



THE LONDON BOROUGH
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To: Members of the
SCHOOLS' FORUM

Andrew Downes (Chairman)	Secondary Academy Governor
David Bridger (Vice-Chairman)	Non-School Representative (Church of England)
Colin Ashford	Primary Academy Governor
Anna Boshier	Non-School Representative (Catholic Church)
Geoff Boyd	Primary Maintained Governor
Angela Chapman	Primary Maintained Governor
Nick Cross	Secondary Academy Head Teacher
Patrick Foley	Primary Maintained School Head Teacher
Sam Parrett	Non-School Representative (14-19 Partnership)
Neil Proudfoot	Non-School Representative (Joint Teacher Liaison Committee)
Matt Rampton	Primary Academy Head Teacher
Karen Raven	Secondary Academy Head Teacher
Alison Regester	Non-School Representative (Early Years)
Keith Seed	Special Head Teacher/Governor
1 x vacancy	Primary Maintained School Head Teacher
1 x vacancy	Pupil Referral Unit Head Teacher/Governor
David Wilcox	Secondary Academy Governor
Aydin Önaç	

A meeting of the Schools' Forum will be held at the Education Development Centre on **THURSDAY 7 MARCH 2013 AT 4.30 PM** *

*** PLEASE NOTE STARTING TIME AND VENUE**

MARK BOWEN
Director of Resources

A G E N D A

- 1 APOLOGIES FOR ABSENCE**
- 2 DECLARATIONS OF INTEREST**
- 3 MINUTES OF THE MEETING HELD ON 24TH JANUARY 2013 (Pages 3 - 6)**
- 4 REVISED DEDICATED SCHOOLS' GRANT 2013/14 (Pages 7 - 10)**
- 5 REVIEW OF 2013/14 SCHOOL FUNDING ARRANGEMENTS (Pages 11 - 62)**

6 ANY OTHER BUSINESS

7 DATE OF NEXT MEETING

The EDC closes on 31st march 2013. Therefore the venue for future meetings will be advised.

Thursday 23rd May 2012

Thursday 18th July 2013

Thursday 26th September 2013

Thursday 21st November 2013

Thursday 23rd January 2014

Thursday 13th February 2014

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Agenda Item 3

SCHOOLS' FORUM

Minutes of the meeting held at 4.30 pm on 24 January 2013

Present:

Andrew Downes (Chairman)	Secondary Academy Governor
Geoff Boyd	Primary Maintained Governor
Angela Chapman	Primary Maintained Governor
Nick Cross	Secondary Academy Head Teacher
Patrick Foley	Primary Maintained School Head Teacher
Karen Raven	Secondary Academy Head Teacher
Alison Regester	Non-School Representative (Early Years)
David Wilcox	Secondary Academy Governor
Aydin Önaç	Secondary Maintained Head Teacher

Also Present:

Lynn Barrett	14-19 partnership
David Bradshaw	Head of Education and Care Services Finance
Dr Tessa Moore	Education and Care Services
Amanda Russell	Head of Schools Finance Support
Helen Long	Democratic Services Officer

27 APOLOGIES FOR ABSENCE

Apologies for absence were received from; Councillor Pauline Tunnicliffe, David Bridger, Keith Seed, Anna Boshier, Neil Proudfoot and Sam Parrett, Lynn Barrett attended as her alternate.

28 DECLARATIONS OF INTEREST

There were no declarations of interest.

29 MINUTES OF THE MEETING HELD ON 13th December 2012

The Minutes of the meeting held on 13th December 2012 were agreed subject to the following amendments:

Minute 22: under matters arising, 1st bullet point, remove the second sentence. 2nd bullet point, change "officers did not understand the request so had responded asking for clarity" to "Officers had requested clarity".

Matters Arising -

The Forum asked what the current position was on PFI's. Don King reported that if a PFI was needed it would be top sliced but it needed to be considered carefully; the practicalities of commissioning a PFI. Each PFI would need to be signed off by ministers. The Chairman added that the Forum would want to know before any decision was made so that they would be able to make representations.

RESOLVED that the minutes of the 13th December 2012 be agreed subject to the minutes subject to the amendments outlined above.

30 2013/14 Dedicated Schools Grant

Officers presented a report giving details of the indicative allocation for the 2013/14 Dedicated Schools Grant and an outline of how this funding would be allocated and expended across the High Needs, Early Years and Schools Blocks.

The Dedicated Schools Grant allocation for 2013/14 had now been notified to the LA as a total sum of £228,331,776.; allocated in three blocks which had been agreed by the LA as follows:

Schools Block	£167,903,853
Early Year Block	£14,560,243
High Needs Block	£45,867,680

Funding for 2012/13 was £220,809,000 but had increased for 2013/14 due, not only to increased pupil numbers, but also to additional funding which was now being included in the DSG. However, this additional funding also brings with it additional expenditure that is now included in the DSG.

At the request of the Chairman, Officers circulated examples of how the calculations would work.

Members asked for clarification on a number of points:

- Officers circulated a sheet to members showing how the calculation of the MFG works for individual schools (copy attached). Following questions, officers explained how the budget class funding allocated in 2012/13 was excluded from the calculation as it to be allocated outside of the funding formula in 2013/14.
- DfE had highlighted the issue that the Bromley Primary AWPU funding level is low in comparison to other LAs. Officers clarified that this was due to the fact that funding had been moved out of AWPU in the Primary sector to support the lump sum and the higher levels of funding for the supplements for EAL, deprivation and attainment. It was also confirmed that the Secondary AWPU was in line with other LAs. Officers also reported that the response to DfE also highlighted the issue that Bromley's DSG was low in comparison to other LAs therefore it was due to this in part that our funding is low.

- Officers had asked DfE to provide evidence of other LAs funding but DfE were unable to provide this. Officers will endeavour to find supporting evidence on the DfE website in terms of overall DSG allocations. Forum members commented that it may have been helpful to have had more information about the rationale for this included in the report as without this the information could be seen as misleading. Officers confirmed that this information had been discussed in detail with the Chair and Vice Chair and had been included in the report at the specific request of DfE.
- One Forum Member asked if it was possible to move funding from another funding block to address the low primary AWPU level. Officers explained that this was possible as the blocks are not ringfenced however it would not actually provide any additional funding to individual schools due to the impact of the MFG
-
- Officers reported that the authority had been invited to meet with the DfE on 13th February, the purpose of which was to share information on the issues faced by the Local Authority in moving forward with the funding formula. Officers would attend but wanted some representatives from the schools to attend. The Chairman would attend and it was suggested that Patrick Foley and Keith Seed also attend.
- Forum members were told that in previous years schools had been provided with an indicative budget based on the MFG at February half term with full and final budgets being issued at the end of March. As the date for issuing final budgets has now been brought forward to the middle of March it was agreed that no indicative figures would be issued as they could be misleading to schools, and that schools would wait for the full information to be released in March.
- Concerns were raised at the decrease in pupil numbers in the secondary sector which had an impact on individual schools MFG. Karen Raven commented that this was particularly affecting schools in the east of the borough. Don King advised that the EFA was aiming to get the detailed allocations to academies by mid to late February for next September's allocation. That would give schools ample time to query or raise questions about the allocation.
- The Forum suggested that a circular outlining the above should be sent to all Head teachers.
- It was also agreed that an officer would produce a glossary of terms for all Schools Forum Members.

RESOLVED that the allocations are noted, specifically relating to the funding rates for the schools funding formula.

31 ANY OTHER BUSINESS

Officers circulated an information sheet from Charles Obazuaye on the local terms and conditions affecting maintained schools. It did not affect academies who could set their own terms and conditions. If staff wanted more information they were encouraged to contact their unions.

32 DATE OF NEXT MEETING

As the date of the January meeting had been delayed by 2 weeks it was agreed that the February meeting should be cancelled and a new date of 7th March was set. The meeting scheduled for 14th March was therefore cancelled.

It was noted that the EDC was closing at the end of March so an alternative venue would need to be used for meetings in April onwards.

Date of next meeting:

Thursday 7th March 2013 4.30pm at the EDC.

The Meeting ended at 6.15 pm

Chairman

Report No.
ED13048

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: **Schools Forum**

Date: **7 March 2013**

TITLE: REVISED DEDICATED SCHOOLS GRANT 2013/14

Contact Officer: Mandy Russell, Head of Schools' Finance Team
Tel: 020 8313 4806 E-mail: amanda.russell@bromley.gov.uk

Chief Officer: Terry Parkin, Executive Director of Education and Care Services

Ward: Boroughwide

1. Reason for report

- 1.1 This report provides revised details of the 2013/14 Dedicated Schools Grant and how it will be allocated and expended across the High Needs, Early Years and Schools Blocks.
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2. **RECOMMENDATION(S)**

- 2.1 **The Schools Forum is asked to note and comment on the changes from the original allocations**

3. **COMMENTARY**

- 3.1 At the meeting on the 24 January the Schools Forum considered a report on the 2013/14 Dedicated Schools Grant. Whilst there has been no change to the estimated income, there have been some changes to the planned expenditure. The changes are detailed as follows:
- (i) Shows the estimated adjustment expected to be recouped from DfE to cover the cost of funding the first £6,000 of high needs costs to Academies between April and August as the changes to High Needs funding do not come into effect for Academies until September 2013. This figure was included in the original report but was netted off against the academy MFG calculation.
 - (ii) Funding to academies and Secondary maintained schools has increased marginally as de-delegated funding had been calculated on the DfE spreadsheet in error.
 - (iii) MFG funding to secondary academies with units has been decreased as a result of removing AWPUP for unit pupils to be replaced by increased top up funding in the High Needs Block. This is in line with guidance recently issued by DfE.
 - (iv) Reduction in maintained nursery expenditure to reflect changes in pupil numbers.
 - (v) Funding for Academy nursery moved from PVI to Maintained – NB this has had a corresponding effect on (iv) above.

- (vi) Increase to core funding for resourced provision to reflect planned place expansion from September 2013.
- (vii) Increase to Special Schools/PRU top up funding to reflect changes to pupil numbers.
- (viii) Increase to Unit Top up funding to reflect the reduction in AWPU funding – see point (iii) above.
- (ix) The net impact of these changes has been adjusted in SEN Out of Borough fees to balance the overall DSG expenditure.

3.2 The Schools Forum is asked to notes these changes.

**APPENDIX
Total**

	2012/13 Funding			
	£			
DSG		220,809,000		220,809,000
plus YPLA Post 16 SEN Grant		1,605,720		
plus YPLA Post 16 Teachers Pay Grant		387,240	(no info on this yet)	
		222,801,960		222,801,960
	High Needs Block	Early Years Block	Schools Block	
	44,094,983	11,415,538	165,298,479	220,809,000
less Hospital Top-slice	-73,915	-18,930	-275,977	-368,822
less EY baseline	-161,514	-41,365	-603,048	-805,927
	43,859,554	11,355,243	164,419,454	
interauthority recoupment	478,590		-478,590	
YPLA SEN			1,605,720	
High Needs Baseline	44,338,144			
Cross border funding minus funding out to other LAs plus funding in from other LAs	-511,930 834,186			
Provisional Baseline	44,660,400	11,355,243	165,546,584	221,562,227
	-1,605,720	Pupil nos 12/13	40,552	
		Baseline £ per pupil	4082.33	
post 16 apr - jul	533,000			
post 16 aug - mar	2,280,000	Pupil nos 13/14	41,114	
Estimated Funding 2013/14	45,867,680	11,355,243	167,840,853	225,063,776
		2 yr old funding	NQT	63,000
		3 yr old trans		
	45,867,680	14,560,243	167,903,853	228,331,776
	45,867,680		167,903,853	

Page

		2012/13 Funding		Total	
Expenditure					
Core funding - units	2,523,333	Maintained	1,231,086	Estimated MFG	
- resourced provision	800,833			Academies	101,388,359
Core funding - PRU	1,008,000	PVI	10,149,686	DfE recoupment adj	-1,093,228
Core Funding - Maint Special Schools	5,232,497			Sec maint	2,767,565
Special Schools/PRU top up	6,384,738	2 yr old exp	2,801,190	Pri Maint	62,827,968
Units top up	1,035,167				
Central					
Darrick Wood HIU	746,100			Central	
Pupil Referral costs	-68,650			Access and	
Early Intervention - Primary	188,640			Admissions	712,920
Progression Courses	402,130			Maternity Staff costs	511,000
Home and Alternative Provision	869,390			Contingency	1,675,000
SEN Support in Mainstream	376,210			Capital	217,540
Autism Strategy	221,150			Schools Forum	24,150
Sensory Support	956,440			Pupil Support	460,310
Outreach and Inclusion	231,840			Support to Schools	105,980
SEN Support in Preschools	366,490				
Specialist Support and Disability	353,500				
Complex Needs Team	314,120				
Phoenix Pre School Service	1,706,980				
Early Support Programme	120,710				
SEN Transport	330,000				
Special Central	56,850				
Other Statemented	448,060				
SEN Outborough Fees	15,505,522				
SEN in fe Colleges	3,091,830				
Pupil Support	515,000				
Special capital	813,810				
Insurance	21,560				
Total Expenditure	44,552,250		14,181,962		169,597,564
Estimated Surplus/Shortfall	1,315,430		378,281		-1,693,711
					0

