

Report to: **SCHOOLS' FORUM**

Date: 25 June 2019

Reporting Officer: Tim Bowman, Assistant Director, Education
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Subject: **SCHOOLS FUNDING CONSULTATION UPDATE**

Report Summary: This report provides an overview of work carried out by the Schools Funding group at the request of Schools Forum relating to Split Site, Growth and Early Years.

Recommendations: Schools Forum approve the proposed changes to the split site factor outlined at 3.3
Schools Forum approve the proposed change in funding for the Growth Factor at **Appendix C**
Schools Forum agree existing funding arrangements remain in place for the 2 schools being funded for bulge classes on a historic basis.
Schools Forum support Early Years recommendations at Section 6.

Corporate Plan: Education finances significantly support the Starting Well agenda to provide the very best start in life where children are ready to learn and encouraged to thrive and develop, and supporting aspiration and hope through learning and moving with confidence from childhood to adulthood.

Policy Implications: In line with financial policies and financial regulations.

Financial Implications: As outlined in the body of the report.
(Authorised by the statutory Section 151 Officer & Chief Finance Officer)

Legal Implications: The Forum should be satisfied it has considered all factors set out in the report when making its decision.
(Authorised by the Borough Solicitor)

Risk Management: The correct accounting treatment of the Dedicated Schools Grant is a condition of the grant and procedures exist in budget monitoring and closure of accounts to ensure that this is achieved.

Access to Information: This report does not contain information which warrants its consideration in the absence of the Press or members of the public

Background Information: The background papers relating to this report can be inspected by contacting Christine Mullins



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1. INTRODUCTION

- 1.1 Schools forum requested further work be carried out by the Schools Funding Group in relation to the Split Site Factor and a further review of the Growth Factor at February 2019 Schools Forum Meeting. This report is to feedback the outcome of this work and the proposed changes to the schemes.

2. CONSULTATION

- 2.1 On 26 March 2019 the Schools Funding Group met to discuss the Split Site criterion, The Growth Factor and use of the Early Years Funding. The issues were discussed at length and a number of differing options were considered. The group requested a consultation with all schools and academies setting out the options that the group had identified it felt appropriate for consideration.
- 2.2 A full digest of the meeting along with a consultation papers for Split Site and Growth factors were issued on 7 May 2019. The consultation included a link to a Survey Monkey Question for feedback. The consultation ran from 7 May 2019 and ended on 24 May 2019. Of the 99 schools consulted, 9 responses were received to the split site questions 9% of all schools and for the Growth Factor 8 schools 8% responded. The low number of responders should be considered when making decisions.
- 2.3 **Appendix A** shows the results of the survey.

3. SPLIT SITE FACTOR

- 3.1 Further to the discussion of the Schools Funding Group which explored the cost drivers for schools on splits sites, 4 options were recommended for consultation.

Option 1 - Remain with the Split Site Factor approved by Schools Forum in February 2019

- The school is recognised as one school by the DfE, and has only one school number.
- The school sites must be at least one mile apart as the crow flies.
- The school sites must be separated by an A road.

Option 2 - Change the Split Site Factor to the following;

- The school is recognised as one school by the DfE, and has only one school number.
- The separate sites are effectively operating as separate schools with senior leadership (or a head of centre) being needed at both sites.

Option 3 - Have a Split Site Factor on the High Needs Block Only

Option 4 - Remove Split Site Factor for all schools

- 3.2 The outcome of the survey consultation is schools support option 2 with 70% of schools supporting this option. This is the option that was also favoured by the Schools Funding Group. Specific comments made by schools to support their decisions are

“There is an impact on admin staff requirements when a school essentially has two receptions offices.”

“Split site funding should be used to mitigate against the additional costs faced by schools in such premises. Having to have separate heads of school and/or reception centres is the best way to identify this rather than which type of road intersects both sites.”

”Distance isn't always going to make a difference to costs incurred.”

It is therefore proposed the Split Site Factor outlined at 3.3

3.3 Split Site Factor

Tameside split site criteria is applicable to all schools and academies. Schools that meet the criteria will be eligible for split site funding. Schools sharing facilities, federated schools and schools with remote sixth forms or remote early year’s provision are not eligible for split site funding.

- The school is recognised as one school by the DfE, and has only one school number.
- The separate sites are effectively operating as separate schools with senior leadership (or a head of centre) being needed at both sites.

The funding in the table below recognises that operating sites at such a distance would require additional leadership costs, the need for separate reception points and a nominal contribution to additional resources to support this.

Split Site Costs	£
Additional Leader - Leadership point 10 plus on costs	£61,658
Reception - Grade D TTO plus on-costs	£19,556
Additional Resources	£2,000
Total Split Site Allocation	£83,214

4. GROWTH FUND

4.1 The Schools Funding Group discussed aspects of the Explicit Growth fund. A number of options were presented to the Schools Funding Group which the group did not feel were appropriate and recommended 3 alternatives for consultation outlined at 4.2.

