	1.0838
Herefordshire	Rest	1.0000	1.0000	1.0000
Hertfordshire Fringe	Fringe	1.0298	1.1114	1.0467
Hertfordshire Non-Fringe	Rest	1.0000	1.0566	1.0155
Hillingdon	OL	1.0996	1.1671	1.1000
Hounslow	OL	1.0996	1.1671	1.1000
Isle of Wight	Rest	1.0000	1.0512	1.0140
Isles of Scilly	Rest	1.0000	1.0000	1.0000
Islington	IL	1.1897	1.3034	1.1863
Kensington and Chelsea	IL	1.1897	1.3034	1.1863
Kent Fringe	Fringe	1.0298	1.0783	1.0377
Kent non-Fringe	Rest	1.0000	1.0026	1.0007
Kingston upon Hull, City of	Rest	1.0000	1.0000	1.0000
Kingston upon Thames	OL	1.0996	1.1671	1.1000
Kirklees	Rest	1.0000	1.0006	1.0002

<b>Local Authority</b>	<b>Teachers' regional pay band</b>	<b>Teacher cost adjustment</b>	<b>Non-teaching staff element (LCA)</b>	<b>Hybrid ACA</b>
Knowsley	Rest	1.0000	1.0040	1.0011
Lambeth	IL	1.1897	1.3034	1.1863
Lancashire	Rest	1.0000	1.0000	1.0000
Leeds	Rest	1.0000	1.0006	1.0002
Leicester	Rest	1.0000	1.0000	1.0000
Leicestershire	Rest	1.0000	1.0000	1.0000
Lewisham	IL	1.1897	1.3034	1.1863
Lincolnshire	Rest	1.0000	1.0000	1.0000
Liverpool	Rest	1.0000	1.0040	1.0011
Luton	Rest	1.0000	1.0566	1.0155
Manchester	Rest	1.0000	1.0197	1.0054
Medway	Rest	1.0000	1.0026	1.0007
Merton	IL	1.1897	1.1671	1.1489
Middlesbrough	Rest	1.0000	1.0000	1.0000
Milton Keynes	Rest	1.0000	1.1036	1.0284
Newcastle upon Tyne	Rest	1.0000	1.0000	1.0000
Newham	IL	1.1897	1.1081	1.1328
Norfolk	Rest	1.0000	1.0000	1.0000
North East Lincolnshire	Rest	1.0000	1.0000	1.0000
North Lincolnshire	Rest	1.0000	1.0000	1.0000
North Somerset	Rest	1.0000	1.0528	1.0145
North Tyneside	Rest	1.0000	1.0000	1.0000
North Yorkshire	Rest	1.0000	1.0000	1.0000
Northamptonshire	Rest	1.0000	1.0119	1.0033
Northumberland	Rest	1.0000	1.0000	1.0000
Nottingham	Rest	1.0000	1.0100	1.0027
Nottinghamshire	Rest	1.0000	1.0100	1.0027
Oldham	Rest	1.0000	1.0197	1.0054
Oxfordshire	Rest	1.0000	1.0802	1.0220
Peterborough	Rest	1.0000	1.0464	1.0127
Plymouth	Rest	1.0000	1.0000	1.0000
Poole	Rest	1.0000	1.0000	1.0000
Portsmouth	Rest	1.0000	1.0512	1.0140
Reading	Rest	1.0000	1.1255	1.0344
Redbridge	OL	1.0996	1.1081	1.0838
Redcar and Cleveland	Rest	1.0000	1.0000	1.0000
Richmond upon Thames	OL	1.0996	1.1671	1.1000
Rochdale	Rest	1.0000	1.0197	1.0054
Rotherham	Rest	1.0000	1.0000	1.0000
Rutland	Rest	1.0000	1.0000	1.0000
Salford	Rest	1.0000	1.0197	1.0054
Sandwell	Rest	1.0000	1.0122	1.0033

