Rep 754

Agenda item 6

DERBYSHIRE COUNTY COUNCIL

SCHOOLS FORUM

22nd November 2018

Report of the Strategic Director for Children’s Services

School Funding - responses to the LA’s Mainstream Consultation

1. **Purpose of the Report**

To inform the Schools Forum of the responses from schools and academies to the Authority’s mainstream formula consultation.

**2. Information and Analysis**

The Authority published its mainstream formula proposals for April 2019 on 18th September 2018. In summary the consultation proposed the following for 2019-20:

* To set a Minimum Funding Guarantee of 0% per pupil;
* To allow schools to gain up to 3% per pupil;
* To further increase the funding in primary schools to support pupils with low prior attainment;
* To apply Minimum Funding Level thresholds of £3,500 (prim) and £4,800 (sec);
* To introduce a Minimum Funding Floor to guarantee a 1% per pupil increase for every school compared with 2017-18 baselines; and
* To seek views on how the LA should respond if the amount it received as growth funding were to reduce.

 The responses to the questions on the LA’s proposals are summarised below.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Primary (25) |  | Secondary (3) |
| Question | Agree | Dis- agree | Don’t Know |  | Agree | Dis- agree | Don’t Know |
| Q1a. Do you agree with the proposal to set an MFG of 0.0% per pupil for 2019-20?  | 20 | 1 | 4 |  | 2 | 1 | - |
| Q2a. Do you agree with the Authority’s proposal to cap gains at 3% per pupil in 2019-20?  | 18 | 4 | 3 |  | 3 | 0 | 0 |
| Q3a. Do primary schools agree with the proposal to increase the amount delegated through the LPA factor in 2019-20? | 19 | 2 | 4 |  | - | - | - |
| Q4. Do you agree with the Authority’s proposal to increase the MFL rates for 2019-20? | 20 | 0 | 5 |  | 3 | 0 | 0 |
| Q5. Would you support the introduction of the 1% Funding Floor for 2019-20? | 21 | 1 | 3 |  | 3 | 0 | 0 |
|  |  |  |  |  |  |  |  |
|  | AWPU red’n | KS1 red’n | Don’t Know |  | AWPU red’n | KS1 red’n | Don’t Know |
| Q6. Should it be necessary, would you prefer that the LA reduced the AWPU multiplier to reinstate any shortfall or reduce the level of Key Stage 1 support provided? | 5 | 9 | 11 |  | 1 | 2 | 0 |

The consultation also asked for views on whether the levels of MFG protection and the cap on gains should be higher or lower than those proposed in the consultation. Most respondents felt unable to answer these technical questions. Only two schools gave a view on the MFG rate (Q1b), with the primary sector respondent believing the MFG rate should be lower (i.e. less protection) whilst the secondary school respondent felt the protection ought to be higher (i.e. more protection).

Similarly on the question of the cap on gains (Q2b), of the four primary schools that gave a view three wanted a higher (more expensive) cap and one a lower (less expensive) cap. One school commented that applying a cap means it will take several years before all of the gains have been release. They also argued that it would be fairer to release a proportion of the overall capped gain rather than a flat rate percentage.

Another comment was that the cap on gains should be more generous to ensure that schools received the increased funding from adopting a higher low prior attainment multiplier. Their preference was to set the LPA rate at £800 and release the capped gains. Another respondent felt that there should be no cap on gains as the cost in overall terms was relatively modest but was significant for the schools affected. One school was against the introduction of the funding floor as this used resources which would otherwise be available to increase the cap.

One school was against most of the proposals in the consultation, arguing instead that budgets should be linked to pupil numbers with every pupil receiving the same funding.

Several schools felt unable to comment further on the LA’s proposals as they felt they had insufficient information.

With regard to the final consultation question, which asked respondents to consider what action the LA should take if the growth funding reduced, a majority were in favour of reducing the Key Stage 1 offer rather than cutting the AWPU multiplier. One respondent made the interesting point that the two options had a differential impact. The cut in AWPU funding would affect all primary sector schools whilst the reduction in the KS1 fund would only affect those with KS1 pupils.

However, as the Pupil Growth agenda item to this meeting shows, this issue has resolved itself, at least for 2019-20, as it seems likely that Derbyshire will see an increase in growth funding next year.

Although the overall response rate was low, perhaps indicating the technical nature of the changes, the pattern of responses indicated a good level of support for the Authority’s proposals. Consequently, subject to affordability when the final settlement is announced by the DfE in December, the Authority intends to implement the proposals outlined in the mainstream consultation document as far as possible.

The Schools Forum is asked to note the responses to the consultation and offer any views of its own on the LA’s proposals for 2019-20.

**3. Other Considerations**

In preparing this report the relevance of the following factors has been considered: prevention of crime & disorder, equality of opportunity, human resources, legal & human rights, environmental, financial, social value, health, property and transport considerations.

**4. Background Papers**

Papers held in Children’s Services Finance.

**5. Officer’s Recommendations**

The Forum is asked to

1. note the responses to the mainstream consultation; and
2. offer any views of its own on the Authority’s proposals set out in the consultation document.

**JANE PARFREMENT**

**Strategic Director for Children’s Services**