



Clerk: Susan Moses  
Telephone: 01803 207013  
E-mail address: [governance.support@torbay.gov.uk](mailto:governance.support@torbay.gov.uk)  
Date: Monday, 15 October 2012

Governance Support  
Town Hall  
Castle Circus  
Torquay  
TQ1 3DR

Dear Member

**SCHOOLS FORUM - THURSDAY, 11 OCTOBER 2012**

I am now able to enclose, for consideration at the Thursday, 11 October 2012 meeting of the Schools Forum, the following reports that were unavailable when the agenda was printed.

<b>Agenda No</b>	<b>Item</b>	<b>Page</b>
4.	<b>Report on the consultation to changes for the primary and secondary schools funding formula for 2013/14- report to be tabled at the meeting</b>	(Pages 1 - 6)
5.	<b>Report on the consultation to changes for the special schools and PRU funding formula for 2013/14-report to be tabled at the meeting</b>	(Pages 7 - 8)
7.	<b>Projected Out turn for the 2012/13 DSG</b>	(Page 9)

Yours sincerely

Susan Moses  
Clerk

# Agenda Item 4

## School Forum 11<sup>th</sup> October 2012

### Consultation on changes to the Torbay schools funding formula 2013/14

16 responses have been received from primary schools. Sherwell Valley, Oldway, Collaton St Mary, St Marychurch, Roselands, Sacred Heart, Preston, Barton, Priory, Upton St James, Queensway, Furzeham and a joint response from Watcombe and Kings Ash. 1 secondary school replied – St Cuthbert Mayne. 1 from Prospects Academy Trust

The table below summarises the responses to the questions.

Primary

Question	Yes	No	Neither
1	13	2	
2	15		
3	15		
4	2	10	1
5	6	8	
6	14	1	
7	12		
8	10	1	2

Detailed responses have been summarised or reproduced in whole in appendix 1. These comments have not been attributed.

#### Question 1

**The proposal is to distribute the current Inclusion sub formula funding 33.3% IDAICI,33.3% FSM and 33.3% Prior Attainment.**

**Do you agree with these proportions and factors?**

There was very broad agreement with the proportions but specific concerns were raised by 2 schools around the use of prior attainment data under this question. The use of EYFSP as prior attainment for SEN was questioned by other schools in other answers.

It is desirable to include some form of prior attainment data as a proxy for SEN. The DfE have only allowed LAs to use EYFSP for primary schools.

In their guidance the DfE state:

We have considered a range of measures to identify these pupils. We expect that the notional SEN budget will include an identified element of the basic entitlement and, in many cases, of deprivation funding. But we do not think this provides a complete answer. However, whilst there is no 'perfect' way of identifying pupils with low-cost SEN, we are not keen on allowing a measure which is based on direct identification of pupils as having SEN as this can be subjective. It is for this reason that we will remove factors from the regulations that allow formula funding to be targeted to pupils on the basis that they are on School Action or School Action Plus.

1.3.30. Prior attainment, if used appropriately, can provide us with a good proxy for many SEN pupils not identified through a deprivation measure, but we need to provide some safeguards to ensure that the system is not subject to misuse. So, in order to ensure funding reaches children with SEN in primary schools, we will allow funding to be distributed to pupils based on their achievement as recorded by the Early Years Foundation Stage Profile (EYFSP).

1.3.31. Under the current EYFSP, a child is 'developing well' if he or she scores 78 points across all areas of learning and development. The 2011 data shows that 61% of pupils with SEN<sup>11</sup> do not achieve 78 points and are therefore not 'developing well'. Whilst we recognise that this is not a perfect measure of SEN, it does give us a reasonable threshold which captures most SEN pupils who are underachieving. It would also be a temporary measure as the criteria for the EYFSP are being reviewed. A new set will be in place from academic year 2012/13.

Whilst it is acknowledged that EYFSP has some drawbacks it is the only allowable proxy data for primary SEN. Assessment at the end of Reception year is an issue but allowing for good progress by pupils due to effective practice by schools suggests that those that remain below 78 points are exactly the children that will need further help and therefore funding should be targeted towards them in the formula.

There are issues about schools with nurseries but as over 90% of children attend an early years setting it can be taken that the very large majority of children are receiving significant early years input and therefore improvement happens broadly across the cohort. If the assumption is that this is consistent across the cohort then the arguments for keeping the targeting at children scoring below 78 point remain. The recommendation is that the use of 78 points remains in the changes.

