

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **LIFELONG LEARNING OVERVIEW AND SCRUTINY COMMITTEE**

DATE: **THURSDAY 10 OCTOBER 2013**

REPORT BY: **DIRECTOR OF LIFELONG LEARNING**

SUBJECT: **SCHOOLS FUNDING FORMULA REVIEW**

1.00 PURPOSE OF REPORT

To update members on progress of the Formula Funding Review.

2.00 BACKGROUND

2.01 School funding regulations require that every local authority should have a funding formula which is used to determine the budget share for each school. This budget share derived through the application of the formula provides schools with a single total budget. Governors and head teachers have freedom and flexibility within this total to deploy the allocated resources within their own school.

2.02 There is a need to renew the educational rationale underpinning the school funding formula. The existing Flintshire formula pre-dated most of the major changes to school funding that have occurred since 1997, which include the introduction of:

- the Leadership scale and identified salary ranges;
- the Upper Pay Spine;
- the Workload agreement; and
- primary phase class size limits and Foundation Phase Funding.

2.03 The formula also needs to be simplified to promote greater transparency, understanding, predictability and to be able to support the requirement to provide 3 year forecasts. This would also promote simpler administration by finance officers and more effective scrutiny by school leadership teams and governors.

2.04 A further key aim of the revised formula is to secure greater consistency and equity in how funding is distributed to schools, recognising particular circumstances that schools face. The revised formula must also ensure that the available funding is distributed in such a way that it helps meet the Authority's strategic aims for Education in the County, the focus being on:

- raising achievement and attainment for all pupils;

- narrowing the attainment gap experienced by children and young people from disadvantaged backgrounds;
- securing early intervention to meet the special and additional educational needs of particular pupils;
- working together and with other agencies for the benefit of children and young people in their community both within and outside schools; and
- meeting changing school circumstances, including funding requirements for opening, closing, amalgamating and reorganising schools.

3.00 CONSIDERATIONS

3.01 A funding formula review project was established in the spring of 2012 with the objective of revising and simplifying the formula from “first principles”. A Project Board was established together with three project teams representing each sector (primary, secondary and specialist) with school representation on each. The project groups have met throughout this period and a considerable amount of analysis work has been undertaken which has been discussed with the project groups. Updates on progress have been presented to the School Budget Forum, Headteacher representative groups and the trade unions.

3.02 The approach taken has been to:

- analyse the impact of the current formula on schools;
- identify the key principles that should guide the revisions of the formulae;
- identify areas of activity that are currently not recognised in the formulae;
- model the distribution of funds; and
- identify areas where a choice in funding has to be made and the likely impacts of these choices.

3.03 The modelling has produced alternative ways of distributing funds to schools, based on a review of the regulatory framework, the physical capacity of schools and a desire to simplify the administration and the understanding of the funding.

4.00 RECOMMENDATIONS

4.01 Members receive and consider the key principles and options to underpin school funding in Flintshire.

4.02 Members receive a further report at the end of consultation on issues raised during consultation and their recommended resolution.

5.00 FINANCIAL IMPLICATIONS

5.01 Whilst the review has highlighted several areas where additional

funding could be applied effectively, the school values and modelling underpinning the consultation are based on the 2013/14 budget for schools.

5.02 Options for additional investment will need to be considered as part of the Council's 2014/15 budget process.

6.00 ANTI POVERTY IMPACT

6.01 For modelling purposes, the service has assumed the same allocations for Deprivation and Additional Learning Needs as in the existing Schools budget.

7.00 ENVIRONMENTAL IMPACT

7.01 None

8.00 EQUALITIES IMPACT

8.01 None

9.00 PERSONNEL IMPLICATIONS

9.01 The review does not require schools to change their staffing configurations, but the notional funding per school may change within categories of staffing.

10.00 CONSULTATION REQUIRED

10.01 The proposal is to invite consultation responses from all Schools and Trade Unions.

11.00 CONSULTATION UNDERTAKEN

11.01 Regular meetings have been held with review teams comprising Headteachers, Governors and Officers. The Budget Forum and Unions have been involved in the formula development process at key stages.

12.00 APPENDICES

1. Timeline to implementation.
2. Key principles to underpin consultation

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

Contact Officer: Ian Budd
Telephone: 01352704010
Email: ian.budd@flintshire.gov.uk