



BOURNEMOUTH, CHRISTCHURCH and POOLE SHADOW SCHOOLS FORUM

Agenda Item 5

Subject	MAINSTREAM SCHOOLS FUNDING FORMULA CONSULTATION RESPONSES
Meeting Date	14 December 2018
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Status	Public
Classification	For consultation
Executive Summary	<p>This report provides the outcome of the main School Funding Consultation 2019-20.</p> <p>The consultation sought views on the options for the mainstream schools formula within the context of high needs pressures and budgets within the central school services block.</p> <p>The outcome of a separate consultation, supported by the work of the High Needs Block Budget Strategy Group, will report on the level of school support for a transfer of mainstream school funding to central high needs budgets (most of which is allocated to schools) and if so at what level.</p> <p>The response rate to the consultation was 63 from mainstream schools (71%), with 2 Specialist providers and 1 Diocesan general response in the form of a letter.</p> <p>There was general agreement with the principles behind the local funding formula being consulted on, although schools also took the opportunity to comment on the level they might support in terms of any funding transfer to High Needs.</p>
Recommendations	Shadow Schools Forum to consider whether they continue to support the funding formula principles set out within the consultation paper in full or whether a number of adjustments should be made. The recommendation should be made after



	all papers at the meeting have been presented and discussed.
Reasons for Recommendations	The Schools Forum needs to consider the outcome of all consultations before forming a view.
Background Papers	Shadow Schools Forum 13 November Agenda 5.

List of Appendices

Appendix 1: Schools Formula Funding Consultation 2019-20

Appendix 2: List of schools responding to the consultation

1. BACKGROUND - MAINSTREAM SCHOOLS FUNDING FORMULA CONSULTATION

- 1.1. The consultation principles were based on decisions taken by the Shadow Schools' Forum at the November meeting.
- 1.2. A copy of the funding consultation to schools is provided in Appendix 1.
- 1.3. To assist schools with completing an informed response to the consultation a series of Consultation event evenings were held during the consultation window; one each in Bournemouth, Christchurch and Poole. The first and last events were well attended; copies of the presentation slides were made available to all schools.

2. CONSULTATION RESPONSES

- 2.1. From mainstream schools, a high response rate of 71% was received, corresponding to 63 out of 89 mainstream schools across BCP. Only two response were received from a school funded from the High Needs Block (two Special Academies). This lower response rate from stakeholders outside of mainstream schools is typical for a consultation where the main focus is the mainstream schools' formula.
- 2.2. The response by phase was relatively even with 66% of primary schools responded, and 83% of Secondary schools. There was also good balance across infant, junior and primary.
- 2.3. A summary of schools responding is provided in Appendix 2.

3. ANALYSIS OF THE RESPONSES

- 3.1. The consultation response options lead themselves to both quantitative and qualitative analysis.



3.2. Response Rate

43 Primary, 20 Secondary, (including all-through), and two special schools responded. Further breakdown by school type and phase is provided below.

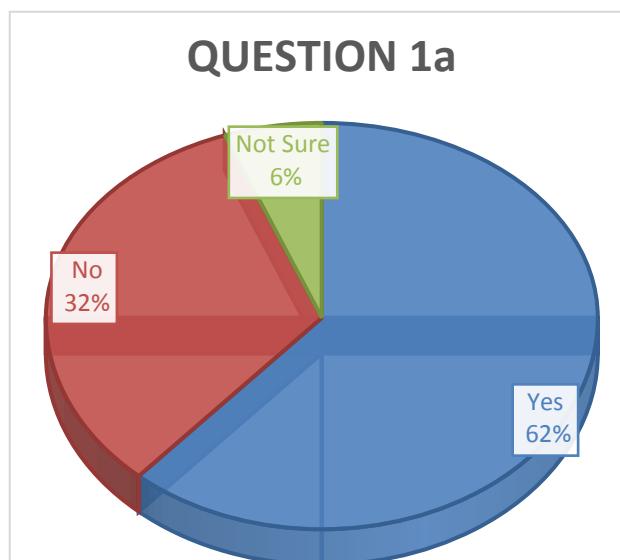
Phase	Count of responders	% of mainstream schools
Infant/ First	12	75%
Primary	22	59%
Junior	9	75%
Secondary	18	86%
All- through	2	67%
Special Academy	2	N/A

Type	Count of maintained responders	% of mainstream schools
Academy	50	68%
Maintained	13	81%
Total	63	71%

3.3. QUESTION 1a (Option 1 – if no transfer is made to high needs)

Do you agree the MFG should be set at minus 1.5% per pupil so that the changes in the 2019-20 NFF and school data from the October 2018 can be reflected in funding allocations to schools?

