

# **A consultation on school funding reform: rationale and principles**

Consultation Response Form

The closing date for this consultation is:

25 May 2011

Your comments must reach us by that date.

**THIS FORM IS NOT INTERACTIVE. If you wish to respond electronically please use the online response facility available on the Department for Children, Schools and Families consultation website [www.education.gov.uk/consultations](http://www.education.gov.uk/consultations)**

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.**

Name Elizabeth Williams

Organisation (if applicable) Wiltshire Council & Wiltshire Schools Forum

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If you have an enquiry related to the policy content of the consultation you can contact either

Juliet Yates on: Telephone: 020 7340 8313 e-mail: [juliet.yates@education.gsi.gov.uk](mailto:juliet.yates@education.gsi.gov.uk),  
or

Ian McVicar on: Telephone: 020 7340 7980 e-mail: [ian.mcvicar@education.gsi.gov.uk](mailto:ian.mcvicar@education.gsi.gov.uk)

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the Consultation Unit by e-mail: [consultation.unit@education.gsi.gov.uk](mailto:consultation.unit@education.gsi.gov.uk), by Fax: 01928 794 311, or by telephone: 0870 000 2288.

## Appendix 1

Please tick the box that best describes you as a respondent.

<input type="checkbox"/> School	<input type="checkbox"/> Schools Forum	<input type="checkbox"/> Governor Association
<input type="checkbox"/> Teacher	<input type="checkbox"/> Local Authority Group	<input checked="" type="checkbox"/> Individual Local Authority
<input type="checkbox"/> Teacher Association	<input type="checkbox"/> Other Trade Union / Professional Body	<input type="checkbox"/> Early Years Setting
<input type="checkbox"/> Campaign Group	<input type="checkbox"/> Parent / Carer	<input type="checkbox"/> Other

If 'Other' Please Specify:

This is a joint response between the LA and Schools Forum in Wiltshire

**1. Do you agree with the stated characteristics of an ideal school funding system? (Section 2)**

X All       Some       None       Not Sure

Comments:

A school funding system should have the characteristics outlined in the document, ie.,

- Distribute money in a fair and logical way
- Distribute extra resources to the pupils who need them most
- Be transparent and easy to understand and explain
- Support a diverse range of school provision on a level playing field
- Provide value for money and ensure proper use of public funds

The funding system should be able to ensure that funds are directed to need but it is more difficult for the system itself to ensure that all funds are spent appropriately.

It is important that the methodology used to determine that resources are directed towards need are understood to be fair so that relative differences between LA areas and schools can be understood.

**2. Are there further characteristics the system should have? (Section 2)**

X Yes       No       Not Sure

If 'Yes', what are they?

Previous funding systems have included stability and predictability as aims, these are not stated here.

Some recognition of local needs for example, rurality, for example small schools and different types of federation and amalgamations with split sites, and service schools, specifically needs not reflected in the pupil premium for service pupils, for example the fluctuations in pupil numbers within this type of school.

### 3. Do you agree with the analysis of how the current system falls short of these aims? (Section 3)

X Yes

No

Not Sure

#### Comments:

We would agree that the current system, at a high level, has the flaws identified in the document, ie.,

- It is opaque and complex
- It is unfair as comparable schools in different parts of the country receive different levels of funding
- It fails to reflect need accurately
- It does not support the new school system

Within these constraints LAs have been able to reflect local need within their formulae however this is within the overall quantum set by the national allocation of funding. This has been the role of Schools Forum in partnership with the local authority.

Under the current system Wiltshire has consistently received lower levels of funding than its neighbouring authorities with little transparency as to how this reflects levels of need. An example of the impact can be seen in the table below which compares the Guaranteed Unit of Funding in Wiltshire compared with neighbouring authorities:

Pupils per DSG Calculator			63895		
Local Authority	GUF 2011-12	Difference	Total increased GUF if Wiltshire funded at the same level	Potential extra funding that a 200 pupil primary school would receive	Potential extra funding that a 1000 pupil secondary school would receive
Wiltshire	4593	0	£0		
Hampshire	4648	55	£3,514,225	£11,000	£55,000
BANES	4788	195	£12,459,525	£39,000	£195,000
Glos	4661	68	£4,344,860	£13,600	£68,000
Swindon	4696	103	£6,581,185	£20,600	£103,000
Dorset	4683	90	£5,750,550	£18,000	£90,000
North Somerset	4677	84	£5,367,180	£16,800	£84,000
Somerset	4668	75	£4,792,125	£15,000	£75,000

**4. Do you agree with the case for reforming the system?**

Yes

No

Not Sure

Comments:

The current system is based on “spend plus” and therefore perpetuates a historical funding position. A formula would be more responsive to the level of need in a particular area. See the analysis in the response to Q3 to indicate the impact of this.

