

Cabinet
20 December 2007

5. FAIR FUNDING CONSULTATION OUTCOMES 2008-11

Recommendation

1. **The Director of Children’s Services recommends that, having regard to the consultation undertaken in October and November 2007, the Cabinet approves the changes to the schools funding formula and scheme for the period 2008-11 as outlined in Appendices 1 and 2.**

Background Information

2. The Council is required to consult schools and other consultees on changes to the Fair Funding Formula and Scheme for Financing Schools. This is necessary in order for the Council to comply with the national requirements for school and local authority funding.

3. The Government has, from April 2006, introduced multi-year funding for schools. Initially this is for the 2-year budget period 2006/07 and 2007/08. 2008/09 sees the start of the second multi-year budget period to coincide with the national spending review timetable covering the 3 financial years 2008/09, 2009/01 and 2010/11. 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 at any time during the multi-year period. Therefore, to comply with this requirement the consultation has covered the budget period 2008-11.

4. The Worcestershire Schools Forum (WSF) and officers considered the draft of the consultation paper prior to circulation. The consultation document was then widely circulated. Copies were sent to all members of the Council. Responses were requested by 26 November 2007.

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	180	20	11
MDP	5	1	20
MDS	17	2	12
Secondary/High	29	9	31
Special	10	4	40
Total	241	36	15

Formula and Scheme Changes 2008-11

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

* The response rate in both 2005 and 2006 was 25%.

6. In addition to these formal responses, Governor and Headteacher consultation meetings were held in November 2007 at which the proposed changes were presented and discussed. Officers have also been requested to attend meetings of Headteachers in primary partnerships, middle and secondary/high school groups to discuss the detailed consultation issues. A meeting has also been held with the Teachers' Associations.

7. The consultation paper provided information on the changes that the Department for Children, Schools and Families (DCSF) are introducing at a national level over the period including: -

- the continuation of the spend plus model for the distribution of the Dedicated Schools Grant (DSG) during 2008-11
- the continuation of the individual schools Minimum Funding Guarantee (MFG)
- additional funding in the DSG to support the costs of deprivation in authorities where the overall level of deprivation is low i.e. 'pockets of deprivation'
- new membership requirements for local authority Schools Forums to include representation from the Private, Voluntary and Independent (PVI) early years sector and 14-19 Partnerships
- new funding arrangements for early years and the funding for Key Stage (KS4) diplomas, and
- changes to the funding streams for other specific grants.

8. The consultation paper also proposed some changes to a number of local formula issues. These included:-

- local requirements arising from a national review for the funding for social deprivation
- the varying of formula data sets during the multi-budget period
- the management of school surplus balances, and
- the trading of services with schools.

9. In total, consultees were requested to respond to 13 questions that related to specific issues within Worcestershire's Funding Formula and Scheme for Financing Schools. Appendix 1 shows the responses from



The Role of the WSF

schools to these thirteen questions. Key issues and recommendations arising from the consultation are detailed in Appendix 2.

10. As required the WSF continues to fulfil its statutory role as the principal consultation forum for matters relating to school funding.

11. There is a statutory requirement to consult the WSF on these funding proposals. The WSF has met twice during the Autumn Term 2007. The second meeting took place on 6 December where the WSF discussed the consultation paper responses. A summary of the discussions and recommendations of the WSF are detailed in Appendix 3.

Conclusions

12. The responses from schools are summarised as follows and overall show support for:-

- local decision-making via existing groups on the proposed deployment of funding to support the costs of the KS4 diplomas
- continuing the existing national model for allocating the School Development Grant (SDG) for 2008-11
- the conclusions from the social deprivation review as reported to the WSF
- introducing, within the Worcestershire County Council local schools formula, new arrangements for supporting the costs of social deprivation, subject to headroom availability
- the existing arrangements, used in 2006-08 for varying non-AWPU data, continuing for the period 2008-11
- formula and service development, during the multi-year budget period, to support the costs of LAC and EAL pupils in schools, subject to headroom availability
- further provisions for the management of surplus balances scheme, to be contained with the Scheme for Financing Schools from April 2008, as detailed within the consultation document
- changes to existing buy back processes for delegated support services, and
- designated support services to formulate buy back options within the multi-year budget period, as detailed within the consultation document.

Supporting Information

- Consultation Responses, November 2007 – Appendix 1
- Key Issues Arising from the Consultation – Appendix 2
- Worcestershire Schools Forum (WSF) Issues – Appendix 3
- A copy of the written responses from schools is available on request.

Contact Points

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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:

Fair Funding Consultation Document – October 2007

Cabinet – 20 December 2007

Page No.