<b>Local Authority</b>	<b>Teachers' regional pay band</b>	<b>Teacher cost adjustment</b>	<b>Non-teaching staff element (LCA)</b>	<b>Hybrid ACA</b>
Sefton	Rest	1.0000	1.0040	1.0011
Sheffield	Rest	1.0000	1.0000	1.0000
Shropshire	Rest	1.0000	1.0000	1.0000
Slough	Fringe	1.0298	1.1484	1.0569
Solihull	Rest	1.0000	1.0122	1.0033
Somerset	Rest	1.0000	1.0000	1.0000
South Gloucestershire	Rest	1.0000	1.0528	1.0145
South Tyneside	Rest	1.0000	1.0000	1.0000
Southampton	Rest	1.0000	1.0512	1.0140
Southend-on-Sea	Rest	1.0000	1.0128	1.0035
Southwark	IL	1.1897	1.3034	1.1863
St. Helens	Rest	1.0000	1.0040	1.0011
Staffordshire	Rest	1.0000	1.0000	1.0000
Stockport	Rest	1.0000	1.0197	1.0054
Stockton-on-Tees	Rest	1.0000	1.0000	1.0000
Stoke-on-Trent	Rest	1.0000	1.0000	1.0000
Suffolk	Rest	1.0000	1.0001	1.0000
Sunderland	Rest	1.0000	1.0000	1.0000
Surrey	Fringe	1.0298	1.1484	1.0569
Sutton	OL	1.0996	1.1671	1.1000
Swindon	Rest	1.0000	1.0259	1.0071
Tameside	Rest	1.0000	1.0197	1.0054
Telford and Wrekin	Rest	1.0000	1.0000	1.0000
Thurrock	Rest	1.0000	1.0783	1.0215
Torbay	Rest	1.0000	1.0000	1.0000
Tower Hamlets	IL	1.1897	1.3034	1.1863
Trafford	Rest	1.0000	1.0197	1.0054
Wakefield	Rest	1.0000	1.0006	1.0002
Walsall	Rest	1.0000	1.0122	1.0033
Waltham Forest	OL	1.0996	1.1081	1.0838
Wandsworth	IL	1.1897	1.3034	1.1863
Warrington	Rest	1.0000	1.0131	1.0036
Warwickshire	Rest	1.0000	1.0253	1.0069
West Berkshire	Rest	1.0000	1.1255	1.0344
West Sussex Fringe	Fringe	1.0298	1.1484	1.0569
West Sussex Non-Fringe	Rest	1.0000	1.0000	1.0000
Westminster	IL	1.1897	1.3034	1.1863
Wigan	Rest	1.0000	1.0197	1.0054
Wiltshire	Rest	1.0000	1.0259	1.0071
Windsor and Maidenhead	Fringe	1.0298	1.1484	1.0569
Wirral	Rest	1.0000	1.0040	1.0011
Wokingham	Rest	1.0000	1.1255	1.0344

<b>Local Authority</b>	<b>Teachers' regional pay band</b>	<b>Teacher cost adjustment</b>	<b>Non-teaching staff element (LCA)</b>	<b>Hybrid ACA</b>
Wolverhampton	Rest	1.0000	1.0122	1.0033
Worcestershire	Rest	1.0000	1.0000	1.0000
York	Rest	1.0000	1.0000	1.0000



Department  
for Education

**Consultation Response Form**

**Consultation closing date: 30 April 2014**  
**Your comments must reach us by that date**

## **Fairer schools funding in 2015-16**

If you would prefer to respond online to this consultation please use the following link: <https://www.education.gov.uk/consultations>

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes, primarily the Freedom of Information Act 2000 and the Data Protection Act 1998.

If you want all, or any part, of your response to be treated as confidential, please explain why you consider it to be confidential.

If a request for disclosure of the information you have provided is received, your explanation about why you consider it to be confidential will be taken into account, but no assurance can be given that confidentiality can be maintained. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department will process your personal data (name and address and any other identifying material) in accordance with the Data Protection Act 1998, and in the majority of circumstances, this will mean that your personal data will not be disclosed to third parties.

<b>Please tick if you want us to keep your response confidential.</b>	<input type="checkbox"/>
Reason for confidentiality:	

Name:	
<b>Please tick if you are responding on behalf of your organisation.</b>	<input type="checkbox"/>
Name of Organisation (if applicable):	
Address:	



If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the Ministerial and Public Communications Division by e-mail: [consultation.unit@education.gsi.gov.uk](mailto:consultation.unit@education.gsi.gov.uk) or by telephone: 0370 000 2288 or via the Department's ['Contact Us'](#) page.

Please mark the box that best describes you as a respondent.

<input type="checkbox"/> Maintained school	<input type="checkbox"/> Academy	<input type="checkbox"/> Local authority
<input type="checkbox"/> Governor	<input type="checkbox"/> Bursar	<input type="checkbox"/> Parent
<input type="checkbox"/> Schools forum	<input type="checkbox"/> Trade union organisation	<input type="checkbox"/> Other

Please Specify:

1 Do you agree that the existing distribution of schools funding is unfair?

<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Sure
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Comments:

2 Do you agree with our proposed choice of characteristics to which to attach minimum funding levels?

Yes                       No                       Not Sure

Comments:

Given our proposal to set minimum funding levels such that we can afford to fund all local authorities at those levels or above in 2015-16, do you agree with the proposed values of the minimum funding levels?

3 a) Age Weighted Pupil Unit

Yes                       No                       Not Sure

3 b) Deprivation

Yes                       No                       Not Sure

3 c) Looked-after children

Yes                       No                       Not Sure

3 d) English as an additional language

<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Sure
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3 e) Low prior attainment

<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Sure
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3 f) Lump sum

<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Sure
------------------------------	-----------------------------	-----------------------------------

3 g) Sparsity

<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Sure
------------------------------	-----------------------------	-----------------------------------

Comments:

4 Do you agree that labour market cost differences should be taken into account as we allocate the £350m?

Agree

Disagree

Not sure

Comments:

5 Do you agree this should be calculated using the hybrid approach we have set out?

Agree

Disagree

Not sure

Comments:

6 If you do not agree that we should use a hybrid approach, what would you prefer we used?

<input type="checkbox"/> Use teacher pay bands only	<input type="checkbox"/> Use a general labour market measure only	<input type="checkbox"/> Use an alternative method
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Comments:

**Sparsity Review**

7 We introduced a sparsity factor for the first time in 2015-16. How helpful has this factor been in ensuring that sufficient funding is targeted at small schools serving sparsely populated areas?

