

## RBWM Schools Forum

07 July 2015

### Review of RBWM 2015-16 School Funding Formula



### 2015-16 formula comparison

- 152 Local authorities – RBWM is mainly within or close to the median range for most formula factors.
- Over 95% of funding is allocated through four factors:
  - AWP/PU 76.2% (78.4% in RBWM)
  - Deprivation 8.1% (3.9% in RBWM)
  - Prior attainment 4.4% (6.3% in RBWM)
  - Lump sum 8.3% (9.4% in RBWM).
- 89.7% of funding is allocated through pupil led factors as a whole (89.4% in RBWM).
- Considerable variation among LAs in the funding allocated per FSM and in the proportion of funding allocated for deprivation.
- Substantial variation in the value of lump sums (£48k-£175k)
- Only 66 LAs have a mobility factor (RBWM does not).



## Considerations for 2016-17

- Does the RBWM funding formula allocate funding where it is most needed?
- What changes to the formula are needed , if any, for 2016-17?



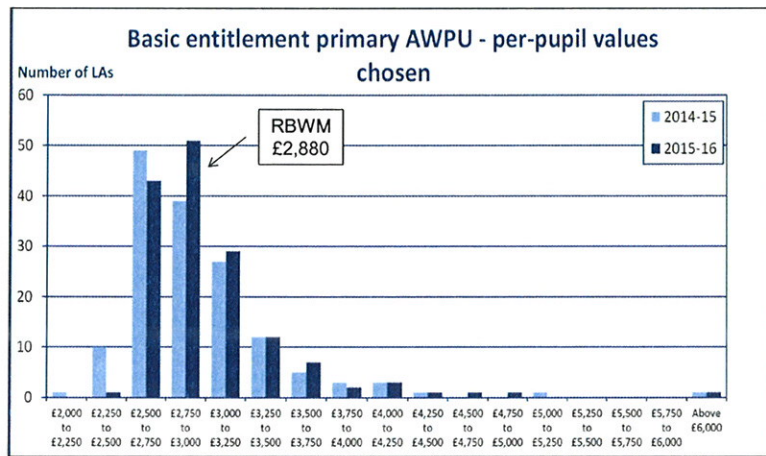
## % of funding allocated through pupil led factors

