

## School Funding Reform 2014-15 – Consultation with Schools

### Why are we consulting with Schools?

In June 2013 the DfE issued proposals for school funding in 2014-15. The proposals build on the changes to the funding formula implemented in 2013-14 and have been introduced following a review of the impact of the changes implemented in this year.

The documents from the DfE can be accessed via the following [link](#)

Within the proposals for 2014-15 there are 3 main changes to the allowable factors for the local funding formula that, if implemented in Wiltshire, could impact on funding for individual schools. These are:

1. **Lump sum** – it is now possible to set differential lump sums for primary and secondary schools, with a maximum allowable lump sum of £175,000
2. **Pupil mobility** – a threshold has now been introduced to enable funding to be more targeted
3. **Sparsity** – a new factor to target funding at necessary small rural schools

There are also some changes made to the data sets to be used for specific formula drivers, such as prior attainment data.

It has been agreed by Schools Forum that formula factors agreed for 2013-14 are not to be revisited unless impacted upon by any changes agreed through this consultation. This is to ensure that no unnecessary turbulence is introduced in to the formula for 2014-15.

Under the new arrangements for funding mainstream provision any changes to the funding formula will apply to all mainstream academies, maintained schools and free schools in Wiltshire.

**All schools must be consulted on any changes to the funding formula and must receive details of the potential impact on their individual school budgets. Detail on the proposed formula for funding Wiltshire schools and an Impact Statement to provide details of the potential impact of each proposal on your school are included in this document. This consultation needs to take place in order to meet the EFA timescales for approval of the new formula and so has a very tight turnaround time.**

### What are we consulting on?

#### 1. Changes to the local funding formula

Within this document we are consulting on options to change the lump sum within the Wiltshire funding formula.

The document also outlines why possible changes in relation to Mobility and Sparsity factors are not being proposed for implementation in Wiltshire – this detail is included in Appendix 1.

#### 2. Delegation of Central Services

We are consulting with maintained schools on potential delegation of a number of central services as required under the current rules

## What is not changing?

1. *Existing formula factors agreed for the 2013-14 formula (except the lump sum).* The following formula factors will remain in place although values may change during the budget setting process for 2014-15 once the funding settlement has been announced:

<b>Allowable Factor:-</b>
<b>Per Pupil Entitlement</b> – value may change depending on outcome of consultation on value of the Lump Sum
<b>Deprivation</b> – will continue to use Free School Meal Ever6 data to allocate funding
<b>Prior Attainment</b> – as proxy for SEN. Data for 14-15 budget will be updated for latest exam results but formula will be unchanged
<b>English as an Additional Language</b> – to be used for delegation of central budgets for support of underperforming ethnic groups
<b>Split site allowance</b>
<b>Rates</b>
<b>PFI Factor</b>

2. *Ratio of Primary to Secondary school expenditure* – any changes will be implemented within phase and therefore there will be no movement of funding between the primary and secondary phases
3. *Delegation of funding for high incidence, low cost SEN* – no changes are proposed to the funding for SEN allocated to mainstream schools through the funding formula. The DfE has confirmed that the requirement for schools to fund the first £6,000 additional provision will be mandatory in 2014-15 – this does not require any change in Wiltshire.
4. *The “Place Plus” mechanism for funding provision for high needs pupils* – the DfE has not proposed any changes to this for 2014-15. Within Wiltshire a separate piece of work is being carried out to review top up values for pupils within Resource Bases and Enhanced Learning Provision (ELP) and these changes will be communicated through a separate process.

## The Consultation Document

Key elements of each section are:

Section	Key Issues	Who can respond?
A – Mainstream Formula	Proposed changes to the lump sum within the Wiltshire funding formula are outlined	<u>All mainstream</u> schools (academies and maintained)
B – Delegation of Central Budgets	This section outlines the centrally held budgets that are now required to be delegated	<u>Maintained</u> primary and secondary schools
C – Impact Statement	The impact statement will show your school's 13-14 budget under the current Wiltshire formula compared with what funding would have been received under the new proposed formula. The impact of any protection or limits to gains will also be shown	Provided for information
D – Response form	This section will contain all of the consultation questions and details of how to respond	
Appendices	Further detail on the DfE proposals for mobility and sparsity factors	

### How have we arrived at these proposals?

More detail will be provided throughout the document on the rationale behind the proposals however it is important to stress that proposals have been developed in conjunction with the Wiltshire Schools Forum.