<input type="checkbox"/> Useful	<input type="checkbox"/> Not useful	<input type="checkbox"/> Not sure
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Comments:

8 Do you think it would be useful to revise the criteria for the sparsity factor to take into account the average number of pupils in each year group, rather than the number of pupils in the school? If so, how?

Useful

Not useful

Not sure

Comments:

9 Are there any other changes you would like to suggest to improve the operation of this factor, and why?

Comments:

Thank you for taking the time to let us have your views. We do not intend to acknowledge individual responses unless you place an 'X' in the box below.

<b>Please acknowledge this reply.</b>	
E-mail address for acknowledgement:	

Here at the Department for Education we carry out our research on many different topics and consultations. As your views are valuable to us, please confirm below if you would be willing to be contacted again from time to time either for research or to send through consultation documents?

<input type="checkbox"/> Yes	<input type="checkbox"/> No
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All DfE public consultations are required to meet the Cabinet Office [Principles on Consultation](#)

The key Consultation Principles are:

- departments will follow a range of timescales rather than defaulting to a 12-week period, particularly where extensive engagement has occurred before
- departments will need to give more thought to how they engage with and use real discussion with affected parties and experts as well as the expertise of civil service learning to make well informed decisions
- departments should explain what responses they have received and how these have been used in formulating policy
- consultation should be 'digital by default', but other forms should be used where these are needed to reach the groups affected by a policy
- the principles of the Compact between government and the voluntary and community sector will continue to be respected.

If you have any comments on how DfE consultations are conducted, please contact Aileen Shaw, DfE Consultation Coordinator, tel: 0370 000 2288 / email: [aileen.shaw@education.gsi.gov.uk](mailto:aileen.shaw@education.gsi.gov.uk)

**Thank you for taking time to respond to this consultation.**

Completed responses should be sent to the address shown below by 30 April 2014

Ministerial and Public Communication Division, Level 2, Department for Education, Mowden Hall, Staindrop Road, DARLINGTON DL3 9BG

Send by e-mail to:  
[SchoolFunding.CONULTATION@education.gsi.gov.uk](mailto:SchoolFunding.CONULTATION@education.gsi.gov.uk)

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	<u>Item</u>	<u>Paper</u>
<b>Schools Forum</b> Date: 20 March 2014 Time: 8.30 am Venue: Shrewsbury Training and Development Centre, Monkmoor, Shrewsbury		<b>C</b>

## **TASK & FINISH GROUP ON SCHOOL SUSTAINABILITY**

**Responsible Officer** Phil Wilson

e-mail: phil.wilson@shropshire.gov.uk

Tel: (01743) 254344 Fax (01743) 254538

### **Summary**

At their meeting on 7 November 2013 Schools Forum approved the terms of reference, membership and project timetable for a Task & Finish Group on School Sustainability. A report from the first meeting of the group on 28 November 2013 was presented to Forum on 5 December 2013.

This report provides an update from a further two meetings of the group, on 12 February and 6 March 2014.

The Government's announcement on 13 March 2014 on Fairer Schools Funding in 2015-16 has a significant impact on the work of the group

### **Recommendation**

To note the minutes from the second and third meetings of the Task & Finish Group on School Sustainability 12 February and 6 March 2014. The views of Forum are also sought on the impact of the funding announcement on the planned work of the group.

## **REPORT**

1. On 12 September 2013 Schools Forum agreed to the establishment of a Task & Finish Group on School Sustainability to carry out a budget led technical appraisal of the potential impact on Shropshire's current schools organisational structures following the implementation of the Government's school funding reforms from 2013 and the proposed introduction of a national fair funding formula from 2015-16. At Forum's meeting on 7 November 2013 the terms of reference, membership and project timetable for the group was approved.

2. A report went to Forum in December 2013 following the first meeting of the group at the end of November. There have been two further meetings of the group, on 12 February and 6 March 2014, the minutes for which are attached.
3. The group has proposed releasing a budget planning tool to all schools before the end of the spring term, to enable governing bodies to begin looking at the medium to longer term impact on their school's financial position of the recent funding reforms. At the time of putting forward this proposal, the group did not have any information on the Government's plans regarding the introduction of a national funding formula.
4. The announcement on 13 March of the consultation on a fairer funding system from April 2015, with an indicative uplift in Schools Block funding for Shropshire schools of £8.9m, has clearly not been considered by the group. The group have another diaried meeting on 5 June 2014. It is proposed that the group consider at this meeting the full impact of the Government's announcement on the sustainability issues for Shropshire schools, to update the budget planning tool to take account of the proposed changes and to determine the timetable and strategy for circulating this to schools.



