

Decision Maker: **SCHOOLS' FORUM**

Date: **Thursday 26 June 2014**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **FAIRER SCHOOLS FUNDING FOR 2015-16 - FINANCIAL MODELLING**

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Chief Officer: Executive Director of Education, Care & Health Services

Ward: (All Wards);

1. Reason for report

This report outlines a number of options for allocating the additional DSG funding that Bromley may receive as part of the Fairer Schools Funding for 2015-16.

2. **RECOMMENDATION(S)**

The Schools Forum is asked to consider the various options for allocating any additional funding and to agree to release this information to schools for full consultation.

3. COMMENTARY

3.1 At the meeting in April, the Schools Forum considered and completed a response to the consultation released by the DfE titled "Fairer Schools Funding 2015-16". The consultation document looked at funding levels for all Local Authorities and indicated their intention to provide additional funding to those LAs where the individual formula funding levels were below the average figures.

3.2 The consultation document indicated that Bromley could receive around £19.1 million additional funding in 2015-16. Although the outcome of the consultation has not yet been published, recent meetings with the DfE have indicated that this may not be released until the end of the Summer term, along with final confirmation of any additional funding that we might receive.

3.3 It was agreed that the LA would provide some financial modelling on the basis of the figure of the additional £19 million to allow schools to see what the impact of this might be. Consideration has been given as to whether all the funding would be allocated within the Schools Block, or whether any should be retained centrally or allocated to either the Early Years Block or the High Needs Block. The DfE have indicated in recent meetings that it is their expectation that any additional funding should be aimed at the Schools Block and therefore the modelling has been done on this basis. We have opened up discussions with Nina Newell, Head of Schools and Early Years Commissioning and Quality Assurance and with Mary Çava, Head of SEN and Disability to explore their views as to whether these areas have also been underfunded historically.

3.4 With regard to Early Years, there is a separate report on this agenda looking at additional funding that has already been identified separately to support SEN inclusion. Early Years settings will also benefit from the introduction of the Early Years Pupil Premium which will be introduced in 2015/16.

3.5 With regard to the High Needs Funding, we have looked at our top up rates for Special Schools, PRUs and Units in comparison to other LAs and have identified that they are in line. However, it is expected that the Head of SEN and Disability will be carrying out a thorough review of top up funding to identify whether the current funding levels meet the needs of all pupils. If it is identified that additional funding is required, this will form part of the growth bid for 2015/16.

3.5 Appendix 1 shows how the additional £19m has been calculated, based on minimum funding levels for all elements within the funding formula. Some of these funding levels are higher than those within the current Bromley funding formula, and some are lower. There are also funding levels given for factors that Bromley does not currently use in its funding formula which was previously agreed by the Schools Forum, such as IDACI and funding for Looked After children and DfE have confirmed that there is no requirement for the LA to use these elements.

3.6 The £19.1m has been added to the funding of £169.335m which was allocated to schools in 2014/15 to give a total of £188.435m. The modelling has been done by looking at each of the individual minimum funding levels compared to Bromley's existing levels. Initial modelling was done using the DfE minimum levels instead of Bromley levels, however this only allocated £172m and a large number of schools would have actually lost funding therefore it was decided that it was not necessary to share the details of this with the Forum. Further modelling was then done using the DfE funding levels to replace existing Bromley levels where the DfE levels were higher. This allocated a total of £194m across all schools, which was considerably higher than the funding that was available and was therefore also discounted. It was then decided to look at

each of the funding levels individually to adjust the allocations to be in line with the overall funding available.

3.7 We have now produced 5 models to share with the Schools Forum on the following basis :

Option 1 – Lump sum reduced to £155,000 for Primary and Secondary schools – all other elements funded at the higher of MFL or Bromley funding level.

Option 2 – Key Stage 3 AWPU funded at £3951 - all other elements funded at the higher of MFL or Bromley funding level.

Option 3 – Deprivation based of Free School Meal Ever 6 funded at £1079 for Primary and Secondary Schools - all other elements funded at the higher of MFL or Bromley funding level. This is based on the Secondary funding level as the Primary level did not distribute sufficient overall funding.

Option 4 – Primary EAL funded at £504 - all other elements funded at the higher of MFL or Bromley funding level.

Option 5 - Primary Prior Attainment funded at £878 - all other elements funded at the higher of MFL or Bromley funding level.

Appendix 2 shows all five options alongside the current funding and shows the increases on a school by school basis. Appendices 3 – 7 shows the funding *pro formas* behind these calculations.

3.8 As expected most of these models direct proportionately more funding towards Primary schools than Secondary Schools – this is because most of the Bromley funding levels for Primaries were well below the minimum funding levels whereas the Secondary levels were more in line with or above the expected levels.

3.9 The Schools Forum is invited to discuss the proposed options and to agree whether all or some of the proposed options be released to schools for full consultation, with the proviso that we are consulting on the principles only not the final funding levels as these may vary once the final DSG figures are known.