### Who are we consulting with?

This consultation is being sent to all mainstream maintained schools and academies within Wiltshire, addressed both to the Head Teacher and to the Chair of Governors.

The consultation is being sent both hard copy and electronically.

### When do we need your response?

In order to meet the required timescale of submitting the proposed formula to the Education Funding Agency (EFA) by 31<sup>st</sup> October the outcome of the consultation needs to be considered by Schools Forum on 3<sup>rd</sup> October and approved by the Council's Cabinet on 22<sup>nd</sup> October. For this reason there is a short timescale for responses and we will require your response **by close of play on Monday 23<sup>rd</sup> September 2013.**

In order to assist you in considering the consultation document and to try to answer questions that you may have we will be arranging a series of consultation roadshows between 9th and 18th September – details will be circulated separately.

If you have any specific questions please contact Liz Williams, Head of Finance as follows:

[Elizabeth.williams@wiltshire.gov.uk](mailto:Elizabeth.williams@wiltshire.gov.uk) (01225) 713675

**Responses should be forwarded electronically to**

[absupport@wiltshire.gov.uk](mailto:absupport@wiltshire.gov.uk)

**OR**

**By hard copy to:**

Accounting & Budget Support Team  
County Hall – East Wing  
Cradle Bridge  
Bythesea Road  
Wiltshire  
BA14 8DQ

By close of play on 23<sup>rd</sup> September 2013 at the latest

## SECTION A – FUNDING FORMULA FOR MAINSTREAM SCHOOLS

### Introduction

Under the funding reform proposals implemented by the DfE for 2013-14 a full review of the Wiltshire funding formula for schools was undertaken during the last financial year. All schools within Wiltshire are now funded according to the new funding formula implemented for the 2013-14 financial year.

The government agreed to review the changes implemented for 2013-14 and consulted with schools and local authorities in March of this year. In June 2013 the DfE issued proposals for school funding in 2014-15. These proposals build on the changes to the funding formula implemented in 2013-14 and have been introduced following the review of the impact of the changes implemented in this year. The proposals are not intended to bring about large scale changes but are made in order to address any unintended consequences of the new funding model.

As a result, the main elements of the funding formula are left unchanged however there are 3 changes that local authorities could now incorporate within their local funding formulae for 2014-15. These are:

1. **Lump sum** – it is now possible to set differential lump sums for primary and secondary schools, with a maximum allowable lump sum of £175,000
2. **Pupil mobility** – a threshold has now been introduced to enable funding to be more targeted
3. **Sparsity** – a new factor can now be used to target funding at necessary small rural schools

This section provides detail on proposals to change the lump sum within the Wiltshire funding formula.

Further detail on factors for pupil mobility and sparsity are included as Appendix 1 – no options are being put forward for consultation with schools and the appendix details how and why that decision was arrived at.

## A1 – Lump Sum

**Name of Factor:** Lump Sum

**What is the formula driver?**

LAs are allowed to include a lump sum for each school within the funding formula. The purpose of the lump sum is to recognise the fixed costs within a school.

Within the new funding framework it is now possible to apply differential lump sums to primary and secondary schools - this is a change from 2013-14. The maximum allowable lump sum has been set at £175,000, reduced from £200,000 in 2013-14 by the DfE. This reduction has been applied because no authorities used the maximum in 2013-14.

**Are there any options being consulted on?**

The change to the application of the lump sum in 2013-14 had the biggest single impact on schools in Wiltshire in the revised funding formula, particularly for secondary schools, however the minimum funding guarantee (MFG) evened out that impact to an extent.

Schools Forum has agreed that schools should be consulted on changes to the lump sum to enable different values to be applied across primary and secondary schools.

The options being consulted on are:

- 1. To set the lump sum for Primary schools at £85,000 in line with the previous Wiltshire funding formula**
- 2. To set the lump sum for Secondary schools at £175,000 which is the maximum allowable**

**Any other relevant info**

Any changes to the lump sum must be funded from within the overall delegated budget and therefore changes to the lump sum impact on the value of the AWPU. Changes will be applied within phase, in other words the ratio of primary to secondary funding will not change.

For primary schools the impact of reducing the lump sum to £85,000 is to increase the Primary per pupil funding rate by £86.20 to £2,912.12, an increase of 3% based on 2013-14 AWPU values.

For secondary schools the impact of increasing the lump sum to £175,000 is to decrease the KS3 AWPU by £80.82 to £3,739.55, a 2.1% reduction; KS4 reduces by £98.61 to £4,562.50, again a 2.1% reduction based on 2013-14 AWPU values.