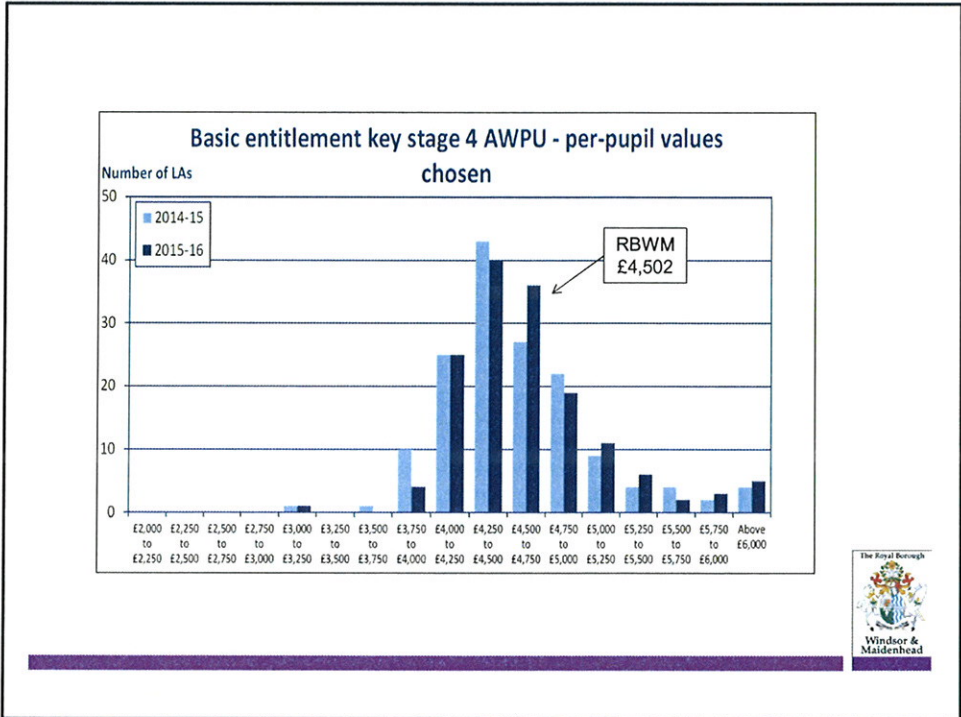
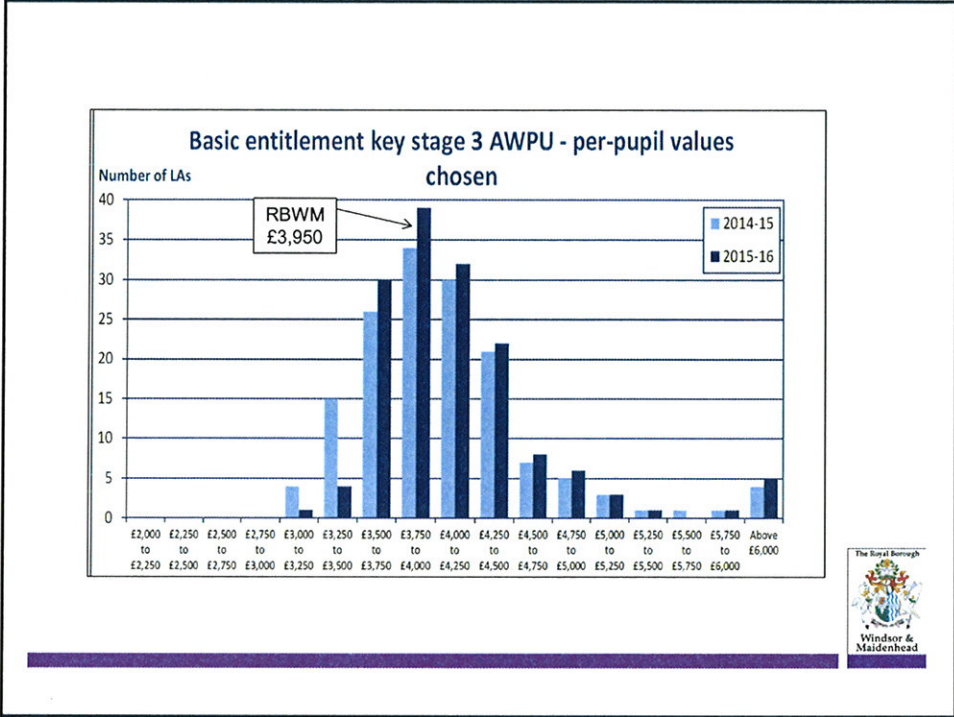
Formula factor	LAs out of 152	Range	Median range	LAs in median range	RBWM
Basic Entitlement	152	61% - 88%	75%-80%	76	78.4% (M)
Deprivation	152	1% - 21%	6% - 8%	28	3.86% (LQ)
Children in care	88	0% - 0.5%	0% - 0.1%	43	0.11%(UQ)
Prior Attainment	148	0% - >10%	4% - 5%	32	6.34% UQ)
EAL	132	0% - 5%	0% - 1%	83	0.7% (M)
Mobility	66	0% - 1.5%	0% - 0.3%	47	NA
All pupil led factors	152	<80%-98%	88% - 92%	86	89.4% (M)