As prior attainment is the only proxy for SEN the recommendation is that it remains as 33% of the inclusion funding distribution. If inclusion funding was reduced from the current 4 factors to just 2 then this would produce greater turbulence as well as providing a less well targeted funding allocation.

## **Question 2**

**The proposal on page 6 is to use eligible FSM numbers to distribute funding in the formula not Ever 6 as this provides less targeted funding and has the potential to produce more turbulence in transition from the current formula to the new formula.**

**Do you agree with using eligible FSM numbers in the new formula not Ever 6.**

There was broad agreement with this aspect of change

## **Question 3**

**In the formula it is possible to use weighted IDACI bandings or just straight forward IDACI numbers not weighted. The proposal is to weight IDACI via bandings to target funding to more deprived pupils. This matches closely the current funding formula. Do you agree with this proposal?**

There was broad agreement with this aspect of change

## **Question 4**

**Looking at pages 5-9 and appendix 7 are there any budget areas that you think should be distributed by other criteria e.g the proposal is to distribute the premises budget via per pupil entitlement(pupil numbers) do you think this should be distributed via any of the other qualifying criteria e.g FSM or IDACI.**

In the responses to this question some schools repeated concerns about use of EYFSP. There was a proposal to fund on bandings of FSM and IDACI relating to the individual school populations. This is what Torbay currently does with transience funding but this approach is not allowable from April 2013 for either pupil mobility, FSM entitlement or IDACI so this suggestion cannot be pursued.

## **Question 5**

**The proposal is to distribute the formula allocation of the current statementing funding via 15% Per Pupil Entitlement,15% FSM,25% IDAICI and 45% Prior Attainment.**

**Do you agree with these % proportions against these criteria?**

The comments from schools who responded were evenly balanced in this question. The schools that raised concerns were mostly concerned about the 45% allocation for prior attainment. Some have suggested that less is distributed on prior attainment and that FSM and IDACI data distributes a higher proportion.

The concerns about EYFSP have been discussed above in question 1. However, given that prior attainment data is the proxy for SEN and EYFSP is the prior attainment data for primary schools to not use this in a high % for the distribution of the SEN/statementing funding would seem illogical. Allowing for good progress by pupils due to effective practice by schools suggests that pupils who remain below

78 points are precisely the children that will need further help and therefore funding should be targeted towards them in the formula.

A number of schools have suggested using different measures within EYFSP or collecting the data at different points. Neither of these is allowable within the DfE guidance and therefore cannot be pursued.

#### **Question 6**

**The proposal is to not use pupil mobility in the revised formula as it does not target schools with a high % level of mobility and Children Looked After in the revised funding formula as they are small numbers and often mobile so a poor indicator for targeting funding to schools. Do you agree with these proposals?**

There was broad agreement for these proposals

#### **Question 7**

**In the proposals for new delegation of funding do you agree with the proposed indicators for distribution e.g Insurance via per pupil entitlement?**

There was broad agreement for these proposals. 3 schools suggested a combination of FSM and IDACI for Behaviour support, School Improvement and Extended services. There is some validity in using IDACI for behaviour support and Extended services but school improvement is a whole school function/activity and arguably better reflected using overall school numbers.

#### **Question 8**

**In the notional SEN budget calculations in appendix 15 b the proposal is for 5% of the Per pupil entitlement , 50% of FSM/IDACI funding and 100% of Prior Attainment funding to be used to calculate the notional budget. Please note that this is a notional calculation and not part of the actual funding formula. Do you agree with these proposed notional apportionments?**

There was broad agreement with this proposal. One school suggested testing at the end of KS1. This is not allowable by DfE guidance.

#### **Question 9**

**Please use this section for any comments either about any overarching aspects of the consultation or on any specific issues not covered in the questions above. Please attach additional letters or evidence if wish.**

Question 9 was the opportunity for schools to raise any other issues.

The general themes that emerged from responses to question 9 were;

- a) Schools in deprived areas lose under the proposed changes
- b) Concerns about differences in funding for Statemented pupils via a formula
- c) Transitional funding.

