

19 December 2017

Item 3**TITLE OF REPORT: Mainstream Schools Funding Consultation Results**

Purpose of the Report

To bring to Schools Forum the results from the Mainstream Schools Funding Consultation. This builds on two reports on the proposed mainstream schools funding formula for 2018/19 and the consultation document and process.

Background

The DfE have introduced a national funding formula (NFF) to Local Authorities (LAs) for the Schools Block (SB), High Needs Block (HNB) and Central Schools Services Block (CSSB) from 2018/19. A NFF for the Early Years Block (EYB) was introduced in April 2017. There will be a transition period for mainstream schools for at least 2 years when LAs will still have a role in setting a local mainstream schools formula before the implementation of a hard NFF directly calculated by the Department for Education (DfE).

With the implementation of a NFF to LAs and the increase of funding of at least 0.5% per pupil for all mainstream schools, a mainstream formula review was required to review Gateshead's current formula and help schools transition to the new NFF.

Consultation

The Schools and Early Years Finance Regulations and DfE Operational Guidance require LAs to consult with their schools on any proposed changes to local school funding formulas. The consultation ran from 8 to 15 December.

The purpose of this consultation paper was to seek the views of mainstream schools on all these proposals, and whether these proposals are right for all pupils in Gateshead given constraints set by the DfE.

10 completed consultation documents were received by 15 December. Not all questions were answered by all schools.

12 questions received 100% support (1,2,3,4,6,7,17,18,19,20,22 and 23). 11 questions received either 89% or 90% support (8,9,10,11,14,15,16,17,18,24 and 25), and 3 questions received 80% support (12,13 and 14).

The detailed results of the consultation are shown in appendix 1, together with the comments received.

Proposal

It is proposed that Schools Forum approves the proposed funding formula consulted on in appendix 2.

Recommendations

That Schools Forum

- Note the consultation responses and comments in appendix 1
- Approves the proposed formula as detailed in appendix 2

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Appendix 1

Questions	Total	Percentage		
		Yes	Don't Know	No
Q1 Do you accept the proposal to set a positive MFG value of up to 0.5% per pupil?	10	100%	0%	0%
Q2 Do you accept the scaling factor of 100%	10	100%	0%	0%
Q3 Do you accept the capping of gains at 3%	10	100%	0%	0%
Q4 Do you accept the proposed change to Primary AWPU rate?	10	100%	0%	0%
Q5 Do you accept the proposed change to KS3 AWPU rate?	10	100%	0%	0%
Q6 Do you accept the proposed change to KS4 AWPU rate?	10	100%	0%	0%
Q7 Do you accept the inclusion of a Current FSM factor in Gateshead's proposed Mainstream Schools Funding Formula?	10	100%	0%	0%
Q8 Do you accept the Current FSM proposed funding rate of £440 for both primary and secondary pupils?	10	90%	10%	0%
Q9 Do you accept the reduction in primary school Ever6 FSM funding of £103.33 from £850 to £746.67?	10	90%	10%	0%
Q10 Do you accept the reduction in secondary school Ever6 FSM funding of £205 from £1,400 to £1,195?	10	90%	0%	10%
Q11 Do you accept the proposed factor values for Primary IDACI Funding?	9	89%	11%	0%
Q12 Do you accept the proposed factor values for Secondary IDACI funding?	10	80%	10%	10%
Q13 Do you accept the proposed factor value to the Looked After Children factor value?	10	80%	10%	10%
Q14 Do you accept that the proposed change to the EAL factors?	10	90%	10%	0%
Q15 Do you accept the proposal that the mobility factor funding should be fully allocated to all qualifying mobile pupils?	10	90%	0%	10%
Q16 Do you accept the proposed factor values for Primary Low Prior Attainment?	10	90%	0%	10%
Q17 Do you accept the proposed factor values for Secondary Low Prior Attainment?	10	90%	10%	0%
Q18. Do you accept the proposed change Primary Lump Sum value?	9	100%	0%	0%
Q19. Do you accept the proposed change Primary Lump Sum value?	10	100%	0%	0%
Q20 Do you agree with the proposal not to include a sparsity factor in Gateshead's formula?	10	100%	0%	0%
Q21 Do you accept the funding mechanism for Rates?	10	80%	20%	0%
Q22 Do you accept the proposal to implement the minimum funding levels per pupil of £3,300 for primary pupils (excluding Rates and PFI funding)?	10	100%	0%	0%
Q23 Do you accept the proposal to implement the minimum funding levels per pupil of £4,600 for secondary pupils (excluding Rates and PFI funding)?	10	100%	0%	0%
Q24 Do you agree the proposal top slice the mainstream schools block by £35,000 to maintain the growth fund at £100,000?	9	89%	11%	0%
Q25 Do you accept the proposal not to amend the notional SEN calculation?	10	90%	10%	0%