The impact of these changes will be shown on the attached impact statement for your school.

## Protection and Limits to Gains

1. The Minimum Funding Guarantee (MFG) will be set at -1.5% per pupil in 2014-15, however the calculation has been amended and simplified compared with previous years. The revised MFG calculation has been applied to all formula options and this is illustrated in each Impact Statement.
2. In order to fund the MFG it is possible to limit gains to individual schools. The approach that has been agreed with Schools Forum is that the cost of the MFG needs to be met through the capping of gains. The impact of any application of capping will also be illustrated in each Impact Statement.
3. **Because of the application of the MFG and Cap the proposed changes may have little impact on school budgets in the short term.** In responding to the consultation it is important that you consider the impact of the formula without the application of the MFG and Cap so that we can ensure the right formula is implemented for Wiltshire schools within the constraints of the new funding rules.

## SECTION B – DELEGATION OF CENTRAL EXPENDITURE

1. In order to give schools greater choice over how to spend their budgets LAs are required to work on the basis that services within the Dedicated Schools Grant (DSG) Schools Block, and the funding for them, should be delegated to schools in the first instance. This means that a number of DSG funded budgets that have previously been retained centrally should now be delegated to schools. There are a number of exceptions to this, for example the Admissions Service budget, and there are also a number of budgets that maintained primary and/or secondary schools can agree to de-delegate so that they continue to be provided centrally. De-delegation cannot be applied to amounts delegated to academies or to special schools.

### Services which have to be allocated through the formula but can be de-delegated for maintained schools

2. There are a number of services for which the budgets need to be allocated through the new funding formula but which can then be de-delegated for maintained schools. Approval for de-delegation is by the relevant phase members of Schools Forum following responses to this consultation.
3. There are a number of outcomes that could flow from the proposals to delegate the budgets. These include:
  - a. Following consultation with all schools, maintained schools agree that budgets should be de-delegated and retained centrally with services provided to all maintained schools;
  - b. Schools agree that budgets should be delegated and schools make/purchase their own provision as appropriate;
  - c. Schools agree that budgets should be delegated and they then cluster together to purchase or deliver services.
4. Under scenario (a) the LA would be able to retain a level of service to provide to maintained schools, this service may be reduced from current levels unless there is also buyback from academies. The size of the service may also need to reduce over time if the number of academies increases.
5. Under scenarios b and c the LA would not be able to continue to deliver a service unless there is sufficient buy back on a traded basis from schools (maintained or academy) to enable retention of sufficient staff. This will be difficult to predict and the LA will need to decide whether it can afford to continue to deliver services centrally on a fully traded basis with full cost recovery. This would require a risk assessment.
6. Schools were consulted on the delegation of these services for 2013-14 in September 2012, details are still held on Wisenet (*circular A211/12, dated 03/09/2012*) and can be accessed via the [Finance WiseNet Page](#) under Accounting Guidance circulars. Within that document details were provided on the total amounts to be delegated, what the budgets are currently funding, the costs/provision that schools would be responsible for following delegation and the potential level of costs. The amount to be delegated to your individual school for each budget, based on 2013-14 budget totals, will be included on the Impact Statements attached to this consultation document.
7. Following that consultation it was agreed that for 2013-14 budgets would be delegated/de-delegated as follows:



**Delegation/De-delegation of Central Budgets 2013-14**

<b>DfE Heading</b>	<b>Wiltshire Budget</b>	<b>Maintained Primary Schools</b>	<b>Maintained Secondary Schools</b>
Contingencies	Schools Contingency	De-delegate	De-delegate
Free school meals eligibility	Free School Meals Eligibility Service	De-delegate	De-delegate
Insurance	Insurance	<b>Delegate</b>	<b>Delegate</b>
Licences/subscriptions	SIMS Licence	De-Delegate	De-Delegate
	HCSS Licence	De-Delegate	De-Delegate
	Copyright Licences	De-Delegate	De-Delegate
Staff costs – supply cover	Trade Union Duties	De-Delegate	De-Delegate
	Maternity Costs	De-Delegate	De-Delegate
Support for minority ethnic pupils and underachieving groups	Ethnic Minority Achievement Service (EMAS)	De-Delegate	<b>Delegate</b>
	Traveller Education Service	De-Delegate	<b>Delegate</b>
Behaviour support services	Primary Behaviour Support Service	De-Delegate	Not delivered to secondary schools