Report No.
ED13047

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: **Schools Forum**

Date: **7 March 2013**

TITLE: REVIEW OF 2013/14 SCHOOL FUNDING ARRANGEMENTS

Contact Officer: Mandy Russell, Head of Schools' Finance Team
Tel: 020 8313 4806 E-mail: amanda.russell@bromley.gov.uk

Chief Officer: Terry Parkin, Executive Director of Education and Care Services

Ward: Boroughwide

1. Reason for report

- 1.1 This report provides revised details the DfE recent consultation documents regarding the Review of the 2013/14 School Funding arrangements.
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2. **RECOMMENDATION(S)**

- 2.1 **The Schools Forum is asked to consider the consultation document and to formulate a response to be sent on behalf of the Local Authority.**

3. **COMMENTARY**

- 3.1 The Department for Education has recently released a consultation document to look at the funding arrangements that are now in place for 2012/13 and whether there should be any changes put in place for 2013/14 to address some areas of particular concern and to prevent unacceptable consequences. This consultation covers a wide range of issues, some of which relate to very specific educational issues and it was therefore proposed that the Schools Forum should be fully involved in formulating a co ordinated response with the LA.
- 3.2 As mentioned at the last Schools Forum meeting Bromley was invited to meet with DfE representatives to discuss some of these issues. This meeting took place on Weds 27th February and included the Director and Assistant Director, LA officers Head Teachers and Schools Forum representative. This was an extremely useful meeting as it allowed the LA to feed back some of the issues that are particularly pertinent to or exacerbated in Bromley. Further information regarding this meeting will be fed back verbally at the Schools Forum meeting.
- 3.3 The full consultation document and response form is attached at **Appendices 1 and 2**. Also attached at **Appendix 3** is the Bromley proforma that was submitted to the DfE which shows Bromley funding rates and percentages to be compared to the average figures that are quoted in the report. This document has also been circulated to other relevant senior officers in the LA for their comments and view which will be brought to the Forum next week.

- 3.4 Section 3 of the consultation document looks at High Needs funding. Paragraphs 58 to 60 focuses specifically on the Notional SEN budget for mainstream schools. To help Schools Forum members to comment on this area some further information is provided. **Appendix 4** shows details of DfE guidance around the concept and calculation of notional SEN budgets, Bromley's interpretation of this guidance and full calculations for individual schools.
- 3.5 The Schools Forum is invited to contribute to the co-ordinated response on behalf of the LA. However, it is recognised that some schools may have differing views on some of the issues and are therefore encouraged to submit an individual response highlighting any particular issues.



Department
for Education

Review of 2013–14 School Funding Arrangements

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Introduction

1. We have made a clear commitment to reform the school funding system and end the inequalities and inconsistencies that have built up over many years. We want a funding system which:
 - is **up-to-date** and reflects the current demographics of pupils across the country;
 - targets **additional money to pupils who need extra support** to achieve;
 - is **consistent and pupil-led** so that, wherever a pupil goes to school, he or she will attract similar levels of funding;
 - is **transparent** so that parents, head teachers, governors and tax-payers can see clearly how funding has been distributed and why;
 - gives pupils (supported by their parents and carers) **genuine choice** about which school they attend.
2. We confirmed in March last year that we will introduce a national funding formula in the next spending review period but that we will take a gradual approach to ensure that we get it right.
3. Our priority for 2013-14 therefore has been to make some improvements to the current system so that there is a greater focus on the needs of pupils and greater consistency across local areas. We have:
 - Simplified and rationalised the formula factors that local authorities can use when allocating funding to schools, in order to move away from overly complex and opaque formulae. This means that, across the country, schools will be funded using up to 12 clearly defined factors. Those 12 factors represent the circumstances under which we believe schools should attract additional funding (for example, for deprived pupils, for pupils with low attainment, or for those operating on split sites) and represent the likely direction of a national funding formula. We removed a large number of factors which we did not believe justified additional funding (these included swimming pools and floor space).
 - Ensured that the maximum amount of money is passed on to schools to spend as they see fit.
 - Put in place a more transparent and comparable process for funding academies by reducing the time-lag in their funding from 17 months to just 5.
 - Reformed the funding arrangements for pupils with high needs by introducing the 'place-plus' system. This ensures that schools have clearly identifiable budgets for

pupils with special educational needs (SEN) and that local authorities take a consistent approach to funding needs over and above those budgets.

- Strengthened the local decision-making process by ensuring that Schools Forums operate more transparently, and that school and academy representatives have a greater say about how money is distributed.
4. We have always been clear that these arrangements are intended to pave the way for a new national funding formula and that there are still a number of issues about its shape and structure that we need to resolve. We want to ensure that we continue to make progress and so, over the coming weeks and months, we will be looking at whether the 2013-14 arrangements are simplifying the system, securing greater consistency between local areas and moving us towards a national funding formula.
 5. We know that some local authorities, schools and parents are concerned about the impact of the new arrangements. While we remain committed to the core principles at the heart of the funding reforms, the review we are carrying out will consider whether and to what extent we need to make small changes in 2014-15 in order to address those concerns and prevent unacceptable consequences. The areas on which we have focused in this document are those most frequently raised with us or issues we have identified as requiring further consideration through our analysis of the budgets that have been set for 2013-14.
 6. We are clear, however, that as we move towards a pupil-led system, there will be changes to schools budgets and some degree of re-allocation between schools. That is a necessary and not an unintended consequence of reform. The Minimum Funding Guarantee (MFG) ensures that, in most cases, schools will not lose more than 1.5% of their funding per pupil in both 2013-14 and 2014-15. We have also confirmed that an MFG will continue to operate after 2014-15 although we cannot confirm the exact level.
 7. This document gives a summary of how the 2013-14 funding arrangements have been implemented and outlines some specific concerns that have been raised. It seeks views from a range of interested parties including local authorities, head teachers, principals, governors and locally elected members on a number of questions.
 8. There is a template which can be downloaded separately which you can use to answer those questions and then email to the Department at Funding.REVIEW2013-14@education.gsi.gov.uk by 26 March 2013.

Section 1: Are we moving towards national consistency?

9. Local authorities were asked to submit a pro forma containing information about their simplified funding formula by 31 October 2012. After the results of the autumn census and confirmation of the DSG settlement for 2013-14, revised pro formas were submitted on 22 January.
10. At the time of writing this document, not all of the January pro formas had been submitted to the Department or analysed. In the interests of publishing this document and allowing sufficient time to make any changes for 2014-15, we have used the October pro formas to give a broad assessment of 2013-14. The Annex includes graphs which give a fuller picture of how funding is being distributed across the country. We realise that this does not represent the most up-to-date picture and will update our understanding once the January pro formas have been fully analysed and quality-assured.
11. In analysing the pro formas, we have been keen to understand whether we are moving towards a more pupil-led system, and where the greatest variation has arisen. While the funding reforms have enabled local authorities to allocate funding to schools on a much more consistent and comparable basis, the data shows that there is still variation in how local authorities have distributed their Dedicated Schools Grant within the constraints. This is to be expected given that per-pupil funding allocations vary across the country, making each local authority's starting point different from its neighbours.
12. The majority of primary Age Weighted Pupil Units (AWPUs) are in the range of £2,250 to £3,250, although there are a few significant outliers of over £4,000. The 15 local authorities with highest primary AWPUs are all in London. The secondary AWPUs show a similar pattern and, again, the few outlier authorities with significantly higher secondary AWPUS are mostly in London.
13. Overall, the proportion of funding being spent on the AWPUs varies between 60% and 87%, with half of local authorities allocating between 75% and 80%.
14. The data does, however, show good progress towards our aims of moving to a more pupil-led system. Authorities are allocating at least 77% of funding through a combination of the pupil-led factors (these are the AWPU, deprivation, prior attainment, EAL, looked after children and pupil mobility) and around 49% of authorities are allocating between 90% and 95% of funding in this way.
15. We are keen to ensure that even more money is targeted to the needs of pupils, rather than to the circumstances of schools. We said in the document we published in June 2012, [School funding reform: Arrangements for 2013-14](#), that we would consider whether to set a minimum threshold for either the AWPUs or a combination of all the pupil-led factors.
16. Setting a minimum threshold for the AWPUs alone may not be meaningful given that the variation in deprivation across the country requires some local authorities to target more funding to deprived pupils than others. We are therefore inclined to set a minimum threshold for all the pupil-led factors. We realise a requirement of this nature

would have an impact on the level of the lump sum and so we would be interested in views on this. If, for example, we set it at 85% then seven local authorities would need to move money away from the lump sum, post-16 and premises factors and put it into the pupil-led factors.

Q1: Should we set a minimum threshold for the pupil-led factors and, if so, at what level?

17. There is considerable variation in the proportion of funding allocated through the deprivation factors – ranging from 2% to 25% (with 83% of local authorities allocating between 2% and 12%). There could be a number of explanations for this variation and we would be interested in learning more.

Q2: On what basis did local authorities decide on the quantum or proportion of funding to target to deprived pupils?

18. Another finding from the pro formas relates to the prior attainment indicators. Six local authorities chose not to use this formula factor at all and an additional four only used it for pupils in secondary schools.
19. There is also a significant degree of variation in the per-pupil allocations for the prior attainment factors. They range from £125 to £8,300 for primary pupils and £158 to £10,688 for secondary pupils. In both cases there are one or two local authorities with markedly higher per-pupil amounts than the rest, but even disregarding this, the variation is still significant.

Q3: On what basis did local authorities decide on the per-pupil amounts for the prior attainment factors?

20. Fewer than half of local authorities used the mobility indicator. This may be because we only introduced it in June 2012 in response to the representations we received as a result of our March 2012 consultation. Nonetheless, the per-pupil allocations vary in both primary and secondary phases from £10 to £2,000 (although there is a significant outlier of £5,012 for secondary pupils). We discuss the effectiveness of this indicator in section 2 of this document.
21. The lump sums chosen by local authorities varied significantly from £42,000 right up to the maximum cap of £200,000. The most common choice was £150,000 (used by 26 authorities) but, overall, there is no consistency in the values set. The lump sum is discussed again in section 2.

Section 2: Areas of concern and possible changes for 2014-15

22. We have been clear in our publications and in our discussions with local authorities, schools and other representatives that the new arrangements require a radical change in the way schools are funded in many local areas. Moving towards a more consistent and transparent system will inevitably lead to shifts in school budgets. Local authorities, in partnership with their Schools Forums, will therefore need to review the whole of the distribution, including the primary: secondary ratios and the weightings for deprivation and the lump sum.
23. Nonetheless, we are aware that some schools, local authorities, parents and governors are worried about the impact of the new arrangements. So far, reactions to the 2013-14 arrangements have been limited to a few issues and have come from a small minority of mainly rural local authorities.
24. In October 2012, in response to those concerns, the Department wrote to all Directors of Children's Services and Members of Parliament to provide reassurance that we will review the 2013-14 arrangements. The Department also confirmed that, if we find any unacceptable consequences for schools, we will make further changes in 2014-15 in order to prevent those consequences. Below is a list of the current 12 allowable factors.
- Age weighted pupil unit (AWPU)
 - Deprivation
 - Looked after children
 - SEN / prior attainment
 - EAL
 - Pupil mobility
 - Post-16 provision
 - Lump sum
 - Split sites
 - Rates
 - PFI
 - London fringe
25. In light of the feedback we have received to date, we are seeking specific views on whether changes are needed to three of these factors. They are: prior attainment; pupil mobility; and the lump sum. These are considered in paragraphs 27 to 38 below.
26. We are also aware that there are concerns about the factors which we are no longer allowing and about the restrictions on the targeting of deprivation funding. This is discussed in paragraphs 39 to 50 below.