## Schools Forum Task And Finish Group on Sustainability

Date: 12 February 2014

Time: 9.00 am

Venue: STDC, Monkmoor, Shrewsbury

### MINUTES

#### Present:

Bill Dowell (Chair)  
 Nick Bardsley  
 Phil Adams  
 Hilary Burke  
 Rob Carlyle  
 Chris Davies  
 Chris Endacott  
 Gwyneth Evans  
 Hannah Fraser

John Hitchings  
 Sandra Holloway  
 Jo Humphreys  
 Chris Huss  
 Peter Ingham  
 Gareth Profitt  
 Mark Rogers  
 Phil Wilson  
 Helen Woodbridge

	ACTION
<p>1. <b>Welcome</b>            The Chair welcomed everyone to the meeting.</p>	
<p>2. <b>Apologies</b>            Apologies had been received from Pete Johnstone, Kay Miller and James Sparkes.</p>	
<p>3. <b>Minutes meeting on 28 November 2013</b>            The minutes were accepted as a true record.</p>	
<p>4. <b>Follow up on actions from last meeting:</b></p> <p><b>Curriculum-led structures in secondaries</b>            It was agreed that modelling curriculum led structures in secondary should not be pursued as they are impractical and unaffordable.            The Chair suggested that more collaborative ways of working need to be encouraged but was sensing that secondary headteachers are not keen.            Phil Adams thought that this may change through the creation of the SLP.            It was agreed that the group would continue with the modelling work and continue to engage with secondary headteachers.</p> <p><b>Data release to schools</b>            Rob Carlyle had been working on this. A two stage approach had been proposed– pupil numbers sent out first, adjusted by schools, and then budget information sent. However, this would take too long and there would be the possibility of inflating pupil numbers as schools are optimistic. It was agreed to send all of the information at the same time, with a ‘health</p>	

warning’.

Rob Carlyle demonstrated the modelling tool which will allow schools to flex the information.

Phil Wilson agreed to add notes re housing developments and the possible numbers they could generate – quite often new pupils at a school just means a drop in numbers for other Shropshire schools.

PW

Mark Rogers suggested adding an accompanying graph re long term urban/rural trends to temper hopes re housing.

RC

Chris Endacott suggested that the LA prediction line should be embedded as a second line which is unchangeable and this was agreed.

RC

Chris Davies suggested a questionnaire for buyers of properties on new developments but this was felt to be impractical.

Phil Adams spoke of the need to share this information with Parish Councils.

Peter Ingham agreed. Parish Councils need to know that if they don’t allow development then village schools may disappear.

Chris Davies wondered if the LA’s role was as a commissioner, commissioning the number of school places that it needs.

It was agreed that the information would be sent out after half term with a note asking schools to inform the LA if they think their pupil numbers will be different.

Phil Adams wondered if there was a need to talk to the press in advance of this.

**Comparative appraisal of school sizes with statistical neighbours**

Rob Carlyle presented information re schools sizes from statistical neighbours which showed a similar pattern to Shropshire.

Peter Ingham asked if any of the LAs are doing similar work.

The Chair advised that through F40 some interesting work that Somerset are doing had been identified. For example, funding had been provided on the basis on two classes in the mornings and one in the afternoons.

However there are differences as Somerset has more larger schools and are better funded by £165 per pupil. If Shropshire was funded to the same level as Somerset we would be £3 million better off and if the same as Cumbria, £11 million better off.

It was agreed that the F40 research group should be approached to see if any work has already been done.

GE

**Primary school sustainability threshold**

Rob Carlyle presented some more data which demonstrated the losses that schools of various sizes would incur with the disappearance of MFG. Eg:

Size	Loss
57	£83,500
40	£16,765
35	£32,672

The Somerset approach was discussed – ie schools funded on a set basis and then spend as they wish. It was thought that schools may not like it but it would demonstrate the need to federate etc.

Benchmarking was discussed and Gwyneth advised of the National Benchmarking website.

The Chair asked how we can best support schools over the next few years.

## Appendix A

Mark Rogers thought that the loss of MFG gradually would be affordable. It was agreed that a picture of the less sustainable schools would be gleaned through the data.

Chris Davies suggested that schools need to be categorised eg as sustainable, optimal economic viability, most cost effective etc. The band of the most expensive schools would need to be protected if they were essential.

Chris Huss suggested a RAG rating. He thought that the Somerset model gives credibility and Gwyneth Evans added that it would be similar to LMS. Peter Ingham wondered if schools need to be presented with an economic model and make their own minds up.

It was agreed that a RAG rating would be good.

Chris Endacott suggested a two class school commitment around the £200,000 line.

Nick Bardsley emphasised the need to share this information with Parish Councils, Shropshire Councillors and the public as overall the situation is not understood.

Gwyneth Evans pointed out that an uneconomic school is not necessarily a small school.

Mark Rogers suggested sending out key information 12/13 – per pupil amount, LA amount and Shropshire average amount.

Phil Adams was worried that small schools that are RI don't have the capacity to improve.

Hannah Fraser thought that the data will be crucial for governing bodies.

She asked how the LA supported schools to get in more money.

