

**Cabinet**  
**19 December 2005**

**6. LOCAL MANAGEMENT OF SCHOOLS 2006/07 AND 2007/08**

**Recommendation**

- 1. The Director of Children's Services recommends that as a result of the consultation undertaken in October and November 2005 the Cabinet approves the changes to the schools funding formula and scheme for 2006/07 and 2007/08 outlined in Appendices 1 and 2.**

**Background Information**

2. Each year the Council is required to consult schools and other consultees on changes to the Local Management of Schools (LMS) formula and funding scheme. This year the consultation took place in October and November. This is necessary in order for the Council to comply with the national requirements for school and local authority funding.
3. The Government is, from April 2006, introducing multi-year funding for schools. Initially this is for the 2-year budget period 2006/07 and 2007/08 pending introduction from 2008/09 of a multi-year cycle to coincide with the national spending review timetable. One of the requirements for local authorities resulting from this is the need to consult on any proposed funding changes that may take effect and be implemented during the multi-year period. Therefore, to comply with this requirement the above consultation covers the budget periods 2006/07 and 2007/08.
4. Both the Schools Forum and a working group of Headteachers and officers considered the draft of the consultation paper prior to circulation. The consultation document was then widely circulated. Copies were also provided to members. Responses were requested by 28 November 2005.

**Consultation Results**

5. The number of school responses received from the consultation via the questionnaire pro-forma were as follows:

Type of school	Total Number of schools	Number of responses	Percentage of responses
Nursery/First/Primary	187	43	23
MDP	5	1	20
MDS	28	7	25
Secondary	29	13	45
Special	11	2	18
<b>Total</b>	<b>260</b>	<b>66</b>	<b>25</b>

## **Formula and Scheme Changes 2006/07 and 2007/08**

## **The Role of the Schools Forum**

Key: MDP – Middle Deemed Primary  
MDS – Middle Deemed Secondary

\* The response rate in 2003 was 24% and 2004 was 31%.

6. In addition to these formal responses, Headteacher/Governor consultation meetings were held in November at which the proposed changes were discussed. Also officers had been requested to attend meetings of Headteachers in primary partnerships, middle and high school groups to discuss detailed consultation issues particularly relating to Special Educational Needs (SEN).

7. The consultation paper provided information on the changes that the DfES are introducing at a national level including: -

- the introduction of multi-year budgets for 2006/07 and 2007/08
- the continuation of the individual schools Minimum Funding Guarantee (MFG)
- the continuation of the local authority role to allocate resources via the local funding formula
- the introduction of the ring fenced Dedicated Schools Grant (DSG) to fund the existing schools budget
- new powers for local authority schools forums
- changes to the funding streams from other specific grants
- changes to financial management requirements for schools.

8. The consultation paper also proposed some changes to a number of local formula issues. One significant change to the funding formula proposed in the paper was to introduce a new formula to support pupils with statements in mainstream schools.

9. In total, consultees were requested to respond to nine questions that related to specific issues within Worcestershire's funding formula. Appendix 1 shows the responses from schools to these nine questions. Key issues and recommendations arising from the consultation are detailed in Appendix 2.

10. Given the timescales for introducing the new funding arrangements (see paragraph 2 above), one of the questions the consultation paper asked was whether schools agreed with the proposal to allow the Schools Forum to act as the main source of additional consultation with schools during this year. The overwhelming majority of schools who responded (59 out of 66) agreed with this proposal. This supports the new national framework for the new decision-making powers for school forums.

## Conclusion

11. There is a statutory requirement to consult the Schools Forum on these funding proposals. The Schools Forum has met twice during the Autumn Term 2005. The second meeting took place on 6 December where the Forum discussed the consultation paper responses. A summary of the discussions and recommendations of the Forum are detailed in Appendix 3.

## Supporting Information

12. The responses from schools show that, as in previous years, there is no strong desire for further delegation. The responses also show majorities for the proposed changes to the LMS formula and scheme both in total and in the majority of phases for 2006/07 and 2007/08. The one area where there was not a majority in each sector was the proposal for a funding mechanism to meet the requirements of the management contract for the Bromsgrove Schools PFI. However, it was supported overall and the nature of the contract requires the proposal to proceed.

- Consultation Responses, November 2005 – Appendix 1
- Key Issues Arising from the Consultation – Appendix 2
- Worcestershire Schools Forum Issues – Appendix 3
- A full set of written responses from schools are available for inspection in the Member Support Unit.

## Contact Points

### County Council Contact Points

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### Specific Contact Points for this Report

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## Background Papers

In the opinion of the proper officer (in this case the Director of Children's Services) the following are the background papers relating to the subject matter of this report:

LMS Consultation Document – October 2005