Prior attainment

27. We know that the current prior attainment indicators are not a perfect measure for identifying pupils with special educational needs (SEN). They are, however, not intended to be used on their own and we have been clear that local authorities can use a combination of deprivation, prior attainment and AWPU and/or elements of the lump sum as indicators for the notional SEN budget. Furthermore, we have allowed local authorities flexibility to target additional resources to schools where the notional SEN budget is insufficient to meet some of the costs relating to pupils with high cost SEN (see paragraph 58 in section 3 for further details). We do, however, think it is important to allow a proxy measure of low attainment to be used and that is why we have allowed authorities to use EYFSP and Key Stage 2 data. As we acknowledged in June, the current EYFSP comes to an end this year and the new framework is being updated and will come in to effect from this autumn.
28. We are currently looking at pilot data from the new EYFSP framework to create a new proxy indicator to identify low cost SEN related to attainment and we will provide more information this summer. In the interim, as local authorities already have data for all of their EYFS pupils and KS1 pupils (apart from those entering the system this year) we expect local authorities to continue with the current proxy until analysis is completed on the new framework.

Q4: Do you agree that local authorities should continue to use EYFSP data as an attainment-related proxy or should we consider use of a different indicator to identify low cost SEN in primary schools? If so, what indicator?

29. For secondary schools we propose to continue with the attainment-related proxy for KS2 whereby all pupils who fail to achieve Level 4 or above in both English and mathematics at Key Stage 2 will be eligible for low cost SEN support¹.

Pupil mobility

30. The mobility factor is intended to address the administrative costs incurred by schools that experience high levels of pupils leaving and joining throughout the academic year. We have heard concerns that the factor, as currently designed, does not differentiate between a school that has few mobile pupils (and therefore incurs significantly lower administrative costs) and a school that has significantly larger numbers of mobile pupils (and therefore incurs higher costs).

Q5: Would it help to allow an additional weighting to be given if a school experiences in-year changes to pupil numbers above a certain threshold? If so, where should this threshold be set?

The lump sum

31. We introduced the single lump sum predominantly to provide sufficient funding for those necessary small schools, particularly in rural areas, that may not be able to operate on the basis of their per-pupil funding alone. Small schools benefit

¹ The year 7 literacy and numeracy catch up premium also targets funding at year 7 pupils who have not achieved Level 4 at KS2 in reading, mathematics or both. More detail is available here: <http://www.education.gov.uk/schools/pupilsupport/year7catchup>

proportionately more from the lump sum because it acts as a larger boost to their per-pupil funding than for larger schools, and a single lump sum for all schools ensures that there can be no ambiguity over how much funding goes to one phase or type of school compared to another.

32. It has, however, become apparent that the current lump sum arrangements are causing concerns, particularly in relation to small schools in rural areas, and we would like to understand the factors that are driving this.
33. It is not our intention that any necessary small school should be forced to close as a result of these reforms, and we acknowledge the need to support unavoidably small but necessary schools, for example in very sparsely populated areas. In seeking to achieve this, we are considering the possibility of introducing an optional school-level sparsity factor for 2014-15, specifically to target funding at necessary small schools in rural areas.
34. We expect that, in sparse areas, pupils have to travel further to school, and have less choice over which school they can attend. The proposed sparsity factor could, for every school:
 - identify the pupils for whom it is their nearest school (this will not necessarily be the school the pupils actually attend); and
 - for those pupils only, measure the distance that they live from their *second nearest* suitable school. Where this distance is high, we assume that it becomes difficult for the pupil to attend any school other than the nearest one, making the existence of that school necessary. Taking the average distance that relevant pupils live from their second nearest school would allow us to apply a sparsity factor based on set thresholds.
35. This could identify the necessary schools serving pupils in remote areas with limited alternatives; these schools are necessary because children could not realistically attend another school. The simplest way to use this measure would be to set a threshold and provide a sparsity uplift to any schools that have an average distance above the threshold. Separate thresholds would need to be applied for primary and secondary schools, as pupil travel distance varies by phase. Alternatively, extra funding could be given to schools as the sparseness of an area increases.
36. Data is available to produce this measure using crow flies distances. But such a measure would be unlikely to be fit for purpose as this would not take into account the actual time that it would take a pupil to travel to a school, so we are investigating whether the measure could use travel distance instead.

Q6: In areas with large numbers of small schools, could the problem of having a fixed lump sum be overcome by reducing the relevant AWPU?

Q7: Would having the ability to apply a separate primary and secondary lump sum avoid necessary small schools becoming unviable? If so, how should we deal with middle and all-through schools?

Q8: We said in June that we would review the level of the lump sum cap (currently £200,000) for 2014-15 in order to establish whether it is the minimum cap needed to ensure the sustainability of necessary small schools. If we continued with one lump sum for both primary and secondary, what would be the minimum level of cap needed to ensure the sustainability of necessary small schools? If we had separate lump sums for primary and secondary, what would be the minimum cap needed for each in order to ensure the sustainability of necessary small schools?

Q9: Would using a school-level sparsity measure to target a single lump sum, based on distance between pupils and their second nearest school, avoid necessary small rural schools becoming unviable?

Q10: What average distance threshold would be appropriate?

Q11: If we had a sparsity measure, would it still be necessary to have a lump sum in order to ensure that necessary schools remain viable? Why? What is the interaction between the two?

37. We have proposed a sparsity measure based on pupil distance to second nearest school as we have found this to be the most pragmatic option. However there are a range of possible sparsity measures that can be used, for example distance between schools, none of which have been ruled out.

Q12: What alternative sparsity measures could we use to identify necessary small schools in rural areas?

38. As with all schools though, small schools may have to make savings and efficiencies in order to live within their means. This may include merging formally with other small schools in the area to reduce fixed costs. However, we know that in some cases the lump sum can be a disincentive to schools from merging where it is rational to do so, because it results in the loss of one of the lump sums.

Q13: Would the ability for both schools to retain their lump sums for one or two years after amalgamation create a greater incentive to merge?

39. A few other issues have been brought to our attention since we published the June 2012 document. In most cases, we have no or little evidence about the cause of these issues. This section sets out the rationale behind our current position and seeks evidence on why the issues raised cannot be addressed through the new funding arrangements.

Targeting funding to deprived pupils

40. We have heard concerns from some local authorities that the 2013-14 arrangements have resulted in funding moving away from schools with high numbers of deprived pupils. We believe it is very important that deprived pupils are allocated more funding than non-deprived pupils. We do however recognise that the removal of certain factors (such as floor space and other premises-related issues) and a greater focus on pupil-led factors may cause some schools to experience changes to their budgets.

41. As we set out in the beginning of this section, these new arrangements may require

local authorities to change their formulae in a more radical way. The Government is committed to raising the life chances of pupils from deprived backgrounds and ensuring that deprived pupils receive additional funding. It is not acceptable that deprived pupils are penalised as a consequence of local authorities seeking to maintain the status quo in their area and not exploring the full range of options open to them to target money to deprivation. By using an appropriate combination of the permitted deprivation indicators (FSM, Ever6 and IDACI) with an optimum per-pupil rate, local authorities should be able to target money more adequately to deprived pupils.

42. If, however, you feel that even with the optimum use of indicators and an appropriate per-pupil rate, schools with a high proportion of deprived pupils would lose significant amounts of funding, we need to understand why that would be the case.

Q14: If you think local authorities will be unable to use the allowable deprivation indicators in order to prevent significant losses to schools with a high proportion of deprived pupils, why do you think that is the case?

Service children

43. A number of schools with large numbers of service children have written to us to express concerns that they are set to lose funding as a result of the new arrangements. This is largely because some local authorities were targeting extra funding to schools with service children through other factors (such as the lump sum, for example). We know that in a few parts of the country, the additional funding being allocated to schools with service children was very high.
44. The allowable factors in the formula are intended to support pupils that do not achieve as well as their peers, for example those from deprived backgrounds and those with low prior attainment. The Department has no evidence that this is the case for service children as a group.
45. We do recognise, however, that service children sometimes require additional pastoral care because of their circumstances and this is reflected in the Service Premium (which currently allocates £250 to every service child and will rise to £300 in 2013-14). We also recognise that the mobile nature of service children can sometimes create additional costs to schools and that is why we have allowed local authorities to apply a pupil mobility factor to their formulae.
46. We have received no evidence as to why service children should attract higher levels of funding over and above that received through the Service Premium, the Pupil Premium and factors in the local formula to reflect pupil mobility, deprivation, prior attainment and EAL. It is therefore difficult to justify targeting additional money at this group of children.

Q15: Do you have any evidence that service children (once we account for deprivation, mobility and pastoral care through the Pupil Premium) require additional funding in order to achieve as well as non-service children?

Other groups of pupils

47. As we state above, the evidence we have indicates that we have allowed local authorities enough flexibility to target funding to low-achieving pupils. This, however, remains an important area for the Department and so we want to ensure that we do not overlook vulnerable groups of pupils.

Q16: Have the 2013-14 reforms prevented local authorities from targeting funding to groups of pupils that need additional support? If so, which?

Schools with falling rolls

48. Greater choice for pupils supported by more outstanding schools is one of the Department's principal objectives and this is underpinned by our Academies and Free Schools programmes. A successful funding system should enable pupils to attend the school of their choice without the funding being 'locked in' at a different school. It should also enable good and outstanding schools to expand so that more pupils can benefit and not be forced to go to less popular schools.

49. If a school has falling rolls, it should consider its longer term viability. It may consider merging or federating with other schools in order to save money but also to improve its leadership capacity and quality. We are clear that, in times of economic austerity, money should be spent on pupils who are actually in schools and not spent on funding empty places. If a school is small or in a rural area and has limited options, we have set out options in paragraphs 31 to 38 above which should help.

50. We are aware that, in some areas, the demographic trend has meant that secondary school pupil numbers have reduced but a bulge is imminent as more primary pupils move up. In such cases, local authorities can retain a small fund for schools in financial difficulty (this would need to be de-delegated by maintained schools). This can be used to help bridge the gap between the falling rolls and the imminent bulge. Schools should also consider more innovative use of their facilities, such as hiring out school halls or swimming pools.

Q17: In cases where a population bulge is imminent, what is preventing good and necessary schools from staying open?

Q18: Are there any other circumstances in which falling rolls are unavoidable in the short term?

Section 3: Options for adjusting high needs funding in 2014-15 and beyond

51. As part the 2013-14 reforms, we introduced a new framework for funding provision for children and young people with high level needs, including special educational needs (SEN), learning difficulties and disabilities (LDD) and those requiring alternative provision (AP). This framework is designed to go alongside the new arrangements for SEN in the Children and Families Bill. Schools, colleges and other providers will be given funding within their formula sufficient to enable them to meet costs up to about £10,000 for pupils and students with SEN and LDD. This base funding does not relate to specific individuals, but is intended to meet the costs of all those with SEN and LDD who are at the institution, up to the high needs threshold. Funding to meet additional costs follows the individual pupils and students with high needs and will come from the home local authority – i.e. the local authority in which the pupil or student lives – in the form of top-up funding.
52. The base funding is calculated differently according to the type of provider and age of the pupil or student. Included within mainstream schools' normal per-pupil funding is a notional SEN budget to meet the costs of pupils with SEN up to £6,000. Some local authorities are setting a different threshold as a transition to the £6,000 level. Special schools will get a standard £10,000 for each planned place. A similar system will operate for AP for the pre-16 age group, where the base funding will be £8,000 per place. All base funding for post-16 students with high needs – in schools, colleges and other providers – will comprise the programme funding that post-16 student places would normally attract, according to the new national 16-19 formula, plus £6,000 for each planned high needs place.
53. Top-up funding is for the commissioning local authority to determine, by agreement with the providers. Schools rather than local authorities will often place pupils in pupil referral units (PRUs) and other AP and they will be responsible for paying the top-up funding in these circumstances.
54. Hospital education is being funded through transitional arrangements which essentially preserve the institution's funding in 2012-13. We are looking at options for a different funding approach in 2014-15 or subsequently.
55. The base funding for maintained schools, the top-up funding and funding retained centrally for SEN support services, hospital education services, AP services and other services specified in the relevant regulations is all paid for from the local authority's high needs budget. Local authorities have flexibility to determine the balance of funding between their high needs budget, schools budget and early years budget. In particular, they can move funds between their high needs budget and schools budget to make sure that, on the one hand, they have sufficient funding for all those with high needs and, on the other, schools have sufficient funding in their notional SEN budgets.