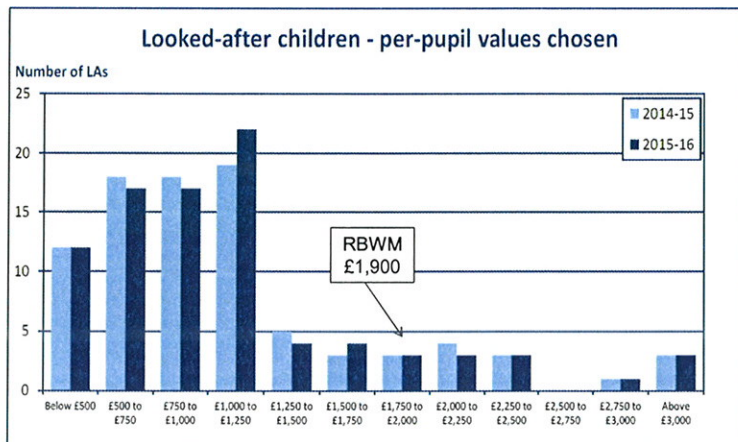
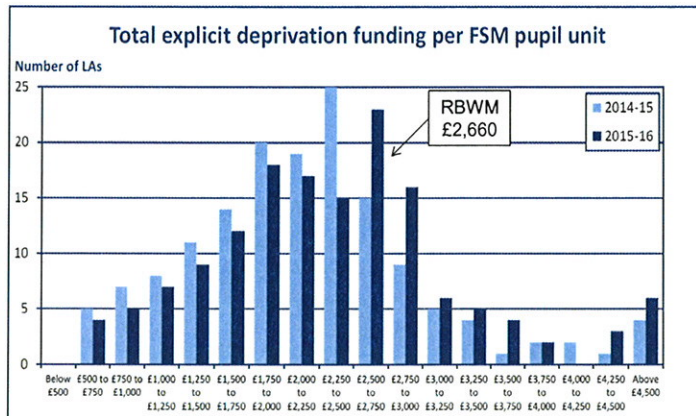


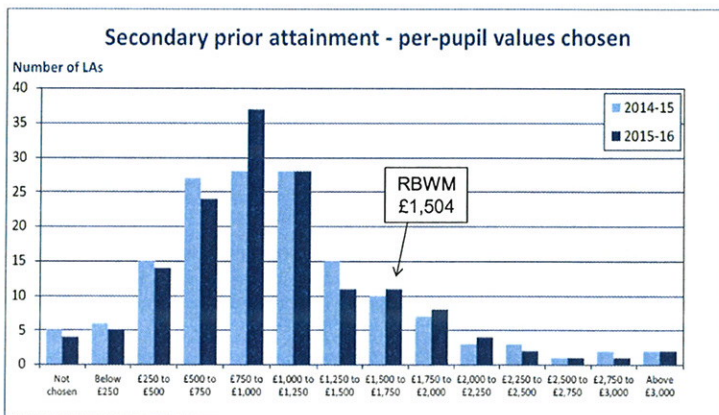
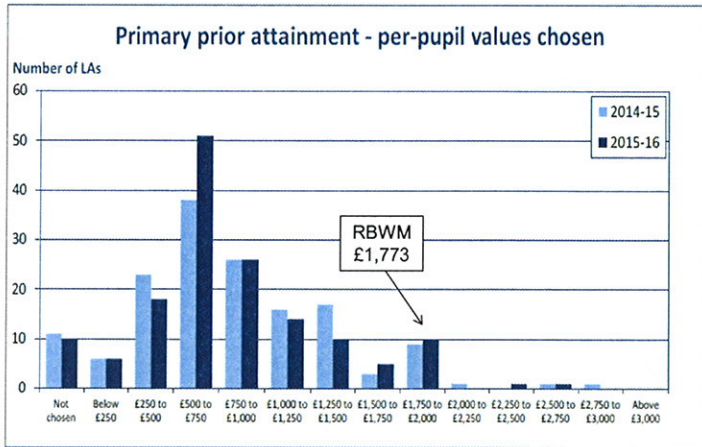
## % of funding allocated through non pupil led factors