Response	Count	% of Responses
Yes	40	62%
No	21	32%
Not Sure	4	6%
No Response	0	0%
Total	65	100%



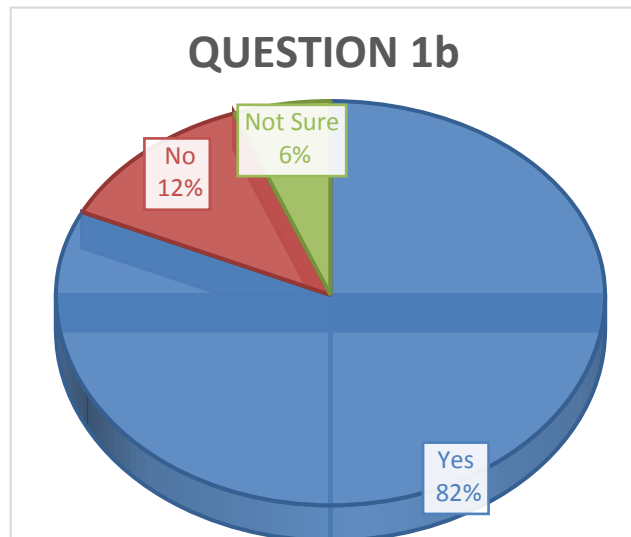
General Comments

There was a lower number of additional comments for this question. The majority of responses are in agreement with the proposal but some, did not fully comprehend the technicalities of the question, and there was some confusion between MFG at minus 1.5% and a level of funding transfer into High Needs.

3.4. QUESTION 1b

Do you agree that if no transfer to high needs is made that the NFF funding floor should be introduced so that schools receive an increase per pupil of at least 1% compared with 2017-18?

Response	Count	% of Responses
Yes	53	82%
No	8	12%
Not Sure	4	6%
No Response	0	0%
Total	65	100%



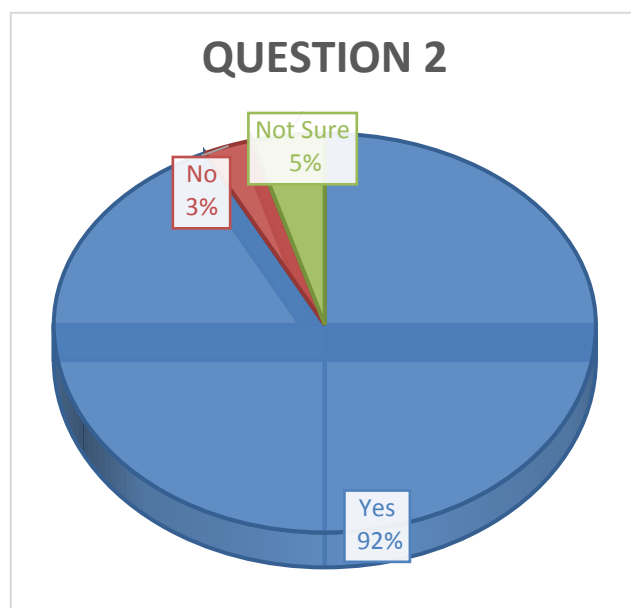
General Comments

Although the categorical response indicated strong agreement with the question, the commentary received generally related to the size of any transfer between block rather than whether or not a funding protection of +1% should be applied against a 2017-18 per pupil funding baseline.

3.5. QUESTION 2

Do you agree the disapplication request to adjust the MFG baseline for all through schools adding primary year groups represents a fair adjustment to the local formula?

Response	Count	% of Responses
Yes	60	92%
No	2	3%
Not Sure	3	5%
No Response	0	0%
Total	65	100%





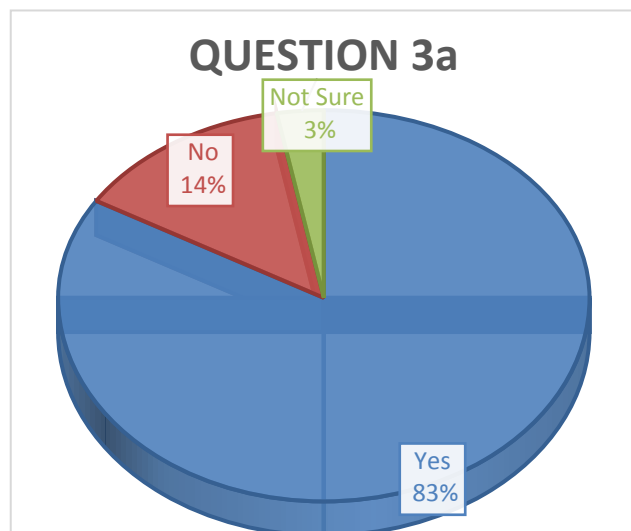
General Comments

There was generally strong agreement with this proposal. There was a view from a particular school that would be impacted by the disapplication request, and a fellow school within their trust, that view the additional protection this request would adjust for as an alternative to a separate lump sum the Primary phase would receive were it a separate school. It should be noted that the ESFA have been clear historically that all through schools should not receive more than one lump sum and expect the adjustment proposed for previously secondary schools adding primary year groups. A more appropriate method to address the school's concerns could be to establish the two phases as separate schools, which would draw additional funds into the LA quantum for distribution to the schools that would then receive separate lump sums.