The Chair and Phil Wilson advised that there was training for governors including from National College. However it was agreed that something short and sharp held in schools, especially those rated RED would be better. Phil Wilson and Gwyneth Evans agreed to consider business support and training for schools.

The Chair asked if this would apply to secondary too?

Hilary Burke thought that it would but there was a need to tread carefully.

Headteachers are under a lot of pressure and a RED rating coming in would be hard. She asked what are we expecting headteachers to do that doesn't damage education in Shropshire.

Phil Adams said that the bottom line is that there are too many schools in Shropshire.

Hilary Burke thought that Councillors need to grasp the nettle and tackle this issue.

Chris Huss added that if there is not a clear understanding of the situation then we are not being upfront.

The Chair suggested that market forces will make the situation worse.

Hilary Burke added that the comparative data for Shropshire is most useful.

Peter Ingham advised that business managers are looking at this.

Governing bodies are improving and getting more involved so information needs to be sent to Chairs too.

John Hitchings advised that even if a school is GREEN they still need to strive for improved economic efficiency.

Mark Rogers thought that an entitlement model would have some disadvantages.

PW/GE

RC

## Appendix A

	<p>It was agreed that the Chair and Gwyneth Evans would speak to their equivalents in Somerset to check how the model is working.</p>	Chair/ GE
	<p><b>Inclusion of school deficits</b> It was agreed that these would be included with this sheets sent to schools.</p>	RC
5.	<p><b>Area level appraisal of forecast pupil numbers</b> Rob Carlyle explained the forecasted significant reduction in primary numbers into secondary catchment areas. The reasons for this were discussed, not least being the ageing population. The Chair suggested that an anonymised version should be shared which will enable a focus on the area dynamic. Again, the involvement of the Parish Councils was discussed. Phil Wilson agreed to liaise with members around the inclusion of parish councillors on governing bodies. It was agreed that final numbers won't be as they are on the list as popular schools will continue to be full.</p>	
6.	<p><b>National funding formula update</b> The Chair advised that there was no date as yet for the publication of the consultation. The common view is that the delay is due to inter-departmental wrangling.</p>	
7.	<p><b>Initial consideration of options for schools in addressing budget pressures</b> Phil Wilson requested ideas. Hannah Fraser suggested promoting collaboration rather than a sink or swim approach. Mark Rogers suggested more advice for headteachers on collaboration – perhaps top-slice funding for facilitating. It was agreed that Schools Forum could authorise an overspend. Chris Huss suggested that federation experience could be shared. Jo Humphreys spoke of the need to get the diocese on board.</p>	
8.	<p><b>Focus for further officer work</b> Governing bodies to be communicated with re options for the future eg SLP Area meetings. A position report on SLP has been requested.</p>	
9.	<p><b>Communications With Schools</b> No particular issues were discussed.</p>	
10.	<p><b>Any Other Business</b> Post 16 sustainability to be on the next agenda.</p>	

- 11. Future meeting dates (at Shrewsbury Training & Development Centre)**  
The next meeting will be held on **Thursday 6 March 2014 - 9.00 to 11.00 am**

**The meeting closed at 11.03 am.**

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## Schools Forum Task and Finish Group on Sustainability

Date: 6 March 2014

Time: 9.00 am

Venue: STDC, Monkmoor, Shrewsbury

### MINUTES

#### Present:

Bill Dowell (Chair)  
 Nick Bardsley [NB]  
 Rob Carlyle [RC]  
 Chris Davies [CD]  
 Gwyneth Evans [GE]  
 Hannah Fraser [HF]  
 Jo Humphreys [JH]  
 Chris Huss [CH]  
 Peter Ingham [PI]

Pete Johnstone [PJ]  
 Kay Miller [KM]  
 Gareth Profitt [GP]  
 Mark Rogers [MR]  
 James Sparkes [JS]  
 Janine Vernon [JV]  
 Phil Wilson [PW]  
 Helen Woodbridge [HW]

	ACTION
<p>1. <b>Welcome</b>            The Chair welcomed everyone to the meeting.</p>	
<p>2. <b>Apologies</b>            Apologies had been received from Phil Adams, Hilary Burke and John Hitchings. Sandra Holloway gave her apologies retrospectively.</p>	
<p>3. <b>Minutes of the meeting of 12 February 2014</b>            The minutes were accepted as a true record. MR clarified that with regard to the top slicing to enable collaboration, he had not meant federating – just amalgamating or closing.            CH asked about Somerset but GE had not yet been able to speak to her counterpart there. The Chair had copied the information he had gleaned from Somerset to Anne Gribbin as it is more like the proposed Shropshire Learning Partnership, but more advanced.            RC reported that although 10,800 homes had been built in Shropshire on recent years, the school population had actually fallen by 6% in the same period. This will be analysed further eg rural/urban. PJ wondered if there had been a population increase but that the population is ageing.            HF suggested that there are some geographical pockets which are different and RC agreed to map these.            CH suggested the need to talk to the planners.            The Chair advised that he is keeping in touch with f40. There is still no news of the national fair funding formula but MPs are being badgered re this.</p>	RC

**4. Data release to schools**

GE presented a table demonstrating the effects of the formula between 2013-14 and 2014-15. This demonstrated that size of school is not necessarily the issue when looking at pressures on the schools' finances. MR felt that in most cases it was not a sustainability issue but poor financial management/organisation. It was agreed that schools could not be looked at in isolation – areas would need to be considered re sustainability. PI suggested the need to include schools' policies, criteria, management, numbers etc.