Issues for 2014-15 and beyond

Base funding for specialist providers

56. Base funding for specialist providers is set, according to the number of planned places, at: £10,000 per place for pre-16 SEN; a bit more, on average, for SEN and LDD in the 16-24 age group; and £8,000 for AP. We are not proposing to review at this stage whether these are broadly the right levels.
57. Some have argued that the AP level is too low and should be brought up to £10,000. However, there is evidence that low cost AP in some areas would be over-funded if we were to change the level of base funding for PRUs and other forms of AP. We believe it is too early to consider changes at this stage, and will therefore look at this as part of a subsequent review.

Notional SEN budget for mainstream schools

58. Mainstream schools and academies receive a notional SEN budget, determined by the local authority using the permitted formula factors (as discussed in section 2). Some local authorities have told us that limitations on the formula factors they can use do not allow them to target funds to those pupils with particular needs or where schools attract a higher number of pupils with high needs because they have a good reputation for meeting those needs. We have therefore allowed local authorities flexibility to use their high needs block to make additional allocations outside the formula to schools that have a disproportionate population of pupils with high needs, after consulting the Schools Forum.
59. We are also planning to introduce to the schools census, from 2014, a marker that will indicate those pupils who receive top-up funding. This high needs marker could be used to target extra funding to schools that have a disproportionate number of high needs pupils, but cannot be introduced before 2015-16 because the census data will not be available.

Q19: Would a formula factor that indicates those pupils who receive top-up funding be a useful addition to help deal with the funding of high needs?

60. Despite the strong recommendation that local authorities should construct their schools' notional SEN budgets so that schools are required to contribute up to £6,000 towards the additional support costs of their pupils with SEN, some have adopted a different threshold as a transitional arrangement. This creates differences in the base funding between neighbouring local authorities, and therefore in the top-up funding levels they are implementing. Commissioning authorities, however, are likely to be dealing with schools in more than one authority area.

Q20: To address the variation in base funding between neighbouring local authorities, how fast should local authorities be required to move towards the £6,000 threshold? Should it be made a requirement from 2014-15?

Arrangements for top-up funding

61. We are allowing local authorities flexibility in the top-up funding arrangements. In many cases these arrangements for 2013-14 will not have been finalised, particularly for pupils and students starting at schools and colleges in September. It is therefore too early to consider changing the national requirements on top-up funding. We are, however, interested in receiving feedback on the issues that have been raised so far, and whether any changes should be considered for 2014-15.
62. In particular, some stakeholders have suggested that the new arrangements would create additional administrative processes for negotiating and paying top-up funding. We have encouraged local authorities to look carefully at how they can reduce bureaucracy, for their own organisation as well as for the schools and PRUs they maintain, and for those institutions to which they pay top-up funding. We would be interested in good practice in this area that can be shared more widely.

Q21: Should the Department play an active role in spreading good practice and model contracts/service level agreements?

Pre and post-16 arrangements

63. The Department is aware that the administrative processes pre- and post-16, in the run-up to 2013-14, have not been co-ordinated as helpfully as they might have been. The separate data collection exercises and implementation timetables for pre- and post-16 have been confusing. We will be looking to improve this substantially for 2014-15. But we also wish to look at how arrangements can be brought closer together so that they are easier to understand and use for local authorities, colleges, schools and Academies.

Q22: Do you have ideas about how the pre and post-16 high needs systems might be brought closer together?

Section 4: Schools Forums

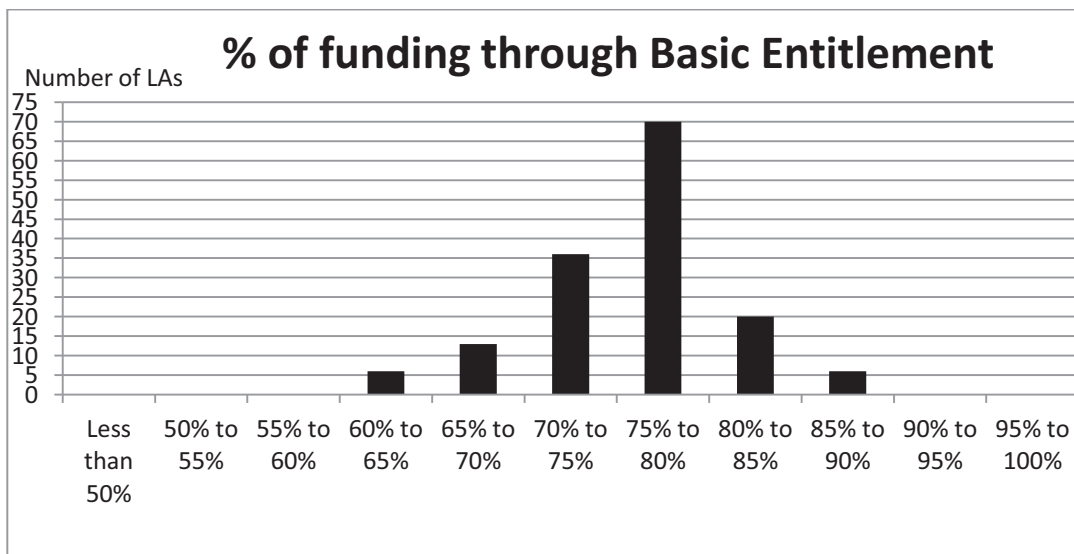
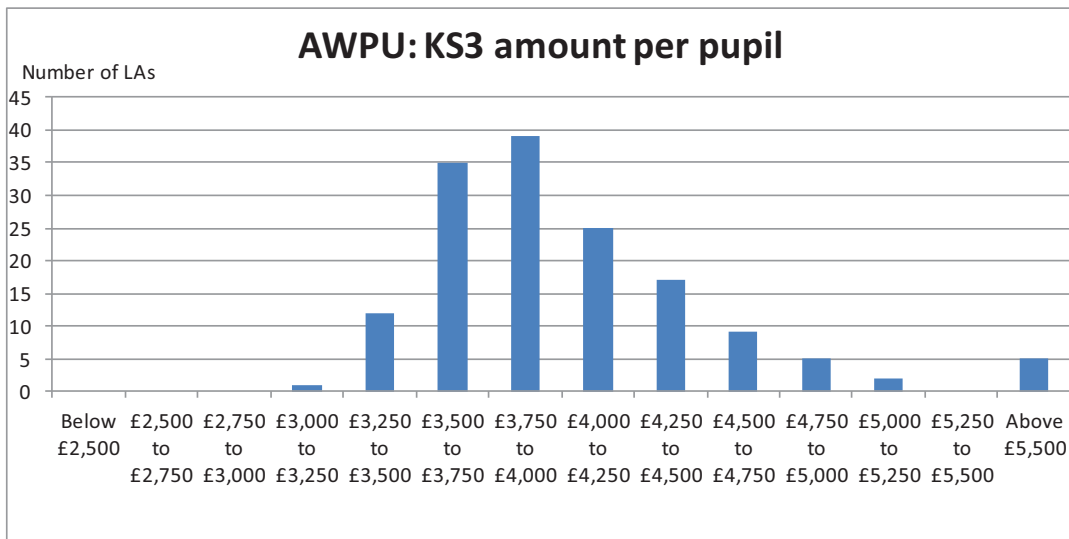
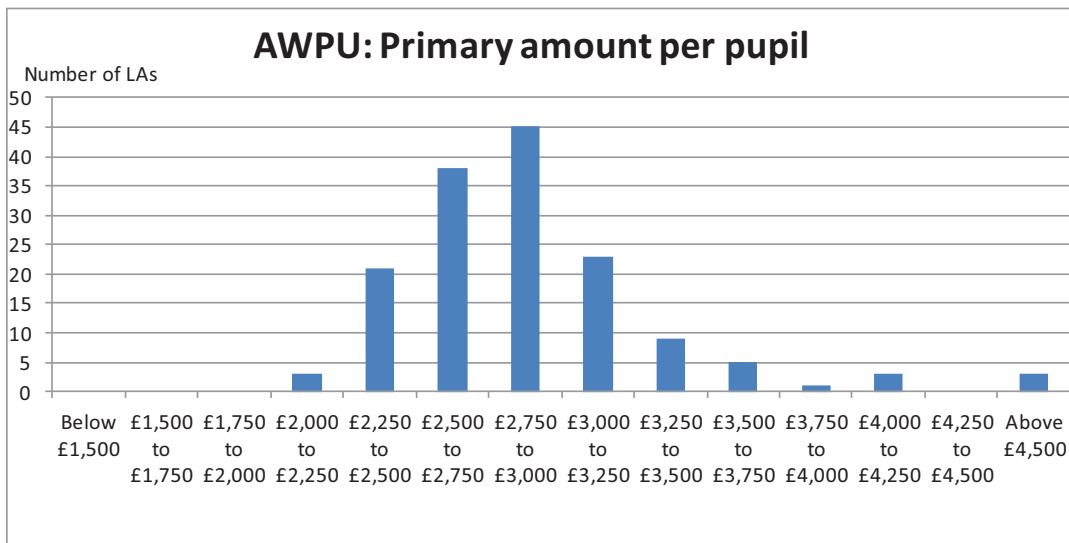
64. We have heard concerns that Schools Forums were not always operating fairly or transparently. Examples include meeting papers and agendas not being published and voting rights being spread too widely across a range of members. In response to these concerns, we made a number of changes which came into effect on 1 October 2012. We have:

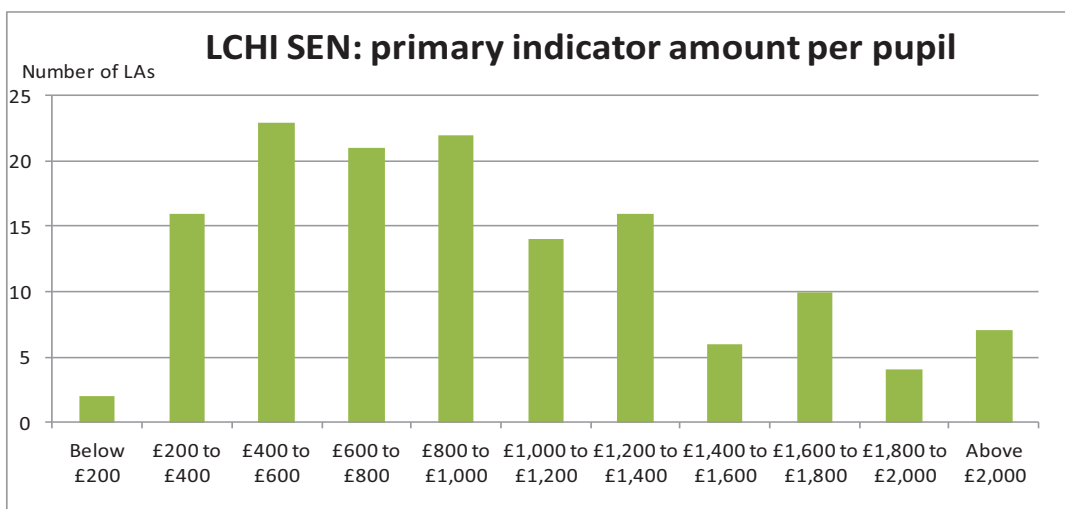
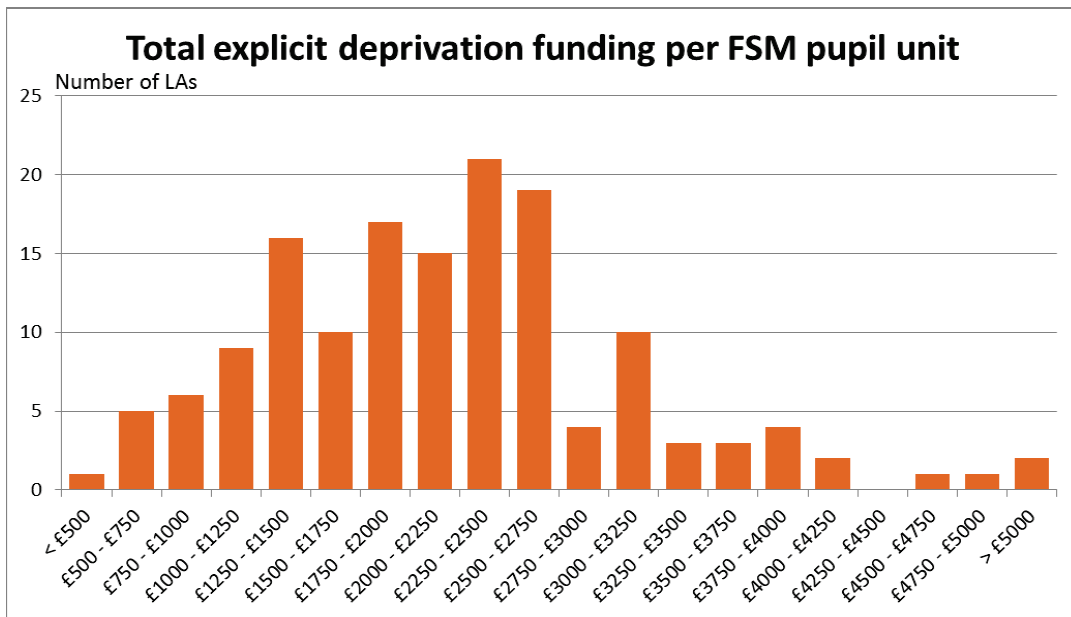
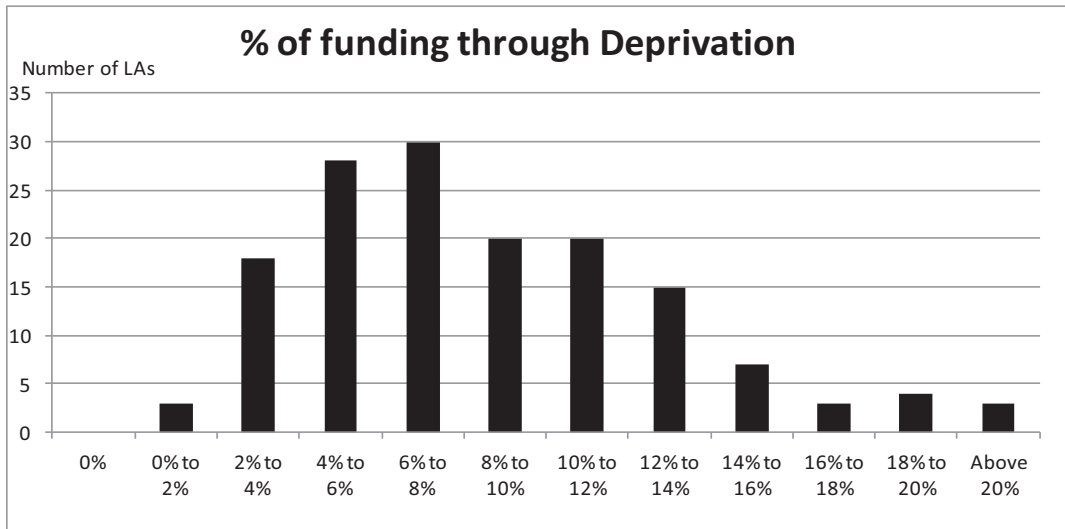
- removed the requirement to have a minimum of 15 people on a Forum;
- limited the number of local authority attendees from participating in meetings unless they are a Lead Member, DCS, DCS representative or are providing specific financial or technical advice (including presenting a paper to the Forum);
- restricted the voting arrangements by allowing only schools members and the PVI members to vote on the funding formula;
- required local authorities to publish Forum papers, minutes and decisions promptly on their websites;
- required Forums to hold public meetings, as is the case with other Council Committees;
- given the EFA observer status at Schools Forum meetings.