8. For maintained primary schools all budgets, with the exception of insurances, continue to be held centrally, ie., de-delegated in 2013-14. For secondary schools the budgets for the EMAS and Travellers Education Service have also been delegated in 2013-14, other budgets continue to be held centrally.
9. It is necessary to consult with maintained schools each year on whether these budgets should continue to be held centrally or should be delegated to schools and the response form attached to this document asks maintained schools to indicate for each service whether the budget should be delegated or de-delegated.
10. Details of each of those budgets remain largely as outlined in the previous consultation document (see [Circular A211/12](#)) and are not repeated here. The only significant changes are as follows:-
  - a. HCSS Licences – at the meeting of 27<sup>th</sup> June 2013 Schools Forum agreed to enter in to a new 3 year agreement to provide web based financial planning

software for all maintained schools in Wiltshire. The costs of this provision will be met from the central budget for licences and so if the budget is delegated schools would need to be invoiced individually for the licence costs.

- b. Copyright Licences – a new national copyright licence is in place covering copyright content in books, journals and magazines and printed music. The budget for this must be held centrally and cannot be delegated. The budgets for the other licences outlined in Circular A211/12 last year are available for delegation if schools should opt for that.
  - c. Maternity costs – Schools opted to de-delegate the budget for maternity costs in 2013-14. Work is taking place to look at options for a Wiltshire maternity pooling scheme similar to the current sickness supply insurance scheme but proposals have yet to be finalised. As the availability of a scheme may influence responses from schools, if proposals can be finalised in the autumn schools can be re-consulted on this issue at a later date.
  - d. Schools contingency – Schools Forum may wish to consider allocating additional funding in to the contingency to support schools in financial difficulty. This has not been agreed at this stage but is an option still to be considered.
11. Details of the indicative amounts schools would receive if these budgets are delegated are itemised on the impact statement for your school. These amounts are based on October 2012 census data and are therefore the same as those amounts identified on your 13-14 funding certificates. Amounts will be updated when the actual budget for 2014-15 is set.

## **SECTION C – IMPACT STATEMENTS**

Impact Statements are attached for each consultation options. Each statement shows how much funding you would have received in 2013-14 under each of the models proposed. The statement also indicates the impact of the Minimum Funding Guarantee or any capping of gains.

### ***Additional Information:***

- The source data used in the models has been provided by the DfE and cannot be changed.
- As required, the statements also show a breakdown of the funds that LAs are required to delegate from April 2013 (ref Section B of the main document for further details).



## SECTION D – CONSULTATION RESPONSE FORM

Please use the following form to respond to this consultation

Type of School (please tick)

Maintained Primary School	
Maintained Secondary School	
Primary Academy	
Secondary Academy	

Name of School:.....

### Section A – Mainstream formula (all schools eligible to respond)

#### Lump Sum Allowance

What is your preferred option for the value of the Primary School lump sum? (please tick)

Lump sum of £85,000	
Lump Sum of £100,000	

Comments:

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What is your preferred option for the value of the Secondary School Lump Sum? (please tick)

Lump sum of £100,000	
Lump Sum of £175,000	

Comments:

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**Section B – Delegation of Central Budgets (maintained primary and secondary schools eligible to respond)**

For each of the following budgets/services please indicate through ticking the appropriate box whether you would prefer the budget to be delegated or retained centrally:

<b>DfE Heading</b>	<b>Wiltshire Budget</b>	<b>Delegate?</b>	<b>Retain Centrally?</b>
Contingencies	Schools Contingency		
Free school meals eligibility	Free School Meals Eligibility Service		
Licences/subscriptions	SIMS Licence		
	HCSS Licence		
	Copyright Licences		
Staff costs – supply cover	Trade Union Duties		
	Maternity Costs		
Support for minority ethnic pupils and underachieving groups	Ethnic Minority Achievement Service (EMAS)		
	Traveller Education Service		
Behaviour support services	Primary Behaviour Support Service		

Additional comments

Please use this space to add any further comments that you wish to raise on the proposed formula:

**Responses should be forwarded electronically to**

[absupport@wiltshire.gov.uk](mailto:absupport@wiltshire.gov.uk)

**OR**

**By hard copy to:**

Accounting & Budget Support Team  
County Hall – East Wing  
Cradle Bridge  
Bythesea Road  
Wiltshire  
BA14 8DQ