General Comments

We have confidence in the work of the Schools Forum in this area and its Sub-group set up to review the Mainstream Funding Formula for 2018/19 to transition Gateshead schools with as little turbulence as possible to the NFF.

The governor's agree entirely with the principles and funding aims agreed by forum and thank the sub group for their work.

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It would have been helpful to have been given more time to respond and consider all of the points, as well as have queries answered. The completion deadline of 7 days has been tight

and it has been difficult trying to fit in discussions with fellow governors and then to obtain answers to our queries. I asked several queries and did not receive answers in time to complete the response as I might have liked. We have answered positively to all of the proposals, even those not directly relevant to our school, as we can appreciate what the LA is trying to achieve by softening the transition to NFF and there is a finite sum which needs to be allocated. However, we have several queries that remain unanswered, including those in respect of the MFG and minimum funding level. We also have some concerns that if the proposal is adopted (ref "comparison 3"), it would appear that Lingey House Primary School would be approximately £21k worse off than if the NFF had been fully adopted, many primary schools are in the same position and it would seem that the secondary schools are mostly set to gain.

Question specific comments

Q4 Although budget is already tight - redundancies?

Q9 Not until we see further modelling on the school impact

Q10 To large a drop for secondary schools with high ever6 funding currently.

Q21 Currently we are claiming 100% rates relief.

Q24 Could detail please be supplied on previous years amounts and how the fund has been spent.

Q25 On the basis that guidance from DfE is awaited.

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Appendix 2 Proposed Authority Proforma Tool summary