65. We said that we would keep these changes under review and, if there is evidence that schools are still concerned about the operation of Forums, we would consider making further changes. We are not inclined to make any further changes for 2014-15 as we think more time is required to assess how the new arrangements are being embedded and whether they are improving the operation of Forums.

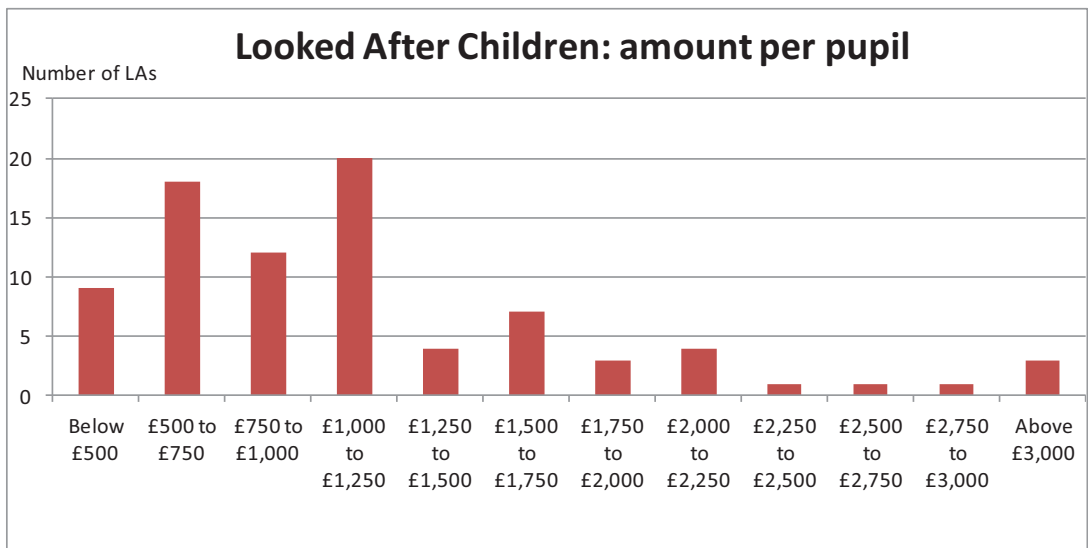
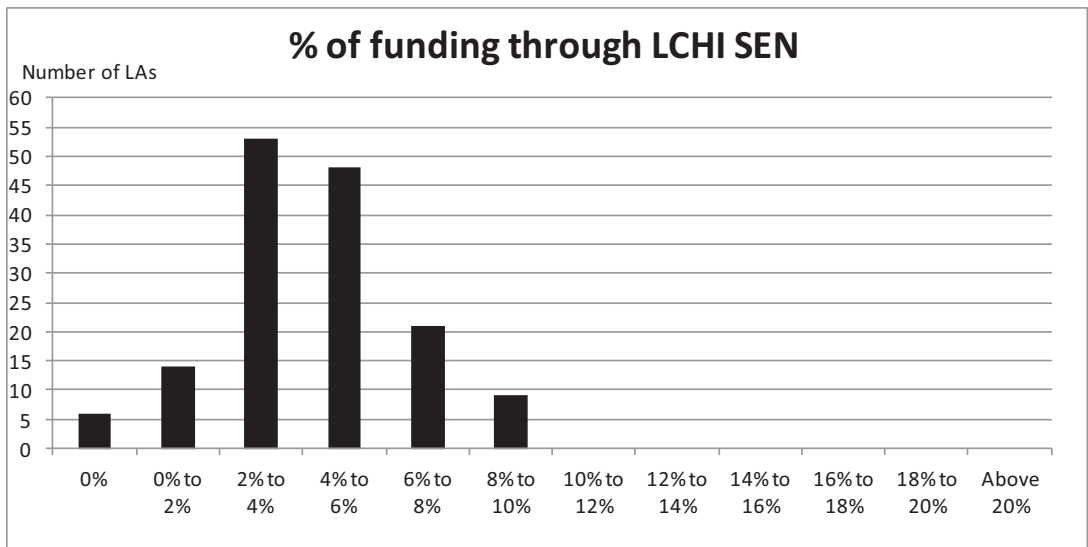
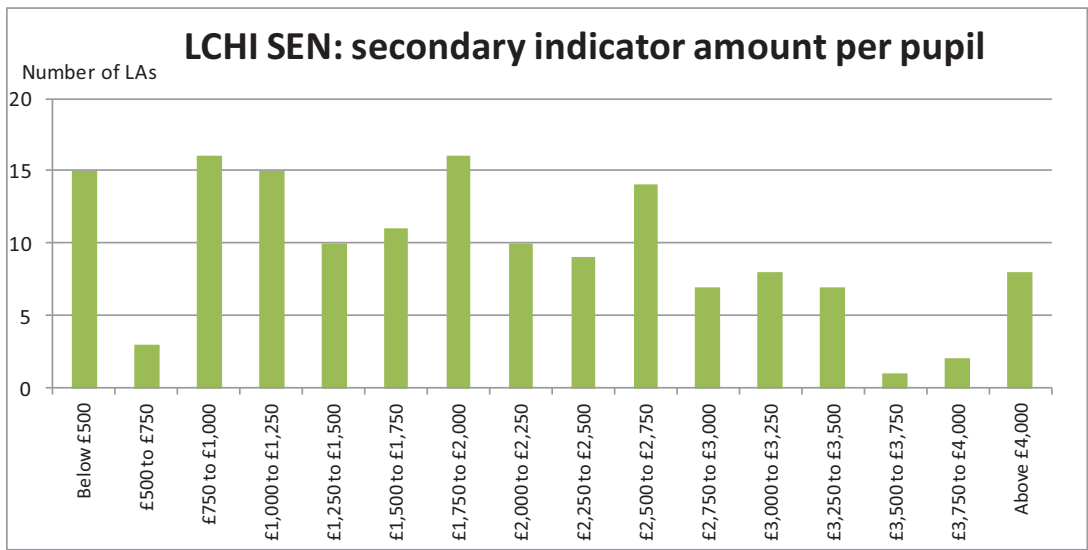
Q23: Do you think that Schools Forums are operating more democratically and transparently? If not, what further measures could the Department take in order to improve this?

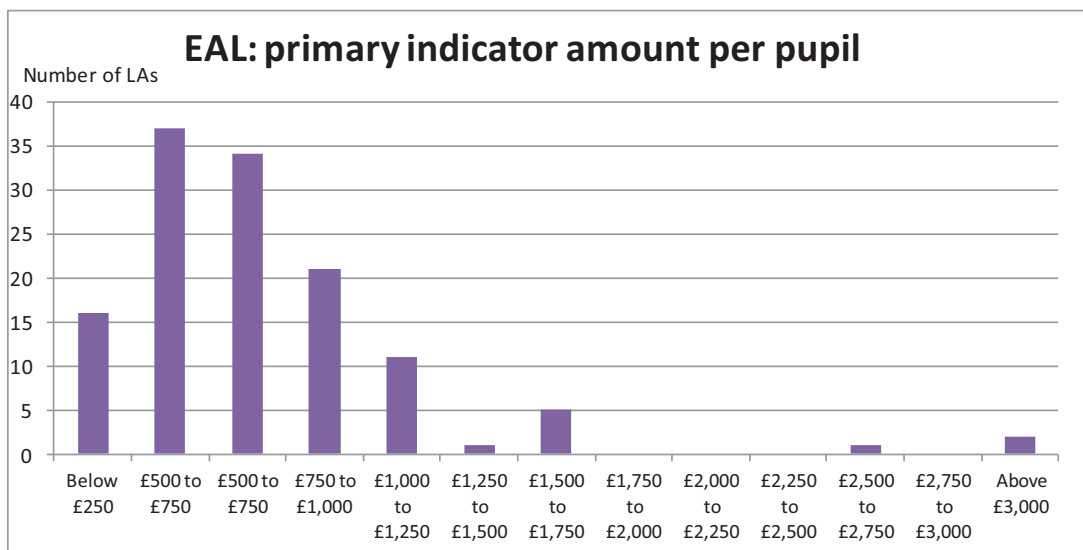
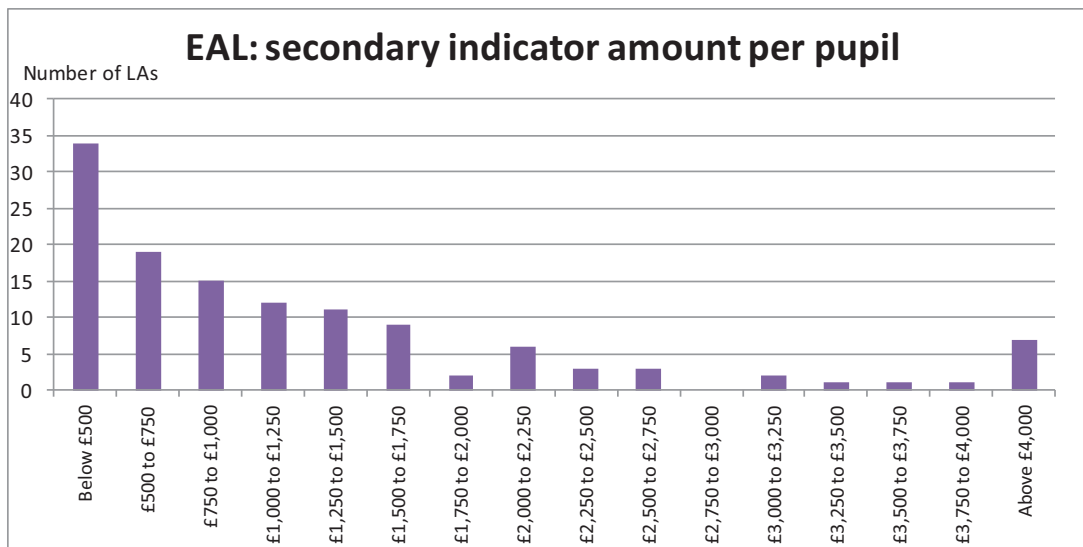
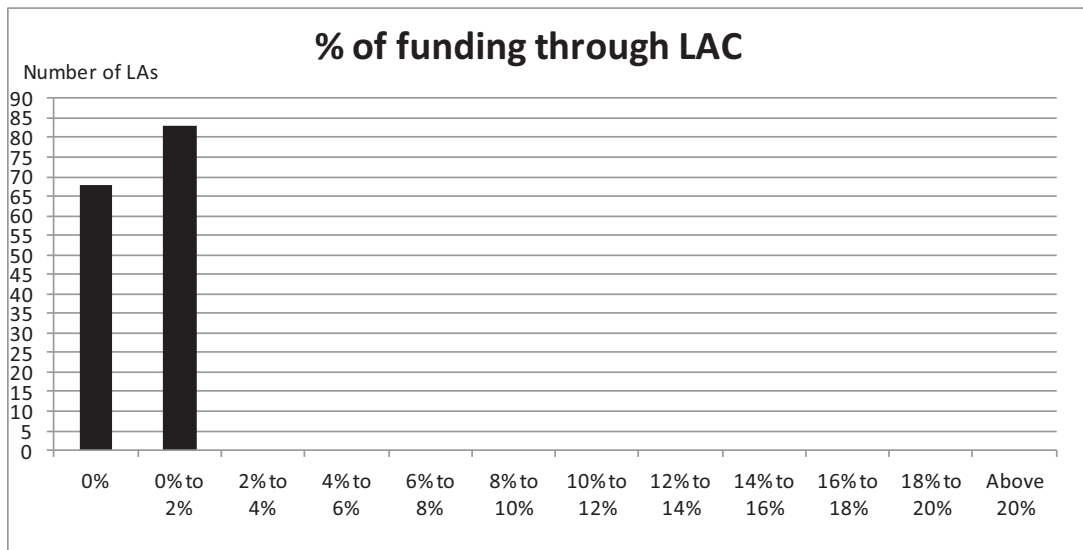
Annex: Details of distribution of the Schools Block