Option 1 – No Growth Funding

Option 2 – Growth Per Pupil Model - Growth should be funded based on actual numbers pro rata to the period September to March and allocated on AWPU rates for schools dependant on sector. Both one off bulge classes and planned continued growth classes will be funded using the same principles. Schools will be funded on an academic year basis.

Option 3 – Tapered Growth Per Pupil Model – Growth funded on the same basis as option 2 with protected numbers for years 1 and 2.

Full details of all of the options can be found in **Appendix B** with worked examples for reference.

4.2 The outcome of the survey is schools support option 2 with 62.5% of schools (5 schools) supporting this option. 37.50% (3 schools) of respondents voted for option 3.

4.3 Schools Funding Group requested that the growth policy should have a minimum number of pupils where growth is planned in a school acknowledging that if school is expecting to take a growth class. It was felt there should be more than 5 pupils before growth funding is allocated, but a minimum level of funding of 15 pupils funded to ensure that the school did not face financial difficulty. This was consulted upon and 89% respondents supported this approach.

4.4 The Schools Funding group also wanted to consider a cap on pupil numbers funded to limit the amount being top-sliced from the school block to fund this, and recognising that it is

likely there will be some economies of scale that can be made once the class size is over 30. Schools were asked what level of cap if any was reasonable.

- 4.5 The outcome of consultation with 50% of respondents would be to cap funding at 30 pupils, responses are shown below;

Option	Proposal	Percentage	School No's
Option 1	No Cap	25%	2
Option 2	Cap at 30 Pupils	50%	4
Option 3	Cap at 45 Pupils	25%	2
Option 4	Cap at 60 Pupils	0%	0

- 4.6 It is therefore proposed that Schools Forum approve a Growth Factor that should have the following factors;

- Growth based on pupil numbers on actual numbers funded pro rata to the period September to March (based on October census) and allocated on AWPU rates dependant on the schools sector
- Minimum funding of 15 pupils
- Funding capped at 30 pupils

Forum members are asked to approve the Growth Policy outlined in Appendix C to be applied to all future funding of Growth

5. HISTORIC GROWTH ARRANGEMENTS

- 5.1 As part of the consultation schools funding group also discussed the funding arrangements for 2 schools that are currently in receipt growth funding on a historic arrangement. The discussion was to agree whether the schools should continue to be funded on the historic arrangements already in place or whether the schools should be moved to whichever new arrangements were put in place. The options presented for consultation were

Option 1: Funding should continue in both schools

Option 2: Funding should continue in school 1 only

Option 3: Funding should continue for school 2 only

Option 4: Schools should be funded under the new growth criteria for 1 April 2020.

- 5.2 The outcome of the survey consultation is schools support option 1 with 75% of schools supporting this option.

Specific comments made by schools to in relation to this are

“I am concerned about being asked to make financial decisions about two specific schools. without knowing the wider financial position and the implications of any future models, it would seem to unfair to the specific schools who will have made commitments to accept additional numbers in good faith.”

“Not answered Q8 as I think a further option should have been available. When the schools agreed to take a bulge class what were they informed of how it should operate? If they were told that it would continue to Year 6 then this should be the case. If it was not then it seems reasonable to move to the new funding criteria - particularly as the schools will now be in receipt of the AWPU”.

- 5.3 It is recommended that these 2 arrangements continue to be funded under the historic Growth Fund Allocation.

6. EARLY YEARS

6.1 As requested at last forum, School Funding Group were to hold discussions regarding the proposals for additional funding being used to strengthen the SEND offer.

6.2 It was agreed to that subject to the affordability of plans the following be supported

- Increase the area SENCO model with – two more posts in to deliver on this.
- Increase capacity in the Quality Team – to include additional capacity in each locality to support speech language and communication needs, the area SENCO role and quality work in good settings, this would also include additional commissioned school to school support,
- Set aside funding for a commissioning fund to enable school to school and PVI sector to support as an Early Years improvement fund. With some specific focus on Speech, Language and Communication

There was also discussion regarding the need in future to consider further the headroom for further central retention (i.e. we currently allocate 96% and retain 4%, however we can retain 5% as 95% is the statutory pass through allocation)

6.3 School Forum Members are requested to support this approach.

7. SCHOOLS FUNDING GROUP

7.1 Schools Funding Group have met again on 21 May 2019 to discuss, High Needs Pressures, Schools Balances and Contingency. A digest has been prepared from the meeting to share with schools; however the detail on High Needs and the School balances are subject to separate agenda items.

7.2 Schools Funding Group have requested discussion at Business Manger Meetings, and Primary Heads Briefing to ensure schools are aware of the issues ahead of the consultation of 2020/21 Funding announcements.

8. RECOMMENDATIONS

8.1 As set out at the front of the report.