**5. Do you agree that the aim of ensuring all deprived pupils get the same level of funding no matter where they live is the right one? (Section 4)**

Yes

No

Not Sure

Comments:

The amount of funding for deprivation coming in to a LA area has been difficult to identify and has been based on the position in 2005/06, the position in Wiltshire has changed since then and recent SOA data suggests that levels of deprivation in Wiltshire are increasing. This proposal would ensure that the funding Wiltshire receives for deprived pupils is the same as in other parts of the country.

The allocation of a level of funding for schools based on individual pupils is a mechanism for ensuring that schools are funded for the needs of the pupils in the school at that time. It would be necessary to ensure that funding coming in to the LA also includes an element of deprivation to enable services to reflect need. Currently pupils from deprived areas get the same level of additional funding but the base funding for deprivation is in the overall allocation of DSG to the LA and is not consistent between areas.

Wiltshire Schools Forum would also stress that an appropriate measure of deprivation needs to be used – currently the Wiltshire formula is felt to be more responsive to need through the use of post code data rather than the FSM measure used for the

pupil premium.

**6. Do you agree the underlying funding formula needs to change to meet this aim more quickly and effectively?**

X Yes

No

Not Sure

Comments:

What is meant by the “underlying formula”

There may be transitional issues if funding shifts from a per pupil basis to more funding being allocated on the basis of deprivation.

Wiltshire does not support the use of FSM data as the basis for allocating funds for deprivation.

**7. Do you think the school funding system should be based on a purely national formula? Or should there be flexibility for local decisions about funding levels? (Section 5)**

Purely National

X

Some local flexibility

A lot of local flexibility

Not Sure

Comments:

A purely national formula would limit Schools Forum's role in determining the allocation of resources across schools in a LA area.

Para 5.3 suggest a national formula that stated the aggregate level of funding for maintained schools in each authority but allowed LAs to vary the actual budgets for schools to meet local circumstances or locally agreed priorities. The advantage of this proposal is that the national allocation of funding to a LA area could be reformed whilst still allowing LAs and Schools Forums to agree and reflect local priorities. A disadvantage would still be the difficulty in making comparisons between comparable schools in different areas and a potential difference in levels of funding for academies and maintained schools in an area plus the impact of the increasing number of academies in any LA area. If the underlying level of funding per pupil for academies and maintained schools were the same in any LA area then differences between the funding formula for each type of school would have less impact and could be perceived as fair.

**8. If so, should that flexibility be limited, and if so how? (Section 5)**

Yes

No

X Not Sure

How?

Flexibility is currently limited by the constraints of the overall funding total and by the overarching priorities.



**9. If there is local flexibility, what should the roles of local authorities, schools and the Schools Forum be in decision making? (Sections 5 and 6)**

**Local authorities:**

Local authorities will set strategy and priorities in partnership with Schools Forum and other schools within the area

**Schools:**

Schools will still be responsible for meeting the needs of the pupils on their roll

**Schools Forum:**

Schools Forum will work in partnership with the local authority to set strategy around funding and to allocate funding for schools in the LA area including academies and free schools

**Comments:**

**10. If there is local flexibility for maintained schools, how should Academies and Free Schools be funded? (Section 5)**

Through the fair  
funding formula

Taking into account  
local decisions

X Not Sure

Comments:

It is a stated aim of the funding system that academies and free schools should be funded on a level playing field so that no type of school is financially advantaged or disadvantaged by the system. In order to achieve that it would be necessary to take in to account the elements of local flexibility in the funding of non maintained state schools.

If the per pupil funding coming in to Wiltshire is the same across all types of school then it would still be possible to have flexibility for maintained schools whilst applying a national fair funding formula to academies and free schools in the area. This could still be perceived as fair. If the level of per pupil funding coming in to the county varies across types of schools then this would create more problems in applying differential formulae.

**11. How do you think SEN support services might be funded so that schools, Academies, Free Schools and other education providers have access to high quality SEN support services? (Section 7)**

Comments:

A core level of service should be provided by the local authority. It is more important to define the level and type of service than how it should be funded.

**12. How do you think a national banded funding framework for children and young people with SEN or who are disabled could improve the transparency of funding decisions to parents while continuing to allow for local flexibility? (Section 7)**

Comments:

A concern might be that if a national framework of descriptors is developed but funding levels are agreed locally parents will not be able to understand the differences between funding levels in different LA areas or between types of schools when they are apparently funding the same level of need.

Should the banding framework include funding for health needs and social care?

**13. How can the different funding arrangements for specialist provision for young people pre-16 and post-16 be aligned more effectively to provide a more consistent approach to support for children and young people with SEN or who are disabled from birth to 25? (Section 7)**

Comments:

Funding for post 16 pupils in 6<sup>th</sup> forms needs to be updated from the 2000/01 position on which it is based.

It would be important to consider not just the alignment of pre and post 16 funding but also funding streams for health and social care to reduce the bureaucracy in allocating funding for pupils with complex needs.

