

ROYAL BOROUGH OF WINDSOR & MAIDENHEAD SCHOOLS FORUM

Date:	11 December 2013	AGENDA ITEM: 05
Title:	2014-15 RBWM School Funding Formula – October Submission to Education Funding Agency	
Responsible officer:	David Scott, Head of Education, Strategy and Commissioning	
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1 REPORT SUMMARY AND PURPOSE

- 1.1 This paper is for information and confirms the changes that have been made to RBWM's 2014-15 school funding formula following consultation with schools in the autumn.
- 1.2 **Schools Forum members are asked to note the changes to the 2014-15 formula and to raise any queries where further clarification is required.**

2 CHANGES TO 2014-15 SCHOOL FUNDING FORMULA

- 2.1 In September and October schools were consulted on changes to RBWM's 2014-15 pre-16 School Funding Formula for primary and secondary mainstream schools. The results of the consultation were presented to Schools Forum on 16 October. The Lead Member and director of Children's Services have subsequently confirmed their decision on the changes to the 2014-15 funding formula in light of responses to the consultation. The main changes in the 2014-15 funding formula are:
- Increase in deprivation funding, allocated through an increase to the FSM6 and IDACI rates, and funded by a reduction in Age Weighted Pupil Unit rates
 - Reduction in secondary Low Prior Attainment rate in response to the DfE's widening of the eligibility criteria for this factor
 - Introduction of new Children in Care formula factor
- 2.2 These changes have been reflected in the 2014-15 pro-forma submitted to the Education Funding Agency on 31 October 2013. The pro forma is summarised in **Annex A** together with a comparison of the 2013-14 formula. The EFA is currently in the process of reviewing Local Authorities' submissions and ensuring that their 2014-15 funding formulae comply with Schools Finance legislation.
- 2.3 The Director of Children's Services wrote to schools on 11 November 2013 about the 2014-15 school funding formula and the reasons for the changes. An extract from this communication is attached at **Annex B**.
- 2.4 Local authorities are required to submit their final 2014-15 pro forma on 23 January 2014. LAs will be allowed to vary the unit rates of funding at that stage, but they will not be allowed to make changes to the formula factors.

Annex A

2013-14 and FIRST SUBMISSION TO EFA OF 2014-15 SCHOOL FUNDING FORMULA

		Final 2013-14				Indicative 2014-15 Submitted to EFA 31-10-13			
Agreed change for 2014-15		Amount per pupil (£)	Units	Total (£000)	(%)	Amount per pupil (£)	Units	Total (£000)	(%)
PUPIL FUNDING									
1) Age Weighted Pupil Unit (AWPU)									
Primary (including reception)	Reduction in AWPU to fund more targeted funding for deprivation and children in care.	£2,819	10,070	£28,389	37.3%	£2,787	10,066	£28,049	36.8%
Key Stage 3		£3,910	4,537	£17,742	23.3%	£3,865	4,548	£17,580	23.1%
Key Stage 4		£4,576	3,161	£14,466	19.0%	£4,524	3,157	£14,281	18.8%
2) Deprivation									
Primary FSM6	Increase proportion of funding allocated for deprivation by increasing FSM6 rate and IDACI flat rate	£387.62	1,301	£2,062	2.7%	£515.16	1,300	£2,667	3.5%
Primary IDACI Score - all bands		£242.41	2,241			£306.30	2,239		
Secondary FSM6		£336.33	1,231			£447.00	1,232		
Secondary IDACI Score - all bands		£283.77	2,116			£358.70	2,118		
3) Children in care									
	New CIC factor allocating £1900 per eligible pupil	n/a		£0	0.0%	£1,900	44.2	£84	0.1%
4) Low Cost, High Incidence SEN									
Primary LowAtt_%_PRL_78	Reduction in secondary rate to take account of wider range of pupils. Same total funding allocated.	£1,773.82	1,381	£2,450	6.7%	£1,773.82	1,380	£2,448	6.7%
Secondary pupils not achieving (KS2 level 4 English and Maths)		£3,978.26	658	£2,619		£1,504.19	1,741	£2,619	
5) English as Additional Language									
EAL_3_PRI	No change	£323.12	1,027.63	£332	0.7%	£323.12	1,026.12	£332	0.7%
EAL_3_SEC		£987.92	182.86	£181		£987.92	183.02	£181	
6) Mobility									
	No change	n/a		£0		n/a		£0	
OTHER FUNDING									
7) Lump sum									
Primary	No change	£120,478		£5,422	7.1%	£120,478		£5,422	9.2%
Secondary		£120,478		£1,566	2.1%	£120,478		£1,566	
8) Fringe Payments									
		n/a		£0		n/a		£0	
9) Split Sites									
		n/a		£0		n/a		£0	
10) Rates									
	No change			£902	1.2%			£902	1.2%
11) PFI funding									
		n/a		£0		n/a		£0	
12) Sixth form									
		n/a		£0		n/a		£0	
13) Exceptional circumstances									
		n/a		£0		n/a		£0	
14) Minimum Funding Guarantee									
	Formula driven			£805				£549	
Capping									
		2.98%		£805		2.01%		-£549	
TOTAL FUNDING FOR SCHOOLS BLOCK FORMULA (£000)									
				£76,130	100%			£76,130	100%