3.6. QUESTION 3a

Do you agree with the principle that if a funding transfer takes place all schools should make a contribution through a lower budget allocation than would otherwise have been the case?

Response	Count	% of Responses
Yes	54	83%
No	9	14%
Not Sure	2	3%
No Response	0	0%
Total	65	100%



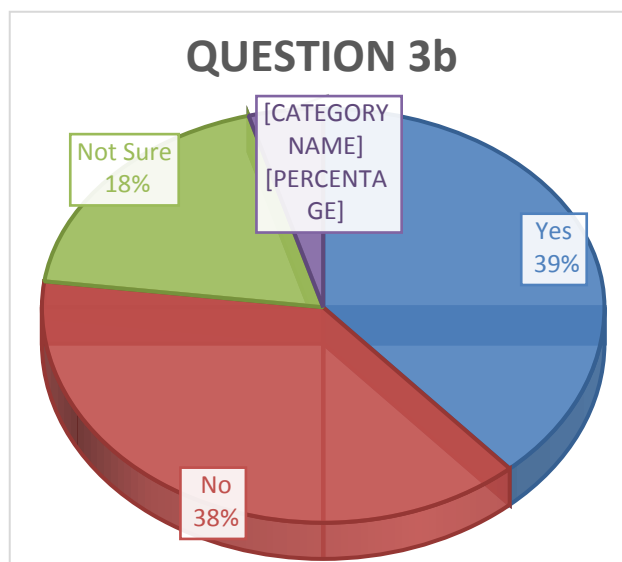
General Comments

There was a high level of support for all schools to make a contribution. Two schools indicated that Lever 1, which is to include all premises factors except rates within the Minimum Per Pupil Funding Levels impacts significantly on just one school, and therefore is not in alignment with the principle of equitable contributions from all schools as far as is possible. The particular primary school affected would contribute £66k of the £69k (96%) of funding released through this mechanism at the 0.5% transfer level. The reason for this is that including split site funding within the MPPFL's results in the school not receiving an enhanced funding level that recognises their split site status, since they sit at the MPPFL - essentially the school is no longer considered in receipt of spit site funding, and is funded at the same level as any non-split site primary MPPFL school. It is recommended that the Shadow Schools Forum reflect on the fairness of the Lever 1 contribution.

3.7. QUESTION 3b

If you agree that all schools should make a contribution, do you agree with the approach outlined in Table 5 and Table 6 for varying levels of transfer?

Response	Count	% of Responses
Yes	25	38%
No	25	38%
Not Sure	12	18%
No Response	3	5%
Total	65	100%



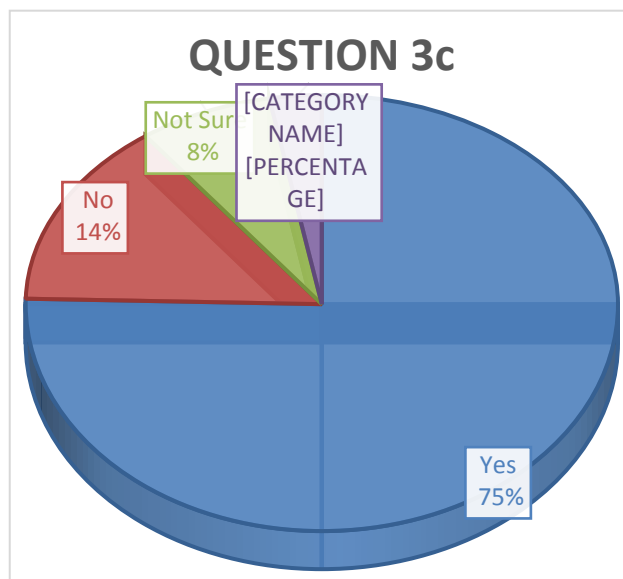
General Comments

There was a very mixed response to this question, with almost equal responses in agreement or not, with a significant number of responders unsure or not responding (24% across both of the last 2 categories). Although the intention behind this question was to establish whether the 4 levers utilised constituted an appropriate mechanism for varying the level of funding distributed between school, the majority of responses received responded to the levels of funding transfer being illustrated, rather than the mechanisms and formula values utilised to realise such transfer levels.

3.8. QUESTION 3c

Do you agree the basic entitlement is the most appropriate formula factor to adjust?