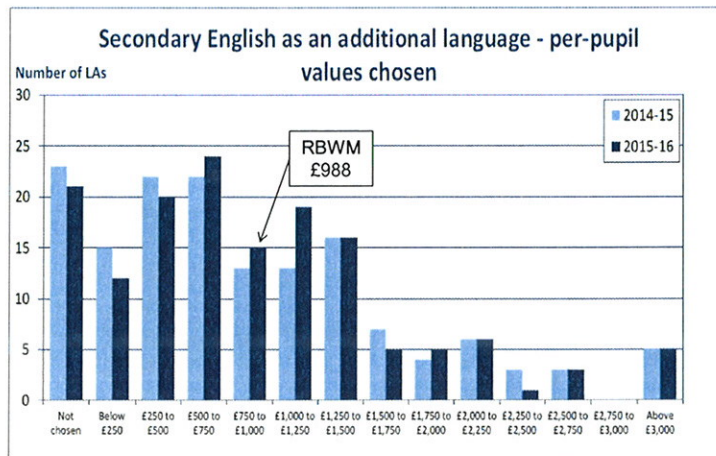
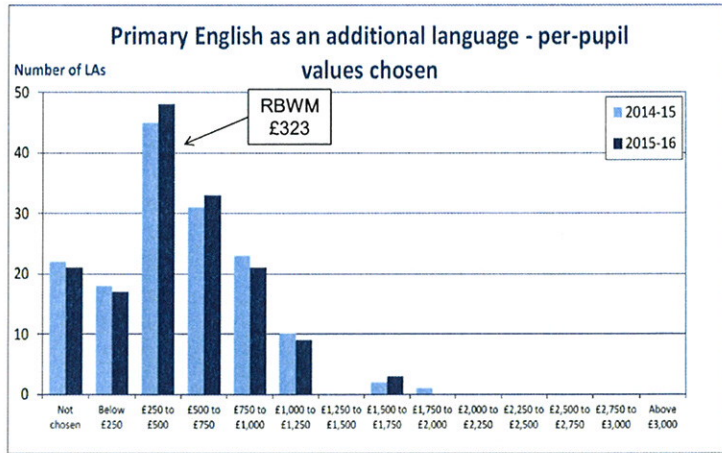
Other indicators	LAs out of 152	Range	Median	LAs in median range	RBWM
Lump sum	152	2% - 16%	6% - 8%	51	9.39% (UQ)
Notional SEN	152	<5% - >20%	7.5% - 10%	49	6.34% (LQ)
Pri : Sec Ratio (1 to x)	152	1.2 to 1.5	1.25 to 1.30	53	1:1.27 (M)

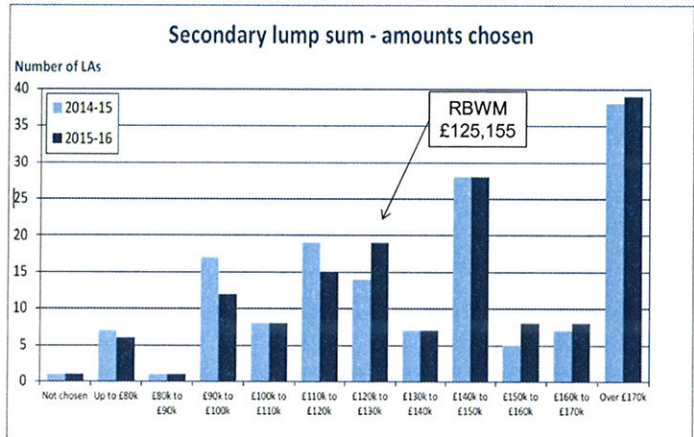
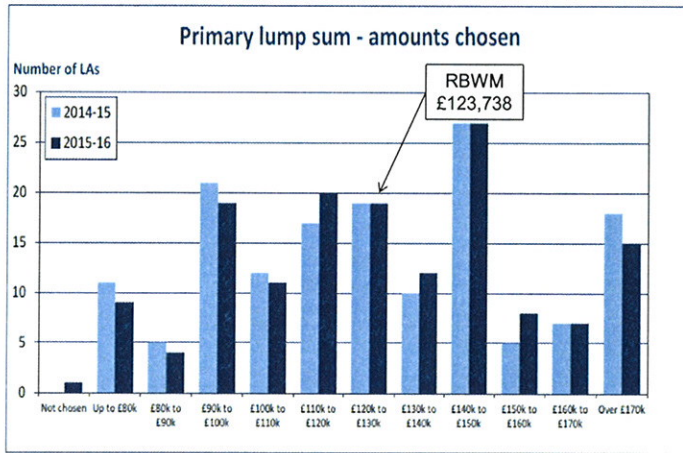