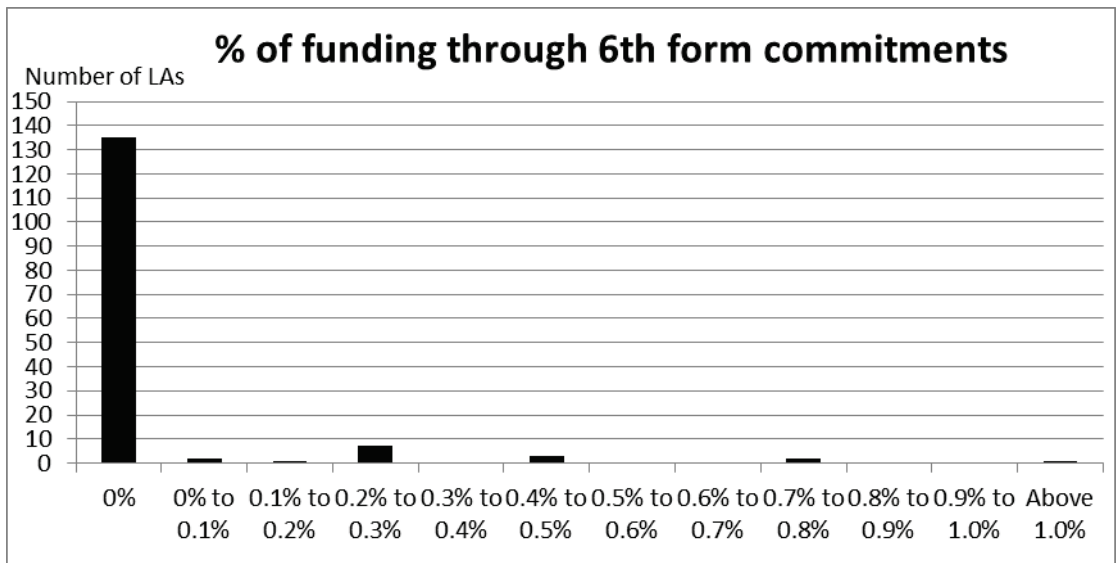
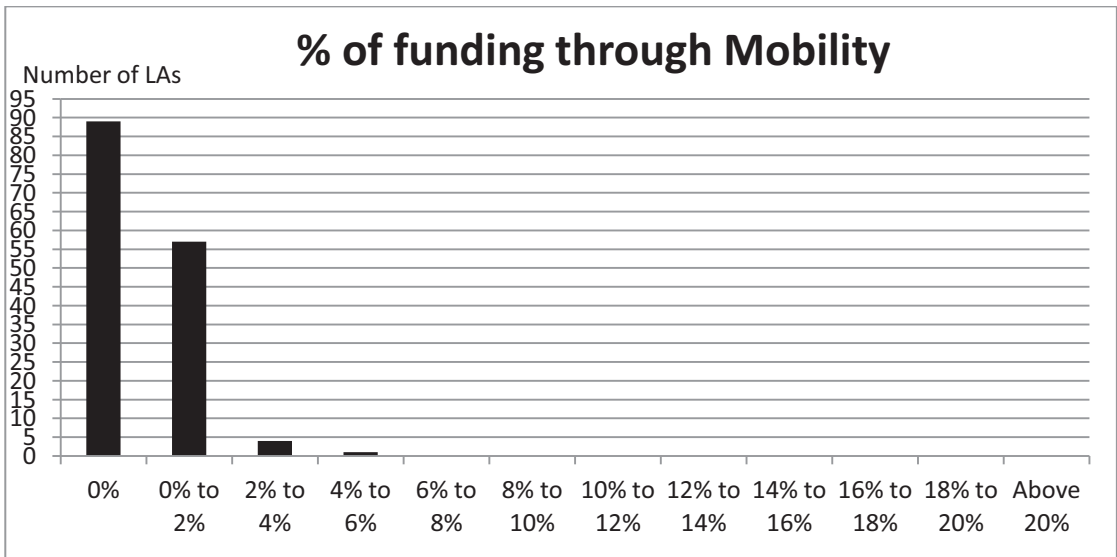
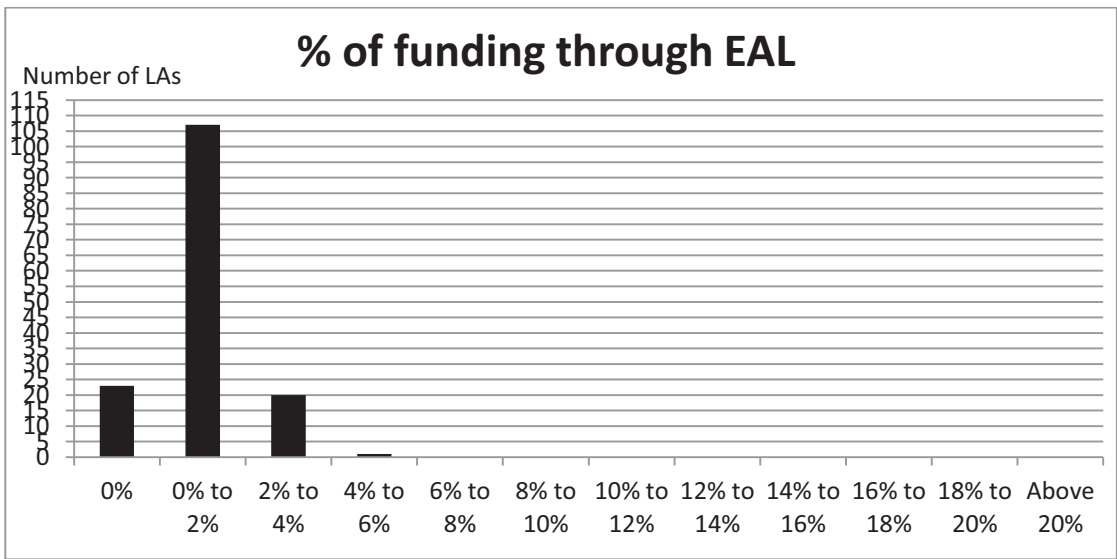


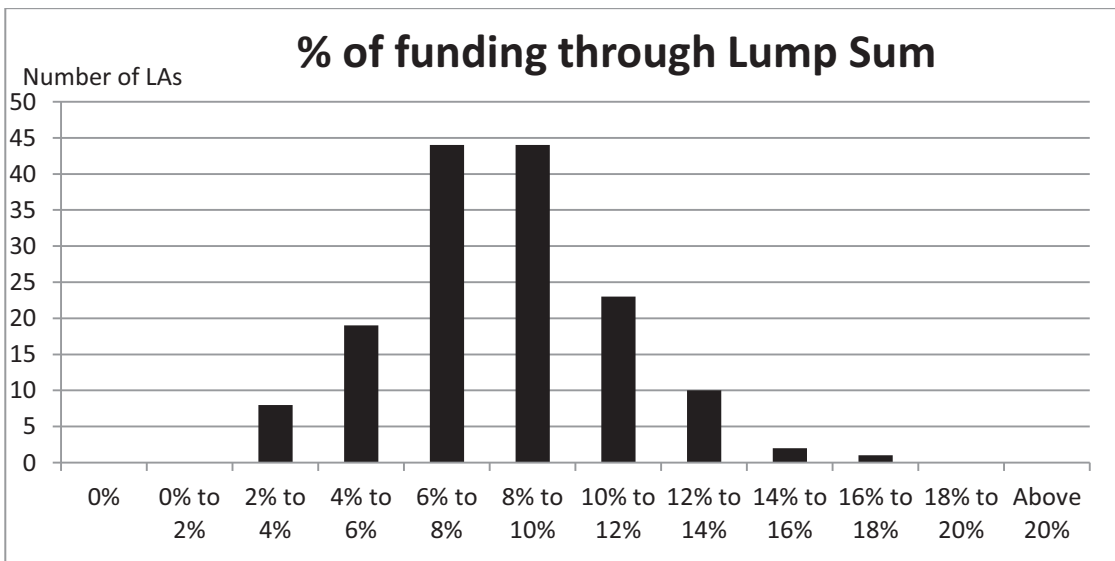
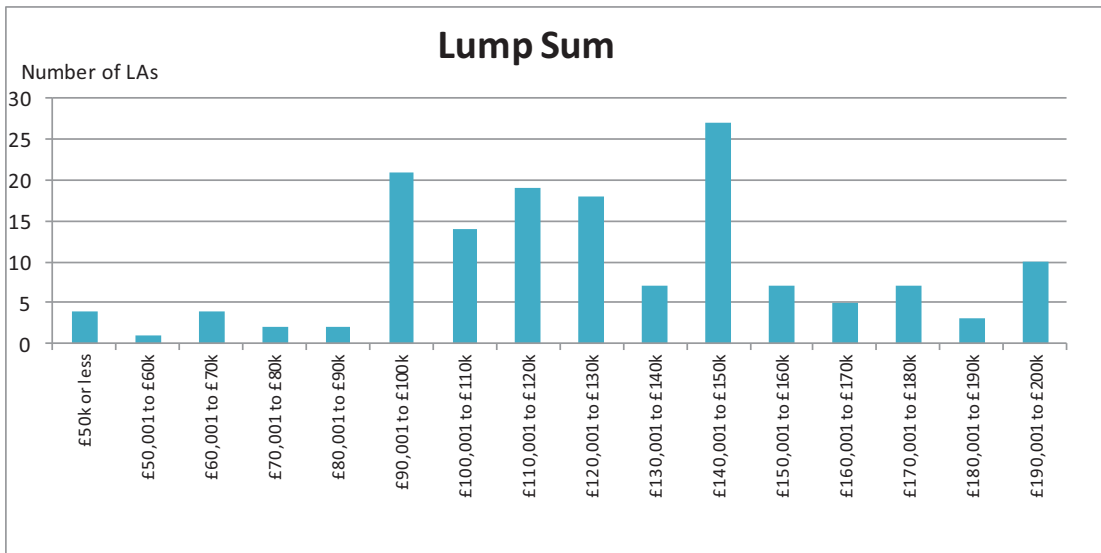
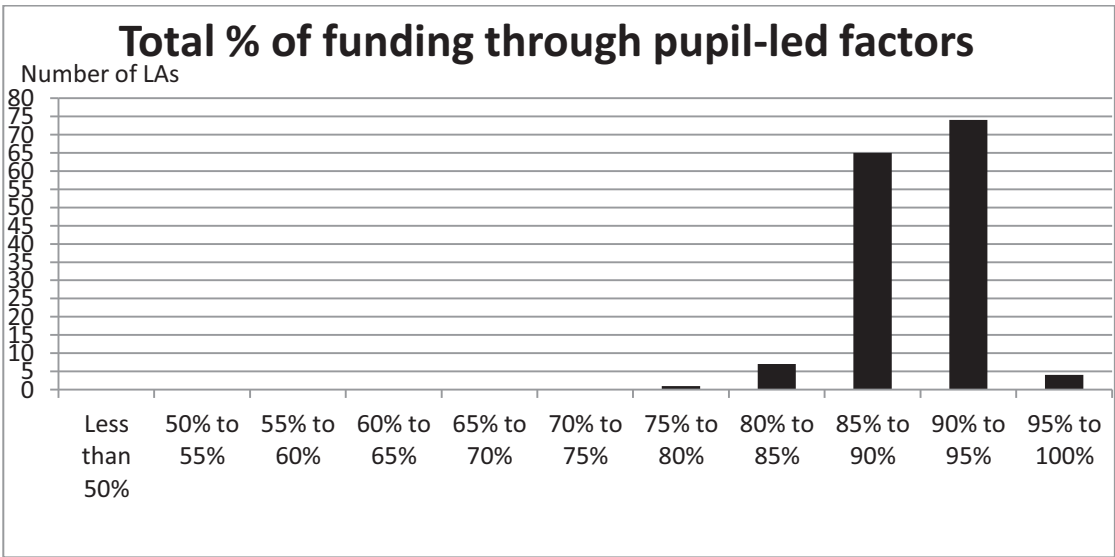