Response	Count	% of Responses
Yes	49	75%
No	9	14%
Not Sure	5	8%
No Response	2	3%
Total	65	100%



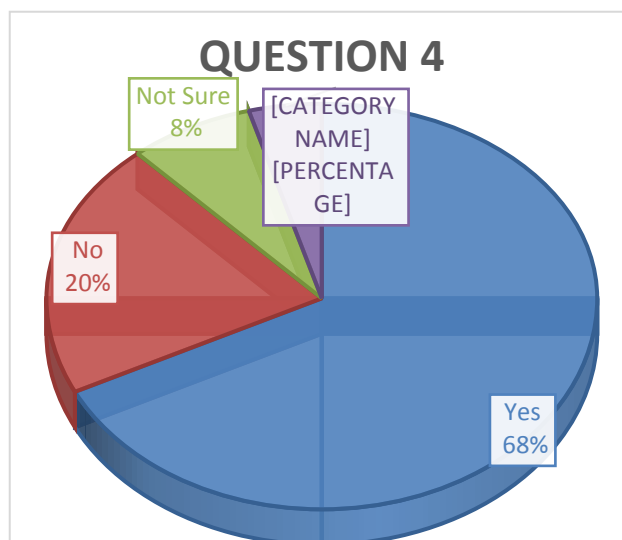
General Comments

There was general agreement with the proposal, although a significant number of responses used the opportunity to reiterate that they did not support any transfer, or only supported a particular level of transfer. One response provided an alternative approach to varying the Basic Entitlement factor that established an identical per-capita contribution from all schools. However, such an approach is not possible under current regulations, and does not address the fact that a fixed per capita contribution results in a disproportionate contribution from schools, since schools with a lower per - pupil funding NFF allocation would transfer a larger proportion of their funding. It also does not address the issue of all schools requiring protection of at least an MFG of minus 1.5%.

3.9. QUESTION 4

Do you agree that to manage any funding shortfall or excess the unit values of the Basic Entitlement for each phase should be adjusted by the same proportion?

Response	Count	% of Responses
Yes	44	68%
No	13	20%
Not Sure	5	8%
No Response	3	5%
Total	65	100%



General Comments

The majority of responses agreed with the proposal, however a large number of responses did not reference the technicalities of the question within their response but used the opportunity to comment on the level of funding transfer they would/ would not support. One particular respondent commented that because the High Needs Budget is disproportionately spent on Key Stages 3 - 5, that Secondary schools should contribute a greater proportion of funding to any established transfer to High Needs. The principle behind this question is that Basic Entitlement is scaled back at the same proportion across all phases, rather than reduced by a fixed amount across phases, which would impact more in Primary schools since it would reflect a larger proportion of their budget. This response considers an alternative approach whereby different phases contribute different proportions of BE towards any transfer, based on the proportion of HN budget spent within their phase/ phases of education.

3.10. QUESTION 5

Do you have any comments on the budgets in the LA Central Services Block?

General Comments

There was considerable request for a more detailed breakdown of Admissions and Servicing of Schools Forum budgets.



There was a view from a small proportion of responses that academies do not see any (or little) of the expenditure on 'all schools' of the ex ESG services.

There was a general view that schools would like to see further savings from these budgets, particularly as a result of LGR.

These comments are addressed in the separate report on the meeting agenda.

3.11. QUESTION 6

Are there any further comments you would like to make about any issues in this consultation?

General Comments

There were a large number of differing responses to this question, although the general theme of responses was that there was insufficient funding within the DSG. Some responses requested that the LA should lobby local government for additional funding into High Needs, and there was concern that transferring funding into the HN block could mask a lack of funding within the DSG, potentially resulting in proliferating lower levels of funding for future allocations. Some responses suggested council-tax payers could be asked to top-up the High Needs Block, rather than expecting this funding to be provided through central government taxation. A considerable number of responses state that the HN pressures should be managed within budget; however, no solutions to this were forthcoming. There was a strong view that action needed to be taken, and there was strong support for the view that any action should not have a detrimental impact on the funding mainstream schools receive through High Needs top - up funding. Some schools responded that it could be beneficial long term to actually channel more funding into mainstream schools to support High Needs pupils with the view to retain a larger proportion within mainstream provision, at a lower per - pupil cost than if the pupil were being educated within specialist provision. However, this has not been observed to be the case so far, with the balance of placements in recent years shifting more towards specialist provision away from mainstream.

4. RECOMMENDATIONS

Schools Forum are asked to consider whether they wish to support

- (1) an alternative approach for the local formula in light of the consultation outcome or
- (2) should final proposals proceed to be drawn up for the January SFF meeting as set out in the consultation in full dependent on the level of transfer finally agreed?
- (3) should final proposals proceed to be drawn up for the January SFF meeting as set out in the consultation with some amendments (for example, not using Lever 1) dependent on the level of transfer finally agreed?