Local Authority Funding Reform Proforma														
LA Name:	0													
LA Number:	0													
Premises costs to exclude from allocation when calculating the minimum funding			Rates	PFI	Split Sites									
			Yes	Yes	No									
Primary minimum per pupil funding level			Middle school minimum per pupil funding level for		Secondary minimum per pupil funding level for									
3300					4600									
Pupil Led Factors														
Reception uplift		No	Pupil Units			0.00								
1) Basic Entitlement Age Weighted Pupil Unit (AWPU)		Description	Amount per pupil		Pupil Units		Sub Total	Total	Proportion of total pre MFG funding (%)		Notional SEN (%)			
		Primary (Years R-6)	£2,852.33		14,846.00		£42,345,691	£77,518,339	39.21%		5.00%			
		Key Stage 3 (Years 7-9)	£3,825.10		5,306.00		£20,295,981		18.80%		5.00%			
		Key Stage 4 (Years 10-11)	£4,385.81		3,392.00		£14,876,668		13.78%		5.00%			
		Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)		Primary Notional SEN (%)	Secondary Notional SEN (%)		
2) Deprivation		FSM	£440.00	£440.00	2,520.00	1,544.00	£1,788,160	£13,094,573	12.13%		23.00%	19.00%		
		FSM6	£746.67	£1,195.00	4,554.09	2,965.63	£6,944,332				23.00%	19.00%		
		IDACI Band F	£133.33	£193.33	1,786.10	989.91	£429,529				0.00%	0.00%		
		IDACI Band E	£160.00	£260.00	1,753.55	951.47	£527,951				0.00%	0.00%		
		IDACI Band D	£355.92	£482.08	2,076.78	1,147.99	£1,292,580				0.00%	0.00%		
		IDACI Band C	£397.50	£533.43	588.23	331.00	£410,385				0.00%	0.00%		
		IDACI Band B	£461.00	£592.11	1,083.50	553.90	£827,464				23.00%	19.00%		
		IDACI Band A	£726.67	£910.37	722.81	383.28	£874,171				23.00%	19.00%		
		Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total				Total	Proportion of total pre MFG funding (%)		Primary Notional SEN (%)
3) Looked After Children (LAC)		LAC X March 16	£1,000.00		188.70		£188,699	£797,919	0.17%		0.00%			
4) English as an Additional Language (EAL)		EAL 3 Primary	£430.00		711.85		£306,094		0.39%		0.00%	0.00%		
		EAL 3 Secondary		£1,010.00		109.04	£110,125							
5) Mobility		Pupils starting school outside of normal entry dates	£2,000.00	£2,000.00	96.50	0.00	£193,000		0.18%		0.00%	0.00%		
		Description	Weighting	Amount per pupil	Percentage of eligible pupils	Eligible proportion of primary and secondary NOR respectively	Sub Total	Total	Proportion of total pre MFG funding (%)		Primary Notional SEN (%)	Secondary Notional SEN (%)		
6) Prior attainment		Low Attainment % new EFSP	70.00%	£563.33	30.04%	3,807.05	£2,144,628	£3,467,484	3.21%		100.00%			
		Low Attainment % old FSP 73			16.30%									
		Secondary low attainment (year 7)	48.02%		18.28%									
		Secondary low attainment (year 8)	48.02%	£828.33	18.38%	1,597.02	£1,322,857						100.00%	
		Secondary low attainment (years 9 to 11)												
Other Factors														
Factor	Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)	Total (£)	Proportion of total pre MFG funding (%)		Notional SEN (%)						
7) Lump Sum	£113,333.33	£130,000.00			£8,763,333	8.12%								
8) Sparsity factor					£0	0.00%								
Please provide alternative distance and pupil number thresholds for the sparsity factor below. Please leave blank if you want to use the default thresholds. Also specify whether you want to use a tapered lump sum														
Primary distance threshold (miles)		Primary pupil number average year group threshold			Fixed or tapered sparsity primary	Fixed								
Secondary distance threshold (miles)		Secondary pupil number average year group threshold			Fixed or tapered sparsity secondary	Fixed								
Middle schools distance threshold (miles)		Middle school pupil number average year group threshold			Fixed or tapered sparsity middle school	Fixed								
All-through schools distance threshold (miles)		All-through pupil number average year group threshold			Fixed or tapered sparsity all-through	Fixed								
9) Fringe Payments					£0	0.00%								
10) Split Sites					£0	0.00%								
11) Rates					£1,793,379	1.68%								
12) PFI funding					£2,520,600	2.33%								
13) Exceptional circumstances (can only be used with prior agreement of ESFA)														
Circumstance					Total (£)	Proportion of total pre MFG funding (%)		Notional SEN (%)						
Additional lump sum for schools amalgamated during FY17-18					£0	0.00%		0.00% 0.00%						
Additional sparsity lump sum for small schools					£0	0.00%								
Exceptional Circumstance3					£0	0.00%								
Exceptional Circumstance4					£0	0.00%								
Exceptional Circumstance5					£0	0.00%								
Exceptional Circumstance6					£0	0.00%								
Additional funding to meet minimum per pupil funding level					£28,790									
Total Funding for Schools Block Formula (excluding MFG Funding Total) (£)					£107,984,417	100.00%		£9,547,243						
14) Minimum Funding Guarantee					0.50%		£209,856							
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)					Yes									
Capping Factor (%)	3.00%	Scaling Factor (%)	100.00%											
Total deduction if capping and scaling factors are applied					-£138,003									
					Total (£)	Proportion of Total funding (%)								
MFG Net Total Funding (MFG + deduction from capping and scaling)					£71,854	0.07%								
High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £6,000 has been approved)					£0.00									
Additional funding from the high needs budget					£0.00									
Growth fund (if applicable)					£35,000.00									
Falling rolls fund (if applicable)					£0.00									
Total Funding For Schools Block Formula					£108,056,270									
% Distributed through Basic Entitlement					71.79%									
% Pupil Led Funding					87.86%									
Primary: Secondary Ratio					1 :		1.29							
Total funding for schools block formula contains funding from outside of the 2018-19 Schools Block allocation?					No									