

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. ☐

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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?

Kent's %for 2013/14 is 89.3%

The parameters of the funding reforms limits the ability to target funding at circumstances of the school and therefore a large % of funding will naturally flow through pupil led factors. All but seven LAs will have at least 85% of their funding targeted through pupil led factors with those seven in the range of 75 to 80%. Before directing all LAs to meet a minimum threshold it would be good to understand why these seven have not to see if there was a common characteristic that was influencing this.

At this point in the quest for a national formula it may be as far as we can go until the DSG per pupil funding level is addressed which varies across the country and must be influencing the % of funding allocated through pupil led factors.

At this point in time and until the DSG amount per pupil has been resolved we would advise caution in setting a standard minimum threshold for pupil led factors.

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

The funding reform principles of having a deprivation factor and a low SEN factor mirrored what we already had in Kent however our schools still experienced significant turbulence due to changes in the permissible data.

Kent already had a high level of delegation in 2012/13 and no new funding was delegated for deprivation.

The principle agreed by the Schools' Funding Forum (SFF) was that where possible funding would be targeted at the same areas using factors that were as similar to the ones already in the Kent formula, with the aim of creating as little turbulence in a schools budget as possible. The amount of funding targeted in 2012/13 for deprivation was kept at the same overall level for 2013/14. The only difference is the data source used for distribution as Mosaic was replaced by IDACI. FSM eligibility was already used in the Kent formula and this has continued at the same level for 2013/14.

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

The overarching principle was the same as our response to question 2 above. The principle agreed by the Schools' Funding Forum (SFF) was that where possible funding would be targeted at the same areas using factors that were as similar to the ones already in the Kent formula, with the aim of creating as little turbulence in individual school budget as possible.

For Primary school pupils we previously used KS1 prior attainment results and this has been replaced by Early Years Foundation Stage Profile. For secondary we were already using KS2 level 4 and below, however we were funding individual instances where the pupil had not attained this level in an individual subject.

Due to the mix and diversity of schools in Kent it is not possible with its current DSG level of funding to reflect a rate that would allocate to ensure that all schools would have sufficient notional funding in their budget to meet the commitment to pay £6,000 additional support costs for all high needs SEN pupils, therefore the funding rates set were not influenced by this.

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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?

Prior to the funding reforms, Kent used key stage 1 level 2c and below as our Prior Attainment (PA) indicator for Primary aged pupils. Over the years we had consulted with working groups and schools on the use of EYFSP as a preferred prior attainment indicator. The view from headteachers has been that it was not as robust an indicator as key stage 1, in the respect of moderation and a longer period of time to assess a pupils level of attainment.

The benefit of EYFSP is that where a school makes significant progress with pupils in Yr 1 and Yr 2 they will now not be financially penalised. In Kent there have been significant movements in the level of prior attainment funding of some primary schools. One school had an increase in funding of 132k due to this change base on the October census.

Therefore the case for either could be argued strongly. What we have found difficult to understand is that at the point in time of the DfE choosing EYFSP as the allowable indicator it was known that the same measure would not be used in 2014/15 as EYFSP will be a judgement and not a score. The important point from our perspective is that if EYFSP can deliver an indicator that distributes funding on an equivalent bases using judgements as it did in 2013/14 then this would be our preferred option. If not we would advocate the use of KS1 level 2c and below as an alternative indicator.

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 ?

In Kent we have not used this measure.

Nearly 90% of LAs are not using the mobility factor which would suggest that in the majority of LAs it is not an issue or the indicator prescribed by the DfE is not fit for purpose.

The measure provided by the DfE goes against the principle subscribed to in the funding reforms of materiality and mobility should only be applied to a schools budget if there is a material impact on its budget. The mobility factor as it currently stands does not solely target funding to those schools with the greatest need.

To our knowledge there is not one common reason for mobility, for example it could be the result of the schools local army regiment changing personnel. Therefore schools will have different associated costs resulting from the movement of children.

A way that mobility could work is to allow the LA to set its own threshold based on the data set currently provided. This would still be easy for the EFA to understand, it would exclude a number of no material movement in numbers that schools should be expected to manage from within their overall delegated budget and would allow LAs to use their local intelligence to set at an appropriate level.

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?

Whilst we have a large number of small schools in Kent, we believe the funding reforms provided adequate protection by allowing the lump sum to be set up to a maximum of £200k. In Kent we set our lump sum at £120k and this actually provided additional funding to the vast majority of small schools.

Question 7: 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?

We found from our analysis that the setting of a single lump sum did not have the same impact in the Secondary phase as it did in the Primary phase. Setting the lump sum in the range of £50,000 to £150,000 only meant that between 3% and 6% of secondary schools saw a reduction in funding for equivalent (premises and lump sum) factors of -3%.

The movement in equivalent factors (premises, lump sum and small school protection) was far more prevalent in primary schools, due to the removal of a small school factor.

As mentioned in question 6 above, we believe by setting a lump sum at £120k all of our small schools are viable and there is nothing to be gained from adjusting this further.