**By close of play on 23<sup>rd</sup> September 2013 at the latest**





## Appendix 1 – Factors not proposed for inclusion within the Wiltshire Funding Formula

### Pupil Mobility

<b>Name of Factor:</b> Pupil Mobility
<b>What is the formula driver?</b> <p>Local Authorities (LAs) are allowed to include an element within the funding formula to reflect pupil mobility within the school year. If a mobility factor is used, funding is now to be targeted at schools with greater than 10% pupil mobility. Mobility is measured by the average number of in year starters over the previous 3 years and therefore looks at inward mobility rather than net mobility.</p> <p>Mobility is to be calculated using the school start date for each pupil from the October School Census, as provided by DfE, and counts pupils who started in the previous three academic years, but did not start in August or September (or January for Year 1). A unit rate is to be applied to each pupil over the 10% mobility threshold, different rates can be applied in primary and secondary schools.</p> <p>For example a school with 284 on roll with 18.25% inward mobility. 8.25% of the NOR would potentially attract mobility funding ie., 23.5 pupils. The mobility factor unit rate of funding would be applied to 23.5 pupils.</p>
<b>Are there any options being consulted on?</b> <p>It is <u>not</u> proposed to include a formula factor based on Pupil Mobility in the Wiltshire funding formula. <b>There are no options proposed for consultation with schools.</b></p>
<b>Any other relevant info</b> <p>As part of the 2013-14 implementation of the funding changes Wiltshire Council and Wiltshire Schools Forum had fed back to the DfE concerns that the initial mobility factor incorporated in to the school funding formula did not allow funding to be targeted at schools with the most need because there was no threshold incorporated within the calculation. It has also consistently been a concern within Wiltshire that the factor reflects only inward mobility rather than net mobility and the associated turbulence that creates.</p> <p>The new proposals from the DfE do incorporate a threshold to enable funding to be targeted to higher levels of mobility and so financial modelling work was undertaken in Wiltshire to consider the impact of the new factor and whether it would support Wiltshire schools.</p> <p>Using data provided by DfE it was established that 63 out of 199 primary schools and 2 out of 29 secondary schools could be eligible for the mobility factor if it is applied. Eligible schools tend to be those with higher populations of service pupils but not exclusively so.</p> <p>In considering whether a mobility factor should be applied Schools Forum took in to account the following issues:</p> <ol style="list-style-type: none"><li>1. Funding/Affordability – funding for a mobility factor would need to be drawn from other elements of the delegated budget, most likely Age Weighted Pupil Units (AWPUs) therefore inclusion of a mobility factor would result in a decrease in AWPU funding across all schools.</li></ol> <p>For example, if a mobility rate of £500 per eligible pupil is set for primary schools the</p>

total cost of the mobility factor across all primary schools would be £242,700 and would need to be funded by a reduction of £7.01 from the Primary AWPU. Of the 63 primary schools eligible for mobility funding, 11 would lose more funding through the AWPU reduction than they would gain through the mobility factor. All primary schools not eligible for mobility funding would experience a reduction in funding.

For secondary schools only 17.5 pupils would attract funding across the whole sector. Unless the rate is set very high it is not possible to use the mobility factor to significantly target funding.

2. The data to be used in the mobility factor is based on historical movement of pupils. There is a concern that the data to be used in the proposed mobility factor reflects past patterns of pupil movement but that the future pattern for military schools in Wiltshire would be one of growth, as families move back to the County, but of more stability in terms of in year turbulence. As a result it is felt that the existing growth fund is a more flexible way of reflecting that position.
3. The mobility factor does not recognise net mobility, only inward movement of pupils, and therefore has the potential to duplicate funding allocated from the Growth Fund for additional pupils.

## Sparsity Factor

**Name of Factor:** Sparsity factor

**What is the formula driver?**

The sparsity factor is designed to support “necessary small rural schools”, ie., schools, that because of their remote location, are necessary as children cannot access education from an alternative nearby school.

If it is to be included in the formula, the sparsity factor is to be driven by size of school and by the average distance pupils would need to travel (as the crow flies) to their second nearest school. DfE has set the parameters as follows:

- Primary Schools – size threshold of 150 pupils and minimum distance threshold to the second nearest school of 2 miles.
- Secondary schools – size threshold of 600 pupils and minimum distance to the second nearest school of 3 miles.

Funding would be applied as a lump sum, with maximum value of £100,000, and can be tapered to reflect different sizes of school with smaller schools receiving higher amounts.