The Chair added that headteachers and chairs of governors would need to grapple with this.

KM advised that management will change over time – the LA core provision through a framework needs to be sustainable.

HF said that there would be a need to drill down as some schools could be 'spending up' and that these spending patterns may not recur.

CD wondered if SEN could be taken out as the figures vary so much.

GE presented some further information on 2014-15 to 2015-16.

PW suggested that this information would identify when schools hit financial problems on a medium to longer term basis.

The Chair felt that it would provide a profile over a period by individual schools which would alert governing bodies to take action. It is key that the data is correct. He asked when the data would be released to schools.

The Chair suggested that a RAG rating may cause alarm. In the message communicated there needs to be an offer of support. Timing, language and narrative will need to be carefully considered.

NB asked if the message was only going to schools as they may share this. He thought that there is a need to talk to members and the public and highlight problem areas eg NOR.

CH stressed the need to send this out early to enable effective financial management. Checking of figures is important but health warnings should be added.

CD said that there is a countywide problem as the issue was 'ducked' which has exacerbated the original problem. Schools Forum has a collective responsibility for all children in Shropshire and needs to ensure that the school system is as effective as it can be.

MR suggested looking at the four or five areas which are worst affected.

KM agreed.

PI advised that governing bodies would like information about other schools and that this is needed asap.

PJ thought that the guidance notes will be key. It will be a useful tool.

The Chair spoke of the need to quantify key issues and to keep applying pressure through the MPs.

NB thought it important to say that we don't have the answers.

JB advised that the data is important. His school has gone through three rounds of redundancies so far and needs a vision for the future. A Shropshire vision is needed as the school can't cope financially and something needs to be done.

**5. Development of local Shropshire benchmarking tool**

A comprehensive draft was shared,  
 CH found this very useful but thought it would need a narrative to explain some of the issues eg nursery.  
 PI found this to be excellent and thanked RC.  
 CH asked for other ways of comparison to be added.  
 It was agreed that this should be presented to Primary/Secondary CPGs.

PW

**6. Support for schools addressing budget pressures**

PW explained the National College finance training through Edge Hill which he will be delivering.

The Chair suggested that the support team have the area information.

Cabinet will be encouraging schools to engage with each other.

PW advised that schools cannot solve this on their own.

NB said that some governing bodies are already talking to each other.

JH advised of three federations.

KM added that these don't save money.

CC advised that the Edge Hill course misses the implications of decisions re federation and PW agreed to add this.

PW

CH thought that anonymised data for areas would be useful. If schools then agree to share named data they could. Whilst federations do not save money, they do enable sustainability and closing small schools will now not save very much money.

KM added that bigger units are more efficient.

MR talked about the Bishop's Castle issues. There is a need to get more children and this is easier to do in primary than in secondary. LA facilitation of area discussions would be useful.

KM thought that some governing bodies would not enter into discussions.

She suggested an LA indicative plan for the area as a starting point.

PI suggested medium and long term plans.

JS agreed with support from the LA and advised that a timescale for sustainable collaboration would be helpful. The LA has a statutory right to close schools and it should do it.

HF asked if CE schools could collaborate and it was agreed that they could – and do.

CH asked if we need a school, how do we ensure that it exists and does not 'wither on the vine'. It was hoped that the national funding formula may deal with this.

NB thought there was a lot that members could do to encourage collaboration.

MR said that the combination of falling rolls and reducing budgets means that a reorganisation is sensible.

PW suggested that the financial modelling tool would be in schools by the end of term accompanied by a careful narrative and would then be sent to schools annually. There would be an option to request an anonymised area analysis.

MR said that there would need to be more work undertaken on areas eg sub region, ranking in best – worst areas.

PI suggested questioning schools about whether they have talked to other schools.

PJ advised that federations only emerged when there was a crisis. For his school the balance between time/gain means that this won't happen.

N B suggested that the crisis is here and now.

KM reiterated that federation is not the answer. We should be encouraging different ways of working together and different structures.

### 7. **Post 16 Sustainability**

JV confirmed that financial issues are similar in post 16.

The formula is different and is overseen by the EFA. 2014-15 actual funding is not yet known but a decrease is anticipated. Graham Moore is working with post 16 schools and colleges on funding. The formula has changed from a qualification basis to a student NOR basis. NORs are also falling. Data managers are being worked with to ensure that census numbers are correct as this is key. One issue is the variance between schools and there are issues over whether the curriculum can be sustained. There is transitional protection for a few years but this ends at the end of 2014-15. Formula protection funding is in place until 2015/16. Other factors eg six week retention, success etc complicate the funding situation.