It is our view that one of the unintended consequences to the increase in the lump sum is to increase the gap between the primary and secondary AWPU's. This is always going to be a real issue when we have one lump sum across both phases of education.

Question 8: 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?

This question seems to be a contradiction in respect of question 6. It is acknowledged from this question that a sensitive, somewhat complex subjective factor needs to be introduced based on sparsity to protect rural small schools.

The further restriction on the threshold of the lump sum could exasperate this situation further. Until the DfE address the variable level of DSG funding across the country isn't it a consequence that individual LAs will need some level of flexibility to set local rates.

The current lump sum cap of £200,000 should be retained.

Question 9: 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?

This proposal seems to fly in the face of one the overarching principles underpinning the funding reforms, the one which aimed to simplify the local funding formula.

As we have explained previously we do not consider the viability of our small schools to be an issue having raised the lump sum to £120k

Question 10: What average distance threshold would be appropriate?

We do not have a view on this question

Question 11: 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?

Yes we believe that all schools should receive a lump sum

Question 12: What alternative sparsity measures could we use to identify necessary small schools in rural areas?

We do not have a view on this question

Question 13: Would the ability for both schools to retain their lump sums for one or two years after amalgamation create a greater incentive to merge?

Yes it would.

It is our experience from providing two year protection funding that some schools do not adequately plan for the reduction in future funding levels. It could therefore be argued that this protection should last for one year only.

Targeting funding to deprived pupils

Question 14: 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?

In Kent we used Mosaic as a measure for deprivation. Mosaic is based on the Index of Multiple Deprivation (IMD). A considerable amount of work went in to choosing this indicator and it remains our preferred choice as it can give an individual deprivation score for each pupils home address. This means that it is a far more accurate measure for targeting funding to schools who take pupils from deprived backgrounds. Schools in Kent fully supported the use of this indicator.

IDACI identifies a pupil by post code and it also works in a similar way to FSMs as it is an on /off indicator, either the pupil is deprived or not deprived, it does not say how deprived the pupil is.

We found that IDACI has generated a more flat distribution and we have some examples of this where schools located within a short distance of each other, with one of them taking significantly more deprived pupils than the other, now receives a similar level of deprivation funding as the post code and on/off has smoothed this out.

Our view is that we can use IDACI to distribute deprivation funding, however it is a backwards step as Mosaic targeted the funding more accurately at where the need existed.

Service Children

Question 15: 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?

The DfE have stated on more than one occasion that service children perform marginally better than their peers.

We have no evidence that suggest service children in Kent require additional funding in order to achieve as well as non-service children

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Other groups of pupils

Question 16: Have the 2013-14 reforms prevented local authorities from targeting funding to groups of pupils that need additional support? If so, which?

We believe that the failure to allow us to target funding to Traveller Children is a real issue.

Pupils from the Gypsy, Roma and Traveller (GRT) communities are among the lowest achieving groups in our schools at all Key Stages. The withdrawal of the funding factor for these groups of pupils means that schools have less resource to address their needs, which puts these pupils at a disadvantage compared to their peers.

When funding was in place, schools were able to provide additional learning support, purchase appropriate reading material for classrooms and school libraries, provide additional pastoral support targeting improved attendance, buy in the services of professionals who worked with the entire class and engaged all the pupils, regardless of their background, in learning more about the Gypsy, Traveller or Roma way of life.

Activities such as these help to remove barriers, foster greater understanding and tolerance between people from different backgrounds, and help schools to comply with the general duty of the Single Equality Act 2010. Pupils from a GRT background are often bullied at school, and interventions such as those described also help to reduce levels of bullying for these particular groups.

In addition, they improve the self esteem of pupils from a GRT background, and research shows that improved self-esteem helps children and young people to raise their levels of attainment at school.

With no targeted funding for GRT pupils, the advantages set out above will not materialise to the same extent as before, thus disadvantaging already disadvantaged groups even further.

Kent is involved in one of three DfE pilot projects to raise the achievement of GRT pupils.

Schools with falling rolls

Question 17: In cases where a population bulge is imminent, what is preventing good and necessary schools from staying open?

There could be valid reasons why a school has had a temporary drop in pupil numbers and funding. If a population bulge is imminent it makes no logical sense for such a school to lose good quality teachers and other staff to then have to go out and recruit a matter of a few months later.

Question 18: Are there any other circumstances in which falling rolls are unavoidable in the short term?

We do not have a view on this question

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

Question 19: 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?

Possibly but yet again this feels like a step back to a more complicated system which flies in the face of the Departments key reform objective

Question 20: 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?

As long as LAs can continue to top up schools from its High Needs block where they have minimal notional SEN funding then we have no problem with moving towards the £6,000 threshold from 2014/15.

Question 21: Should the Department play an active role in spreading good practice and model contracts/service level agreements?

Absolutely and this should cover both pre and post 16. We have ended up with two completely different systems that are both very complicated.

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

To follow (we have lots of comments on this question)

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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?

We believe that we already operate our funding forum in a democratic and transparent way. However we will ask our Schools Funding Forum members if they have any further suggestions to improve this.

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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.

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