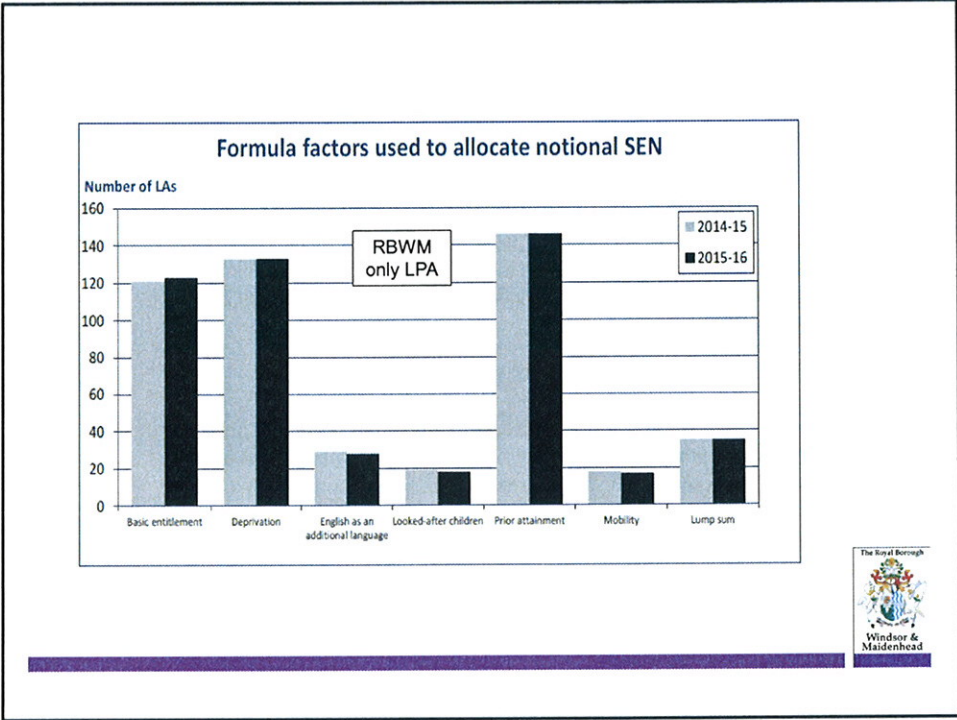












## Future outlook for school funding

The Royal Borough  
Windsor & Maidenhead

## Cost pressures on schools

- Increasing pupil numbers between 2105-16 and 2019-20 with expected 7% growth across primary and secondary sectors.
- Increasing costs
  - Increases in employer contributions
  - NI increases as result of introduction flat rate state pension
  - Upward pressure on pay levels (OBR estimate 14% between 2014-15 and 2019-20)
  - General inflationary pressure.
  - Reduction in ESG and sixth form funding.
- Conservative manifesto committed to "protecting school spending in cash terms in line with pupil numbers". Likely to mean real-terms cuts in spend per pupil given other increases in costs (9%-12%).
- Last real terms cuts in spending per pupil were in mid 1990s (3.6% between 1993 and 1997).

(Figures from IFS)



## School funding reform 1

- Pupil premium has made school funding more targeted towards the most deprived schools.
- Simplified local funding formulae with greater transparency and maintained, academies, and free schools all funded from the same formula.
- 2015-16 reforms introduced new formula for allocating funds to 'least fairly funded' LAs. (RBWM 3.1% increase per pupil).
- But this formula based approach only took account of Schools Block funding, not the whole of DSG.
- What next for school funding reform?



## School funding reform 2

- Scale, direction and timing of future reforms still unclear.
- National funding formula “when time is right”.
- Two options for national funding formula:
  - LA level formula – continuing with formula introduced for 2015-16.
  - School level formula – identical formula for all 152 LAs resulting in significant changes across schools. “1 in 6 lose at least 10%, 1 in 10 gain at least 10%” (IFS figures).
- DfE will consult further on school funding reform over the summer:
  - Early Years formula?
  - High Needs – recognition that 2015-16 reforms did not address funding of high needs.
  - Change in operation or level of MFG?