It is the case that under the proposed changes some schools serving less advantaged areas do have a reduced allocation under one element of the formula. This is the removal of the use of transience and replacing it with FSM, IDACI and Prior Attainment. Currently £346k is distributed across 4 schools with high transience, this will be no longer allowable and so this funding when distributed across all primary schools with FSM, etc gives a much smaller amount back to these 4 schools. This is not the formula being unfair or weighted against these schools it is just a reflection that the Torbay funding formula cannot continue to use transience. As transience was so targeted then any allowable factor will not produce a similar distribution and these schools will inevitably have a lower allocation.

However, it is interesting to note that of the 15 primary schools that were allocated funding for transience in 2012/13 under the new formula 5 gain via new formula changes and 10 have a reduction . This is reinforced when the 15 primary schools with the highest % of FSM are looked at – 5 gain under formula changes and 10 lose which shows that the formula is not universally working against schools serving deprived areas.

Whilst the changes to transience affect a small number of schools an analysis shows that it is often a combination of specific and individual school factors that are leading to large changes in funding rather than one particular element of the formula. For example , one of the larger ‘losers’ under the new formula that serves a disadvantaged area has a reduction largely due to the change in premises funding.

The differences between statementing funding allocated to individuals and formula SEN funding is a national change which will affect many schools. There are bound to be differences when moving to a new funding methodology. Torbay can top up schools which have very much higher than average statemented pupil population and Torbay will look at how this can be accomplished although it can only be for the very greatest anomalies in % populations as there is no new funding for this and it will have to be a growth item in the high needs block.

A number of schools talk about transition funding. This is effectively what having a -1.5% MFG is doing as it sets a floor to ‘cushion’ the scale of reductions in those schools . Correspondingly to make the whole formula affordable it is likely that schools with increased allocations will have a cap of probably around 1%. Finally, it is worth noting that the average maintained primary school carry forward from 2011/12 was 6.67%.

## Recommendations

The recommendations are that School Forum

1. Agrees the use of EYFSP as the proxy data for SEN in primary schools.
2. Agrees the Inclusion funding split across FSM, IDACI and Prior Attainment for Inclusion funding proposed at 33% across all three.
3. Agrees the use of FSM numbers not 'ever 6'.
4. Agrees the use of IDACI banding.
5. Agrees the allocation of budgets to criteria as outlined in appendix 7.
6. Agrees not to use mobility and LAC as criteria in the formula.
7. Agrees distribution criteria for new delegation funding.
8. Agrees the distribution of SEN /Statementing funding proposed at 15% per pupil entitlement, 15% FSM, 25% IDACI and 45% Prior Attainment.

# Agenda Item 5

## School Forum 11<sup>th</sup> October 2012

### Response to Special schools and PRU consultation on proposed changes for April 2013.

Responses have been received from Combe Pafford school and the Torbay PRU. Verbal feedback was gained at a meeting with Torbay school.

#### Special schools

There is broad agreement with the way the formula calculates the per place funding plus top up. However, the BESD 2 category was constructed as a financial tool for delegating funding and it is thought that maintaining this is unhelpful and inaccurate for placement and audit purposes moving into the future. The proposal is to make all BESD places BESD 1 places with the appropriate changes in top up funding. See appendix 1.

Considerable concern has been raised about the 'commissioning' of places at schools to match the need against places purchased. This is important a) as its vital that there are sufficient places for SEN pupils in the appropriate special schools and b) that there is not over commissioning which will lead to ghost places being purchased but not needed.

The commissioning of places is not technically part of the consultation which is about funding allocations however as the commissioning and administration of the top up funding is so interlinked with special school funding it is important that this is discussed and agreed.

It is proposed that meetings with the three special schools and the LA continue over the next few months to discuss the commissioning of places and the operation of SEN funding in 2013/14.

2013/14 will have to be a transition year whilst the new funding system 'beds down' and potential issues are resolved.

#### Pupil Referral Unit

The PRU replied ;

***1. Method of calculation for individual pupil top up needs to take into consideration the demands of a complex PRU with 'revolving door provision'.***

***2 -***

***3. Please note our concern on decisions being made by the Forum for the TPRU April 2013 funding when there is no representation from the Referral units.***

The per pupil top up has to be per FTE place at special schools/PRU . This will take account of changes in attendance in the calculation of the fte i.e several pupils on short term attendance may make 1 fte.