MR queried why a further post 16 setting was created when the situation is already unsustainable.

The Chair advised that the bottom line is the RAG rating – the lowest viable number for a sixth form is suggested as 150. Collaborative working is happening through the SLN.

JV added that her team are working with 11-18 schools and colleges and this will continue through SLN re collaboration and sustainable provision.

### 8. **Communications With Schools**

G P had been in attendance at the meeting.

### 9. **Future role for Task and Finish Group**

One further meeting was added – 5 June 2014 at STDC – 09.00 – 11.00

### 10. **Any Other Business**

**There was no other business**

### 11. **Future meeting dates (at Shrewsbury Training & Development Centre)**

The next meeting will be held on **Thursday 5 June 2014 - 9.00 to 11.00 am**

**The meeting closed at 11.15 am.**



## Schools Forum

Date: 20 March 2014

Time: 8:30 a.m.

Venue: Shrewsbury Training  
and Development  
Centre

Item

Public

Paper

**E**

## UNIVERSAL INFANT FREE SCHOOL MEALS

### Responsible Officer

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### 1 Summary

The Coalition Government has announced that, from September 2014, all state funded infant school children (ie those in reception, year 1 and year 2) will be eligible to receive a free school meal. This applies to pupils in maintained schools, academies, free schools and pupil referral units. It does not extend to pupils in maintained nursery schools. Legislation will place a legal duty on schools to deliver this commitment (including powers to extend to additional year groups in the future).

Capital funding of £150 million is available nationally in 2014-15 to upgrade kitchens and to increase dining capacity where required. Transitional funding of £22.5 million is also being made available in 2014-15 to support small schools (ie schools with up to 150 pupils on roll) in addressing the particular challenges they will face. Revenue funding of £1 billion will be made available in 2014/15 and 2015/16 academic years to provide a flat rate of £2.30 per meal taken based on actual take-up by newly eligible infant pupils.

This report provides Schools Forum with details on the grant funding allocated to Shropshire Council and provides a recommendation on the distribution of the capital funding.

### 2 Recommendation

To note the allocation of funding to Shropshire Council for the implementation of universal infant free school meals (UIFSM) initiative and to agree the basis for distributing the capital funding allocated to the authority in 2014-15 using the proposed model in this report.

## REPORT

### 3 Background

- 3.1 The School Food Plan ([www.schoolfoodplan.com](http://www.schoolfoodplan.com)) presented evidence that the introduction of universal free school meals will lead to positive improvements in health, attainment and social cohesion, and help families with the cost of living. Evidence from pilot projects indicates universal free school meals have significant benefits for individual children and for the broader life of the school.
- 3.2 The Children and Families Bill places a legal duty on state-funded schools in England, including academies and free schools, to offer a free school lunch to all pupils in reception, year 1 and year 2. Existing entitlements to free school meals (FSM) for disadvantaged pupils in nursery classes and at key stages 2-4 will continue, based on existing FSM eligibility criteria. Royal Assent was received on 13 March 2014, meaning that the new duty on schools will come into force from September 2014.
- 3.3 The Bill does not change the current position for children who are registered in a nursery class of a maintained school, or in a maintained nursery school. They will continue to receive a free school meal if they meet the existing eligibility criteria and they are in receipt of full-time education or education both before and after the lunch period.
- 3.4 In the 2014/15 academic year schools will receive revenue funding at a flat rate of £2.30 for each meal taken by each newly eligible pupil. Initial provisional allocations will be based on an estimate of national take-up and then adjusted once the Department for Education has details of the actual number of meals taken by individual schools. Schools will be notified in June 2014 of their provisional full year revenue funding allocation for the 2014/15 academic year. Local authorities will receive the funding for the autumn 2014 and spring 2015 terms around the same time. The allocations will be based on an 87% take-up by newly eligible pupils. Payments for the summer term 2015 will be adjusted to take into account actual take-up.
- 3.5 Capital funding of £150 million in the 2014-15 financial year has been allocated to local authorities to support the roll out of UIFSM. Additional one-off funding from a national allocation of £22.5 million will also be provided for small schools - those with up to 150 pupils on roll – to help with transitional costs.
- 3.6 Targeted advice and support will be provided to schools and local authorities through the UIFSM implementation support service.

### 4 Shropshire Allocations

- 4.1 Shropshire Council has been allocated a total of £662,822 in capital funding in the financial year 2014-15 to upgrade kitchens and to increase dining capacity where required. Of this, £75,458 is being made available for

voluntary aided schools, with the balance of £587,365 being made available to all other eligible schools.