2014-15 Indicative Schools Funding Formula

Extract of Director of CS's communication with schools on 11 November on the outcome of the 2014-15 RBWM School Funding Consultation

At the end of September 2013 schools were consulted on proposed changes to RBWM's school funding formula for 2014-15 [School Funding 2014-15 consultation](#) . Thank you to all of you who responded to the consultation. The results of the consultation were discussed at Schools Forum on 16 October [16/10/2013 Schools Forum - Agenda](#). The meeting was attended by Councillor Bicknell, Lead Member for Children's Services, and Alison Alexander, Strategic Director of Children's Services. The table below summarises the agreed changes to the 2014-15 RBWM school funding formula, as approved by the Lead Member.

The 2014-15 RBWM school funding ProForma, which incorporates the agreed changes was submitted to the Education Funding Agency on 31 October. The EFA will issue revised data based on the October 2013 pupil count in December 2013. This updated data will be used to determine 2014-15 school budget shares and to populate the final version of the Pro Forma, to be submitted to the EFA in January 2014.

Agreed Changes to 2014-15 School Funding Formula

	Decision of Lead Member for Children's Services and Director	Reason for decision
Decision 1: - Deprivation	Increase funding allocated through deprivation factors as per consultation recommendation, and fund the increase through a reduction in AWPU	This option was recommended by the School Funding Working Group and supported by a majority of schools who responded to the consultation.
Decision 2: - Deprivation	Allocate the additional funding by increasing the FSM6 and IDACI flat rate (option 2).	This was option 2. Although more schools supported option 1 (FSM6 only) which was also recommended by the School Funding Working Group, the number of pupils represented by those supporting option 2 was greater (56% for option 2 compared with 32% for option 1. 14% did not agree with either option). Option 1 sees a shift of £38k from secondaries to primaries compared with 2013-14 (after AWPU reductions). With Option 2 the shift from secondaries to primaries is £22k, but there are winners and losers in both sectors and no material overall difference between the two allocation options. Actual allocations will change with the new October 2013 dataset.
Decision 3 - Low Prior Attainment - Secondary	Reduce the 2014-15 secondary Low Prior Attainment rate to ensure the same funding is allocated in 2014-15 for Low Prior Attainment as in 2013-14.	This change comes about as a result of the DfE change to the trigger for pupils attracting LPA funding. The change from 'not achieving L4 at KS2 in English <u>and</u> Maths' to "English <u>or</u> Maths" increases the number of eligible pupils threefold compared with 2013-14. In order to allocate the same total funding as in 2013-14, the unit rate needs

		<p>to be reduced from £3,978 per eligible pupil to £1,504 per pupil.</p> <p>This issue was not specifically consulted on in the consultation paper, but was included 'for information' only.</p>
Decision 4 – Lump Sum	<p>Do not increase primary lump sum amount by £4,522 for 2014-15. Wait instead to see what comes out of the National Funding Formula.</p>	<p>There was widespread general support for helping small schools by increasing the primary school lump sum, but much less clarity around whether this should be paid for by primary schools alone (50%) or all schools (50%). Schools Forum were equally undecided on this issue. In coming to the decision not to increase the lump sum rate for primaries yet, the Lead Member has taken account of this uncertainty as well as comments made by consultation respondees and at Schools Forum:</p> <ul style="list-style-type: none"> • That £4,522 per primary school is too small an amount to make a significant difference • That we should wait to see what lump sum amount is set by the National Funding Formula • Is it fair to help small primary schools when secondary schools with sixth forms are facing post 16 funding reductions?
Decision 5 – Children in Care	<p>Include a new child-in-care factor in the 2014-15 formula, and set the rate at £1900 per eligible pupil.</p>	<p>Schools were consulted on including a new CIC factor with a funding rate of £1,300 (funded by a reduction in AWPU). There was clearcut support for this proposal. In setting the rate at £1,900 rather than £1,300, the DCS has taken account of the new Pupil Premium – CIC for 2014-15 which the DfE announced after the consultation was issued. Under this proposal, any eligible child in care will attract £3,800 pa, £1,900 through the RBWM funding formula, and £1,900 through Pupil Premium.</p>

07 November 2013