² Per FSM pupil unit amounts were derived by taking the sum total of the funding an LA had allocated through the deprivation factors and dividing it by the number of pupils with FSM in the LA. Data is taken from analysis of the October 2012 submissions. Because this is early data, some schools have had to be excluded from the analysis. Where a large number of schools in one LA have been excluded the whole LA is excluded from the chart











Department
for Education

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Review of 2013-14 School Funding Arrangements Response Form

The closing date for responding is 26 March 2013.

Your comments must reach us by that date.

The information you provide in your response will be subject to the Freedom of Information Act 2000 and Environmental Information Regulations, which allow public access to information held by the Department. This does not necessarily mean that your response can be made available to the public as there are exemptions relating to information provided in confidence and information to which the Data Protection Act 1998 applies. You may request confidentiality by ticking the box provided, but you should note that neither this, nor an automatically-generated e-mail confidentiality statement, will necessarily exclude the public right of access.

Please tick if you want us to keep your response confidential.

Name:

Organisation (if applicable):

Address:

If you have an enquiry related to the policy content of the review document you can email Funding.REVIEW2013-14@education.gsi.gov.uk

Section 1: Are we moving towards national consistency?

Question 1: Should we set a minimum threshold for the pupil-led factors and, if so, at what level?

Question 2: On what basis did local authorities decide on the quantum or proportion of funding to target to deprived pupils?

Question 3: On what basis did local authorities decide on the per-pupil amounts for the prior attainment factors?

Section 2: Areas of concern and possible changes for 2014-15

Prior Attainment

Question 4: Do you agree that local authorities should continue to use EYFSP data as an attainment-related proxy or should we consider use of a different indicator to identify low cost SEN in primary schools? If so, what indicator?

Pupil mobility

Question 5: Would it help to allow an additional weighting to be given if a school experiences in-year changes to pupil numbers above a certain threshold? If so, where should this threshold be set?

The lump sum

Question 6: In areas with large numbers of small schools, could the problem of having a fixed lump sum be overcome by reducing the relevant AWPU?

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Question 22: Do you have ideas about how the pre and post-16 high needs systems might be brought closer together?

Section 4: Schools Forums

Question 23: Do you think that Schools Forums are operating more democratically and transparently? If not, what further measures could the Department take in order to improve this?

Thank you for taking the time to let us have your views.

Completed questionnaires and other responses should be sent to the address shown below by 26 March 2013.

Send by e-mail to: Funding.REVIEW2013-14@education.gsi.gov.uk

Send by post to:

Anita McLoughlin
Funding Policy Unit
4th Floor
Sanctuary Buildings
Great Smith Street
London
SW1P 3BT

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LA Name

**1) Basic Entitlement
Age Weighted Pupil Unit (AWPU)**

2) Deprivation

3) Looked After Children (LAC)

4) Low cost, high incidence SEN

**5) English as an Additional Language
(EAL)**

6) Mobility

7) Lump Sum

8) London Fringe

9) Split Sites

10) Rates

11) PFI funding

12) Sixth Form

13) Exceptional circumstances (can only be used with prior agreement of EFA)

14) Minimum Funding Guarantee

Bromley	
Pupi	
Description	Amount
Reception Uplift	
Primary (including reception)	£
Key Stage 3	£
Key Stage 4	£
Description	Primary amount per pupil (£)
Indicator: FSM6	£1,500
IDACI Score 0.2 - 0.25	£0
IDACI Score 0.25-0.3	£0
IDACI Score 0.3- 0.4	£0
IDACI Score 0.4-0.5	£0
IDACI Score 0.5-0.6	£0
IDACI Score 0.6-1	£0
Description	Amount
Indicator: LAC X Mar11	
Description	Amount
Primary pupils- Indicator: LowAtt_%_PRI_73	£
Secondary pupils not achieving (KS2 level 4 English and Maths)	£
Description	Amount
Primary pupils- Indicator: EAL_3_PRI	£
Secondary pupils- Indicator: EAL_3_SEC	£
Description	Amount
Primary pupils starting school outside of normal entry dates	
Secondary pupils starting school outside of normal entry dates	
Ot	
Description	Amount (£)
Lump Sum	£180,000
London fringe pay bands (only applicable to Buckinghamshire, Essex, Hertfordshire, Kent and West Sussex) . Applies to All per pupil values and lump sum	
Description	
Split Sites	
Description	
Rates	
Description	
PFI	
Description	
Existing Sixth Form Commitments	

Description	
Excep Circs 1 Excep Circs 2 Excep Circs 3	
Description	MFG Floor
MFG is set at -1.5%, gains may be capped above a specified ceiling an	-1.50%

Sample - the final pro forma ma

il Led Factors

(£) per pupil	Number of Pupils	Sub Total (£)
	n/a	n/a
£2,185	24244	£52,973,140
£4,095	9979	£40,864,005
£4,095	6794	£27,821,430

Secondary amount per pupil (£)	Number of eligible primary pupils	Number of eligible secondary pupils	Sub Total (£)
£1,500	5,217	3,552	£13,153,432
£0	0	0	£0
£0	0	0	£0
£0	0	0	£0
£0	0	0	£0
£0	0	0	£0
£0	0	0	£0

(£) per pupil	Number of Pupils	
£0	141	

(£) per pupil	Number of Pupils	Sub Total (£)
£2,500	3697	£9,243,014
£2,500	1249	£3,123,597

(£) per pupil	Number of Pupils	Sub Total (£)
£1,000	1,688	£1,687,819
£1,000	214	£214,249

(£) per pupil	Number of Pupils	Sub Total (£)
£0	3,272	£0
£0	276	£0

her Factors

Unit	Number of Schools	
per school	91	
per school in fringe district	0	

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		Sub Total (£)	
		£0	
		£0	
		£0	
	Ceiling	Scale Factor	
	1.50%	100.00%	
TOTAL FUNDING FOR SCHOOLS BLOCK FORMULA (£) :			
RETAINED FOR GROWTH			
PRIMARY/SECONDARY RATIO :			

ly differ

Total (£)	Proportion of funding
n/a	n/a
£121,658,575	73%
Total (£)	Proportion of funding
£13,153,432	8%
Total (£)	Proportion of funding
£0	0.00%
Total (£)	Proportion of funding
£12,366,611	7.40%
Total (£)	Proportion of funding
£1,902,068	1.1%
Total (£)	Proportion of funding
£0	0.0%

Total (£)	Proportion of funding
£16,380,000	9.80%
£0	0.00%
Total (£)	Proportion of funding
£0	0.00%
Total (£)	Proportion of funding
£1,932,851	1.16%
Total (£)	Proportion of funding
£0	0.00%
Total (£)	Proportion of funding
£0	0.00%

Total (£)	Proportion of funding
£0	0.00%

Total (£)	Proportion of funding
-£113,236	0%

£167,102,205
£1,000,000
1 : 1.36

DfE guidance on Notional SEN**ILLUSTRATIVE EXAMPLES: CONSTRUCTING THE NOTIONAL SEN BUDGET FOR A MAINSTREAM SCHOOL OR ACADEMY****Introduction**

As at present, under the new place-plus approach to high needs funding, mainstream schools and Academies will continue to receive a clearly-identified budget for SEN. This will be their notional SEN budget.

Using their notional SEN budget, mainstream schools and Academies will be expected to:

- a. meet the needs of pupils with low-cost, high-incidence SEN; and
- b. contribute, up to a certain level set by the local authority, towards, the costs of provision for pupils with high needs (including those with high-cost, low-incidence SEN).¹

In relation to the latter, under the new funding arrangements, top-up funding will be provided above this threshold on a per-pupil basis by the commissioning local authority. This is similar to the current arrangements whereby local authorities pay individually-assigned resources (IARs) to mainstream schools and Academies when placing high needs pupils in those settings.

Under the new place-plus approach, local authorities will need to decide on the level up to which mainstream schools and Academies will be expected to contribute to the costs of provision for pupils with high needs. Our strong recommendation is that the level of this contribution is set at £6,000 per pupil. This means that a mainstream school or Academy would be expected to contribute the first £6,000 of the additional support costs of a high needs pupil. This would be over and above the standard offer of teaching and learning provided for all pupils at the school or Academy, which would normally be funded through the school's or Academy's basic per-pupil entitlement.

As we have indicated in the FAQ document, we think that most local authorities will want to use a combination of funding from the age-weighted pupil unit (AWPU), the deprivation factor, and the low-cost, high-incidence SEN (prior attainment) factor to calculate the notional SEN budget. As a reminder, the notional SEN budget is not a separate budget. It is, however, identified within a school's delegated budget, and consists of part or the whole of various formula factors as set out above. For example, we would expect it to include only a small part of the basic per-pupil entitlement funding and of deprivation funding, but probably the whole of a low-cost, high-incidence SEN (prior attainment) attainment factor.

Illustrative examples

The examples below are for a primary school of 300 pupils and a secondary school of 1000 pupils. Both schools have average percentages of Free School Meals pupils and of pupils who meet the thresholds for the low-cost, high-incidence SEN (prior attainment) factor.

The average current notional SEN budget shown on section 251 budget statements is about £350 per pupil. We believe that the average local authority's threshold for providing IARs, over and above delegated SEN funding, is already around the £6,000 that we are recommending to be used from FY2013-14. As such, we have illustrated below a notional SEN budget of about £350 per pupil for an average school. Local authorities will need to decide locally, in the light of local circumstances and discussions with schools and Academies, how big the notional SEN budget needs to be and what the balance should be within it between basic per-pupil entitlement funding, deprivation funding, and low-cost, high-incidence (prior attainment) SEN funding.

¹ In the March document (see paragraph 3.1.7-3.1.8), we defined high needs pupils and students as those requiring provision costing more than around £10,000 per year. We deliberately chose a financial threshold, as opposed to an assessment-based threshold – such as having a statement of SEN – since linking statutory assessments to additional funding could create perverse incentives.