Local authorities are allowed to vary the amount of the lump sum applied or the size threshold (can be revised downwards) or distance threshold (can be revised upwards).

**Are there any options being consulted on?**

There are no options proposed for consultation with schools.

**Any other relevant info**

Wiltshire Council and Schools Forum lobbied strongly to the DfE that the new funding model implemented in 2013-14 did not support rural schools. In Wiltshire the need to support smaller schools has previously been addressed through the lump sum element of the formula and through support for federations, split site schools etc. In responding to the DfE consultation in March this year Schools Forum expressed concern that the proposed sparsity factor was too complex and that differential lump sums would be a more appropriate way to support schools in rural authorities.

Because the proposals from the DfE are designed to support necessary small schools in rural authorities, financial modelling work was undertaken to understand the impact of a sparsity factor in Wiltshire.

If DfE recommended thresholds are applied the maximum number of schools eligible for sparsity funding in Wiltshire would be 31 Primary and 3 Secondary schools. Because of the need to consider the combination of distance travelled and pupil numbers, neither the smallest primary school in Wiltshire nor the most “remote” under this definition would qualify for funding. Whilst the smallest and most remote secondary school in Wiltshire would be eligible for funding under the model, other small secondary schools are not eligible because the distance criteria are not met.

In considering whether a sparsity factor should be implemented in Wiltshire Schools Forum took the following issues in to account:

1. Funding/Affordability - If a tapered lump sum with a maximum of £100,000 is used (as recommended by DfE) the total cost of implementation of a sparsity factor in Wiltshire would be £1.193 million. This would need to be funded from reduction in other elements of the funding formula. Because the sparsity factor is allocated to schools as a lump sum the most appropriate way to fund it would be a reduction in the universal lump sum allocated to all schools. For Primary schools this would mean a reduction of £5,595 from the lump sum for all primary schools in order to meet the cost of the sparsity factor. For secondary schools the lump sum would be reduced by £2,851.
2. Impact on per pupil funding in individual schools – the mechanics of the sparsity factor mean that higher amounts of funding are targeted at smaller schools which meet the size and distance criteria. This increases the amount of per pupil funding in those schools over and above similar size schools that, through the formula, are less remote but that may still be considered rural. This is exemplified in the table below which shows the impact of the sparsity factor on per pupil funding assuming all other formula factors remain unchanged (except for the lump sum being reduced to meet the cost of sparsity). It should be noted that the proposed changes to the lump sum (section A2 above) do not change the pattern of the impact shown below.

Impact of Redistributiion of Funds through Sparsity Factor								
Figures are BEFORE impact of MFG/Cap								
Type of School	NOR	Distance to 2nd Nearest School (miles)	Sparsity Factor?	Funding Per Pupil 2013-14	Funding Per Pupil 2014-15	Movement	Difference in Per Pupil Funding WITHOUT Sparsity	Difference in Per Pupil Funding WITH Sparsity
Primary	49	2.1	yes	£ 4,973	£ 6,233	£ 1,260	£ 45	£ 1,374
Primary	49	1.3	no	£ 5,018	£ 4,904	-£ 114		
Primary	115	2.0	no	£ 3,969	£ 3,921	-£ 49	£ 15	£ 203
Primary	115	3.3	yes	£ 3,955	£ 4,109	£ 154		
Primary	145	2.5	yes	£ 3,853	£ 3,838	-£ 16	£ 66	£ 23
Primary	145	1.1	no	£ 3,787	£ 3,749	-£ 39		
Secondary	320	5.6	yes	£ 4,783	£ 4,923	£ 140	£ 7	£ 148
Secondary	347	1.4	no	£ 4,776	£ 4,767	-£ 8		

Because of the way in which the sparsity factor works the impact is greater for smaller schools. The figures indicate, for example, that for two primary schools with 49 pupils on roll, where one would qualify for sparsity funding and the other would not, the resulting difference in funding per pupil would be more than £1,300. Schools Forum therefore needed to consider whether, in the Wiltshire context, any single school would be considered so much more remote than other similar schools as to justify additional per pupil funding to that level.

3. Existing support for smaller schools – now that the formula is allowed to contain differential lump sums for primary and secondary schools it was felt that the lump sum, operating alongside the new rules which enable schools which federate to keep 85% of the combined lump sums from the previous schools for at least one year, gave sufficient flexibility to enable small rural schools to be supported within Wiltshire without the implementation of a sparsity factor.