- 4.2 No guidelines have been provided on how this funding should be distributed to schools. Local authorities are being tasked with liaising with their schools to identify the most appropriate basis for allocating funding based on local circumstances. A number of allocation options have been considered which include:
- a flat rate per pupil based on pupil numbers in reception, year 1 and year 2 – this equates to approximately £75-80 per pupil
  - a fixed sum per establishment and a variable element based on pupil numbers
  - a needs basis using factors such as existing capacity, condition of kitchen, equipment and so on
  - a bidding process, with schools submitting estimates on what they believe they require to meet the potential increased take up of meals.
- 4.3 In determining the most appropriate basis for allocating the £662,822 capital grant it is worth considering the basis on which the national funding of £22.5 million for small schools is being allocated. All schools with infant pupils who are not eligible for FSM in the January 2014 census, and have up to 150 pupils on roll, will receive at least £3,000 in additional funding. Funding will be provided as a one-off lump sum in June 2014 and can be spent as schools choose in support of their implementation of the policy including for improving kitchen or dining equipment. In this respect there is little to differentiate this funding from the capital grant.
- 4.4 Allocations will be calculated with reference to the Government’s allocation model as detailed in the table below. Where that is below the minimum level the allocation will be uplifted to £3,000.

<b>Total Number of Pupils on School Roll in January 2014 Census</b>	<b>Unit Funding Per Non-FSM Eligible Infant Pupil</b>	<b>Number of Shropshire Schools/Academies/Free Schools in Band</b>
1-30	£210	1
31-60	£190	20
61-90	£160	24
91-120	£135	15
121-150	£100	19

Based on some initial analysis, it would appear that a total of 79 Shropshire schools (62.7%) will qualify for this additional funding. A further 47 schools (38.3%) have infant pupils but are above the 150 pupil threshold to receive this transitional funding. Using the census data of current infant pupils who are not eligible for FSM in the 79 qualifying schools indicates potential additional funding of nearly £390,000 (see Appendix A). This means that the funding available to Shropshire schools in 2014-15 to implement the policy could be as high as £1.052 million. Until the individual school figures are

confirmed officially by the Department for Education they should be treated as indicative only.

- 4.5 The options for allocating the capital funding of £662,822 referenced in paragraph 4.2 above – and any variations on them - have limitations. The first two, using pupil numbers and establishment factors, don't take any account of existing school meals provision and could result in funding not reaching the schools with the greatest challenges in implementing the UIFSM policy. Equally, the other two options require detailed intelligence of existing provision and would require time and capacity to administer which is simply not available given the short implementation period between now and, effectively, the end of the summer term.
- 4.6 The model being proposed seeks to take into account the difference between the existing take-up of school meals and the likely increases in numbers taking a meal from the implementation of a universal provision. As noted in paragraph 3.4 above, the Government is assuming a take-up of 87% by newly eligible pupils. It is therefore possible to calculate for each individual school the likely additional pupil numbers they will need to cater for from September 2014 and to use these numbers to pro-rata the capital funding (both for voluntary aided and other eligible schools). The model indicates that there will be over 3,600 additional meals produced in Shropshire primary schools each day.
- 4.7 The take-up data for the vast majority of schools has been provided by Shire Services and is the percentage take-up of meals in the summer and autumn terms 2013. Where Shire Services aren't the catering provider, the take-up information has been provided by individual schools. As the data is not held at the key stage level, it relates to take-up across the whole school. It is believed that this will not have a material effect on most schools' allocations and is the best indicator available at present and in the time available to determine allocations.
- 4.8 Initial modelling highlighted a major 'step-down' in funding for schools with more than 150 pupils on roll when the small schools transitional funding is combined with the capital grant allocation. A school with 147 pupils on roll and around 34 more meals per day would be receiving £12,276 (£6,200 small schools funding plus £6,076 capital grant), while a school with 160 on roll and 33 extra meals per day would receive £5,858.
- 4.9 While recognising the importance of targeting funding to small schools who are likely to have greatest challenges in meeting their new legal responsibilities, the differential in funding for each new pupil taking a meal is significant – in the above example £358 for the 147 NOR school and £177 for the 160 NOR school. The model for the capital grant has therefore been adapted to put the minimum funding of £3,000 for small schools into all schools, with the funding for the schools with more than 150 pupils on roll coming from the capital grant. This reduces the per pupil funding to £319 for the 147 NOR school and £229 for the 160 NOR school. Appendix B details the indicative individual school allocations.



- 4.10 It is proposed that the capital grant will be transferred into a separate capital cost centre and subjective code for maintained schools, while free schools and academies will be expected to manage the funding in a similar way. Individual capital cost centres are being set up for Devolved Formula Capital from April 2014. The UIFSM funding will go into the same cost centre but all spend will be charged to a separate subjective code to DFC spend. Only capital expenditure related to the implementation of the UIFSM can be charged to this subjective code. Any underspends in the delegated funding could potentially be clawed back for recirculation to other schools in need.
- 4.11 Note that the small schools grant will be delegated into schools' revenue budgets, but can be transferred in part or in whole into the capital cost centre as a revenue contribution to capital outlay. If the funding is retained within the school's revenue budget it is expected that it will be ring-fenced for the implementation of the UIFSM policy.
- 4.12 Schools with dining centres are recommended to have a dialogue with their existing or proposed partner schools exporting meals to them to determine whether there is scope or merit in pooling part, or all, of their allocated capital grant to meet the needs of pupils in their schools.
- 4.13 Schools Forum are asked to consider and agree the proposed basis for the distribution of the UIFSM capital grant.

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