PRIMARY SCHOOL WITH 300 PUPILS

FACTOR	PUPIL NUMBERS	UNIT VALUE	OF WHICH NOTIONAL SEN	TOTAL
PER-PUPIL ENTITLEMENT (AWPU)	300	£2500	£100	£30,000
FSM (17%)	51	£500	£235	£11,985
LOW-COST, HIGH-INCIDENCE SEN (PRIOR ATTAINMENT) (21%)	63	£1000	£1,000	£63,000
Total notional SEN budget				£104,985

SECONDARY SCHOOL WITH 1000 PUPILS

FACTOR	PUPIL NUMBERS	UNIT VALUE	OF WHICH NOTIONAL SEN	TOTAL
PER-PUPIL ENTITLEMENT (AWPU)	1000	£4000	£150	£150,000
FSM (16%)	160	£500	£300	£48,000
LOW-COST, HIGH-INCIDENCE SEN (PRIOR ATTAINMENT) (11%)	110	£1000	£1500	£165,000
Total notional SEN budget				£363,000

Bromley Notional SEN Calculations

PRIMARY				
Factor	Pupil Numbers	Unit Value	Of Which Notional SEN	Total
Per Pupil Entitlement (AWPU)	300	£2,185	£90	£27,000
Free School Meals	51	£1,500	£750	£38,250
Low Cost/ High Incidence SEN	63	£2,500	£2,500	£157,500
Total Notional SEN Budget				£222,750

SECONDARY				
Factor	Pupil Numbers	Unit Value	Of Which Notional SEN	Total
Per Pupil Entitlement (AWPU)	1000	£4,095	£170	£170,000
Free School Meals	160	£1,500	£750	£120,000
Low Cost/ High Incidence SEN	110	£2,500	£2,500	£275,000
Total Notional SEN Budget				£565,000

Bromley 'Notional' SEN

Notional SEN

	<u>Pupil Nos</u>	<u>AWPU</u>	<u>Attaint</u>		<u>Dep'n</u>	<u>Notional</u>	<u>School</u>	<u>Notional</u>	
	<u>Primary</u>	<u>£90</u>	<u>Nos</u>	<u>£2,500</u>	<u>Nos</u>	<u>£750</u>	<u>Budget</u>	<u>SEN %</u>	
	<u>Secondary</u>	<u>£170</u>					<u>Share</u>		
						<u>Notional</u>			
						<u>SEN</u>			
						<u>Total</u>			
Alexandra Junior School	232	£20,880	52	£130,000	66	£49,712	£200,592	£949,624	21.12%
Alexandra Infant School	177	£15,930	30	£74,940	24	£18,160	£109,030	£714,006	15.27%
Bromley Road Infant School	239	£21,510	41	£103,165	82	£61,787	£186,463	£1,007,149	18.51%
Churchfields Primary School	278	£25,020	51	£126,364	67	£50,436	£201,820	£1,075,347	18.77%
Hawes Down Junior School	244	£21,960	27	£67,778	20	£15,317	£105,055	£830,322	12.65%
Hawes Down Infant School	209	£18,810	36	£90,512	7	£4,922	£114,244	£759,319	15.05%
Marian Vian Primary School	617	£55,530	63	£158,205	89	£66,867	£280,603	£1,892,129	14.83%
OAK LODGE PRIMARY SCHOOL	647	£58,230	52	£130,662	58	£43,381	£232,273	£1,896,452	12.25%
Wickham Common Primary School	424	£38,160	11	£26,281	55	£40,958	£105,399	£1,265,880	8.33%
Worsley Bridge Junior School	162	£14,580	36	£91,011	75	£56,133	£161,724	£774,118	20.89%
Burnt Ash Primary School	404	£36,360	139	£347,842	166	£124,503	£508,705	£1,723,824	29.51%
Princes Plain Primary School	417	£37,530	212	£530,011	185	£138,736	£706,276	£1,985,659	35.57%
Southborough Primary School	436	£39,240	121	£302,048	111	£83,320	£424,608	£1,654,510	25.66%
Mead Road Infant School	88	£7,920	12	£30,345	17	£12,692	£50,957	£442,996	11.50%
Red Hill Primary School	664	£59,760	99	£246,942	288	£216,331	£523,033	£2,380,857	21.97%
Mottingham Primary School	307	£27,630	79	£197,620	173	£130,068	£355,318	£1,405,722	25.28%
Castlecombe Primary School	207	£18,630	47	£117,000	99	£74,178	£209,808	£946,703	22.16%
Dorset Road Infant School	75	£6,750	3	£8,152	17	£12,594	£27,497	£387,460	7.10%
Chelsfield Primary School	99	£8,910	9	£21,336	21	£15,971	£46,217	£456,205	10.13%
Darrick Wood Junior School	374	£33,660	53	£131,320	56	£41,879	£206,859	£1,250,187	16.55%
Downe Primary School	90	£8,100	9	£22,500	8	£6,217	£36,817	£418,016	8.81%
Farnborough Primary School	219	£19,710	24	£59,312	29	£22,059	£101,081	£794,351	12.73%
Pratts Bottom Primary School	69	£6,210	8	£20,536	10	£7,726	£34,472	£372,043	9.27%
St. Mary Cray Primary School	183	£16,470	47	£118,065	105	£78,823	£213,357	£893,417	23.88%
The Highway Primary School	212	£19,080	33	£82,541	32	£23,691	£125,312	£815,334	15.37%
Malcolm Primary School	270	£24,300	79	£197,080	149	£111,416	£332,796	£1,275,672	26.09%
Royston Primary School	401	£36,090	119	£297,201	221	£165,443	£498,734	£1,791,327	27.84%
James Dixon Primary School	334	£30,060	86	£213,892	161	£120,816	£364,768	£1,477,434	24.69%
Gray's Farm Primary School	398	£35,820	164	£409,447	157	£117,758	£563,025	£1,749,846	32.18%
Leesons Primary School	207	£18,630	57	£142,313	100	£74,675	£235,618	£951,604	24.76%
Midfield Primary School	218	£19,620	75	£187,931	106	£79,723	£287,274	£1,038,596	27.66%
Edgebury Primary School	226	£20,340	22	£53,810	27	£20,425	£94,574	£792,279	11.94%
Scotts Park Primary School	438	£39,420	53	£131,400	67	£50,293	£221,113	£1,437,167	15.39%
Oaklands Primary School	443	£39,870	91	£226,947	92	£68,709	£335,526	£1,538,261	21.81%
Clare House Primary School	244	£21,960	14	£35,583	18	£13,688	£71,232	£817,189	8.72%
Perry Hall Primary School	423	£38,070	52	£128,855	71	£53,235	£220,160	£1,398,825	15.74%
Poverest Primary School	191	£17,190	43	£108,523	87	£64,921	£190,634	£867,228	21.98%
Bickley Primary	361	£32,490	59	£146,560	34	£25,126	£204,175	£1,220,767	16.73%
Manor Oak Primary School	181	£16,290	57	£143,366	100	£75,083	£234,740	£903,521	25.98%
Keston C.E. Primary School	246	£22,140	21	£53,017	26	£19,336	£94,493	£832,390	11.35%
Parish C.E. Primary School	491	£44,190	35	£86,701	85	£63,486	£194,377	£1,533,510	12.68%
St George's CE Primary	298	£26,820	64	£158,933	57	£42,867	£228,621	£1,134,490	20.15%
Unicorn Primary School	313	£28,170	22	£55,587	15	£11,620	£95,378	£989,629	9.64%
Cudham CE Primary School	93	£8,370	14	£36,078	9	£6,724	£51,171	£438,177	11.68%
St Paul's Cray CE Primary	193	£17,370	76	£190,344	108	£81,002	£288,716	£985,249	29.30%
St Mark's C.E. Primary School	426	£38,340	82	£205,526	31	£23,515	£267,382	£1,410,873	18.95%
Chislehurst (CofE) Primary	216	£19,440	15	£36,303	4	£2,997	£58,740	£697,800	8.42%
St John's CE Primary School	302	£27,180	40	£99,461	62	£46,636	£173,277	£1,047,556	16.54%
St Joseph's R.C. Primary School	210	£18,900	7	£18,103	14	£10,553	£47,556	£694,147	6.85%
St Vincent's Catholic Primary	223	£20,070	46	£114,242	36	£26,877	£161,189	£860,978	18.72%

	<u>Pupil Nos</u>	<u>AWPU</u>	<u>Attaint</u>		<u>Dep'n</u>	<u>Notional</u>	<u>School</u>	<u>Notional</u>
	<u>Primary</u>	<u>£90</u>	<u>Nos</u>	<u>£2,500</u>	<u>Nos</u>	<u>£750</u>	<u>Budget</u>	<u>SEN %</u>
	<u>Secondary</u>	<u>£170</u>				<u>SEN Total</u>	<u>Share</u>	
St Philomena's Catholic Primary	209	£18,810	12	£30,996	39	£29,250	£79,055	10.51%
St.Anthony's R.C Primary	181	£16,290	66	£166,055	76	£57,042	£239,387	26.42%
St Peter & St Paul Catholic Primary	209	£18,810	39	£97,415	60	£44,987	£161,213	18.97%
Blenheim Primary School	191	£17,190	35	£87,196	105	£78,873	£183,259	20.74%
Holy Innocents Catholic Primar	216	£19,440	30	£73,846	21	£15,827	£109,114	14.17%
St Mary's Catholic Primary	433	£38,970	14	£35,492	12	£8,996	£83,457	6.94%
Highfield Infants' School	266	£23,940	9	£22,291	6	£4,429	£50,659	6.08%
Highfield Junior School	382	£34,380	17	£42,444	21	£15,672	£92,496	8.45%
Raglan Primary School	418	£37,620	59	£148,042	40	£29,626	£215,287	16.28%
Hillside Primary School	336	£30,240	83	£206,897	202	£151,351	£388,488	26.90%
Balgowan Primary School	648	£58,320	27	£67,877	50	£37,276	£163,473	9.24%
The Pioneer Academy	364	£32,760	47	£116,256	120	£89,735	£238,751	18.37%
Pickhurst Infants' School	361	£32,490	20	£49,090	35	£26,263	£107,843	9.87%
Pickhurst Junior School	504	£45,360	65	£161,928	74	£55,642	£262,929	16.75%
Valley Primary School	478	£43,020	78	£195,292	116	£87,259	£325,571	19.44%
Crofton Infant School	535	£48,150	28	£70,395	59	£44,418	£162,963	10.39%
Darrick Wood Infant School	275	£24,750	37	£91,667	26	£19,284	£135,701	14.42%
Green Street Green Primary	416	£37,440	56	£140,656	38	£28,548	£206,644	15.81%
Warren Road Primary School	844	£75,960	67	£168,445	60	£45,133	£289,538	12.40%
St James RC Primary School	216	£19,440	16	£39,836	8	£6,107	£65,383	9.12%
Biggin Hill Primary	405	£36,450	47	£118,581	66	£49,420	£204,451	15.83%
CROFTON JUNIOR SCHOOL	704	£63,360	22	£55,954	90	£67,320	£186,634	9.65%
Hayes Primary School	647	£58,230	40	£99,399	140	£104,717	£262,346	13.48%
Tubbenden Primary School	587	£52,830	98	£245,276	57	£42,440	£340,546	18.77%
ST OLAVE'S GRAMMAR SCHOOL	594	£100,980	0	£0	12	£8,999	£109,979	4.08%
Harris Academy Beckenham	645	£109,650	95	£236,387	312	£233,700	£579,737	16.20%
Harris Academy Bromley	840	£142,800	102	£253,785	379	£284,445	£681,030	15.16%
Bishop Justus	898	£152,660	67	£166,495	207	£155,444	£474,599	10.82%
Bullers Wood School	1087	£184,790	54	£136,014	189	£141,772	£462,576	9.07%
Coopers Technology College	1102	£187,340	99	£248,425	368	£275,968	£711,733	12.83%
Langley Park School for Boys	1058	£179,860	49	£123,625	64	£48,007	£351,492	7.38%
Ravens Wood School	1115	£189,550	51	£127,460	126	£94,747	£411,757	8.06%
NEWSTEAD WOOD SCHOOL	676	£114,920	0	£0	18	£13,537	£128,457	4.23%
Kemnal Technology College	888	£150,960	108	£269,349	251	£188,611	£608,920	13.47%
Hayes School	1201	£204,170	81	£203,421	121	£90,525	£498,117	9.00%
Beaverwood School for Girls	1103	£187,510	61	£151,480	286	£214,340	£553,331	10.40%
CHARLES DARWIN	1053	£179,010	112	£279,288	248	£185,828	£644,127	12.41%
Langley Park School for Girls	1189	£202,130	38	£94,320	78	£58,856	£355,305	6.69%
The Ravensbourne School	1115	£189,550	104	£259,112	382	£286,667	£735,329	13.04%
Darrick Wood School	1308	£222,360	75	£187,899	152	£113,796	£524,055	8.72%
The Priory School	975	£165,750	163	£406,250	378	£283,652	£855,652	16.43%