**14. How successfully has the EYSFF been implemented? How might it be improved? (Section 8)**

X Very  Fairly  A little  Not at all  Not Sure

Comments:

Wiltshire's EYSFF has been in place since April 2010 and has already been reviewed with some minor changes implemented following consultation.

There is a tension between the complexity of the formula and the principle of fairness – some providers consider that the formula is too complicated but that has to be balanced with the need to reflect a wide range of providers plus other issues including rurality and sustainability.

**15. How important is an element of local flexibility in free early education funding? What might alternative approaches look like? (Section 8)**

Very  Fairly  A little  Not at all  Not Sure

Comments:

The national rate included within the funding for 2 year olds is well understood by providers. This suggests that it would be possible to implement a national formula for 3 and 4 year olds but some element of local flexibility would be required, eg for rural settings.

A national formula that included rates for 3 different providers – maintained nurseries, PVI settings and childminders – could be combined with a smaller degree of local flexibility.

The question of how to meet the needs of high cost pupils within the EYSFF has not been answered in Wiltshire with funding being allocated to settings outside of the main formula. Would it be possible to include Early Years in the national banding framework?

**16. How should we identify the total amount of funding for early years and free early education for three year olds and four year olds not in reception from within the overall amount of 3-16 funding? (Section 8)**

Comments:

If there is a formulaic approach to schools then a similar approach could be taken for the funding of the free entitlement in early years settings. There is overlap with maintained nurseries so a consistent approach may be easier to understand and explain.

**17. Should the formula include only pupil led factors or also school led factors? (Section 9)**

Only pupil-led factors

Include school-led factors

Not Sure

Comments:

Include school led factors

The Wiltshire formula currently includes site specific factors, for example the split site allowance, small school curriculum protection and a service schools factor which reflects the additional challenges from turbulence in pupil numbers. The Wiltshire formula also recognises significant in year increases in pupil numbers.

**18. What factors should be included? (Section 9)**

Comments:

Any funding formula should take in to account rurality and associated issues such as small schools and split site schools (arising from federations and amalgamations).

**19. What is the right balance between simplicity and complexity? (Section 9)**

Comments:

The current spend plus system of funding is simple however it is not perceived as fair or transparent.

There needs to be enough complexity to enable the formula to be responsive to the relative differences in need between areas

**20. What level of change in budgets per year can schools manage? (Section 10)**

Comments:

It is difficult to specify a level without considering transition periods. It is also dependent on the degree of predictability associated with the change and also stability in not having significant swings in funding from year to year.

**21. How much time do schools need to plan for changes in their funding? (Section 10)**

3 months

3 – 6 months

X

6 – 12 months

More than 1 year

Not Sure

Comments:

**22. When is the right time to start moving towards a fair funding formula?  
(Section 10)**

X	2012 – 13	<input type="checkbox"/>	2013 – 14	<input type="checkbox"/>	2014 – 15	<input type="checkbox"/>	2015 – 16	<input type="checkbox"/>	Not Sure
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Comments:

It would be important to start moving towards a fair funding formula in 2012/13 for implementation in 2013/14

**23. Have you any further comments?**

Comments:

A key issue for Wiltshire is the recognition of the needs of pupils in rural areas and the additional costs of providing services for example small village schools.

Wiltshire is keen to move towards a fair funding formula and away from a historical method of funding as differences between funding for schools in Wiltshire and neighbouring authorities cannot be understood.

The views from the Wiltshire Schools Forum in this response reflect the views of both academies and maintained schools in Wiltshire.



## Appendix 1

Thank you for taking the time to let us have your views. We do not intend to acknowledge individual responses unless you place an 'X' in the box below.

**Please acknowledge this reply**

Here at the Department for Education we carry out our research on many different topics and consultations. As your views are valuable to us, would it be alright if we were to contact you again from time to time either for research or to send through consultation documents?

Yes

No

All DfE public consultations are required to conform to the following criteria within the Government Code of Practice on Consultation:

Criterion 1: Formal consultation should take place at a stage when there is scope to influence the policy outcome.

Criterion 2: Consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible.

Criterion 3: Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals.

Criterion 4: Consultation exercises should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach.

Criterion 5: Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained.

Criterion 6: Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.

Criterion 7: Officials running consultations should seek guidance in how to run an effective consultation exercise and share what they have learned from the experience.

If you have any comments on how DfE consultations are conducted, please contact Donna Harrison, DfE Consultation Co-ordinator, tel: 01928 794304 / email: [donna.harrison@education.gsi.gov.uk](mailto:donna.harrison@education.gsi.gov.uk)

Appendix 1

**Thank you for taking time to respond to this consultation.**

Completed questionnaires and other responses should be sent to the address shown below by 25 May 2011

Send by e-mail to: [schoolfunding.consultation@education.gsi.gov.uk](mailto:schoolfunding.consultation@education.gsi.gov.uk)

Send by post to:

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