It is important to note that 2013/14 will be the first year of a completely delegated budget for the PRU and during that year the provision will need to be reviewed to ensure funding is accurate and reflects the appropriate funding arrangements for the different categories of pupils educated at the PRU.

The issue of PRU representation was not part of the consultation but will be resolved in future with changes to School Forum representation.

#### Recommendation

1. School Forum endorse the general principles of special school and PRU funding
2. School Forum note and agree the removal of BESD 2 banding and changes to BESD 1 banding.
3. School Forum note further meetings with special schools and request further reports on the progress of these meetings.

# Agenda Item 7

## APPENDIX 1

### THIS IS FOR ILLUSTRATION ONLY, THESE FIGURES WILL CHANGE ONCE NUMBER OF FUNDED PLACES ARE AGREED

#### Draft Special School formula using 13/14 School Funding Reform if places are full

Type of Places	Number of Places	Number of Pupils	ALR Funding Per Place	Top-up per Place	Total per Pupil	Additional Top-up to Ensure £10k	Total Top-up per pupil	Base Funding	Top-up Funding	Total Funding
	col.1.	col.2.	col.3.	col.4.	col.5.	col.6.	(col.5+6 less £.10k.)	£	£	£
Autism	24	24	9,517	4,547	14,064	0	4,064	240,000	97,537	337,537
BESD 1	9	9	10,021	4,547	14,568	0	4,568	90,000	41,112	131,112
Hearing	1	1	9,800	4,547	14,347	0	4,347	10,000	4,347	14,347
MLD 1	37	37	5,381	4,547	9,928	72	0	370,000	0	370,000
MLD 2	36	36	6,150	4,547	10,697	0	697	360,000	25,094	385,094
MLD 3	15	15	7,175	4,547	11,722	0	1,722	150,000	25,831	175,831
PD	25	25	9,517	4,547	14,064	0	4,064	250,000	101,601	351,601
SLD	2	2	9,517	4,547	14,064	0	4,064	20,000	8,128	28,128
SpecLD	12	12	7,120	4,547	11,667	0	1,667	120,000	20,005	140,005
SD	18	18	9,369	4,547	13,916	0	3,916	180,000	70,489	250,489
Visual	3	3	12,588	4,547	17,135	0	7,135	30,000	21,405	51,405
<b>Total</b>	<b>182</b>	<b>182</b>		<b>50,018</b>	<b>146,173</b>		<b>36,245</b>	<b>1,820,000</b>	<b>415,550</b>	<b>2,235,550</b>

- A. Initial 9th March 12 allocation (excluding Pupil Premium, Statementing & Outreach) 2,232,888  
 B. Place Led Funding allocated using ALR methodology (full year equivalent) (1,405,324)  
 C. Top-up funding (sum of A and B) 827,564  
 D. Funding Top-up per place (C divided by no of places) 4,547  
 E. Variation between initial 9th March allocation & new draft formula - Gain / (Loss) (Total Funding col 7 less A above) 2,662

Type of Places	Number of Places	Number of Pupils	ALR Funding Per Place	Top-up per Place	Total per Pupil	Additional Top-up to Ensure £10k	Total Top-up per pupil	Base Funding	Top-up Funding	Total Funding
	col.1.	col.2.	col.3.	col.4.	col.5.	col.6.	(col.5+6 less £.10k.)	£	£	£
PMLD	55	55	15,002	5,297	20,299	0	10,299	550,000	586,449	1,116,449
SLD	75	75	9,517	5,297	14,814	0	4,814	750,000	381,056	1,111,056
<b>Total</b>	<b>130</b>	<b>130</b>		<b>10,594</b>	<b>35,113</b>		<b>15,113</b>	<b>1,300,000</b>	<b>927,505</b>	<b>2,227,505</b>

- A. Initial 9th March 12 allocation (excluding Pupil Premium, Statementing & Outreach) 2,227,505  
 B. Place Led Funding allocated using ALR methodology (full year equivalent) (1,538,885)  
 C. Top-up funding (sum of A and B) 688,620  
 D. Funding Top-up per place (C divided by no of places) 5,297  
 E. Variation between initial 9th March allocation & new draft formula - Gain / (Loss) (Total Funding col 7 less A above) 0

Type of Places	Number of Places	Number of Pupils	ALR Funding Per Place	Top-up per Place	Total per Pupil	Additional Top-up to Ensure £10k	Total Top-up per pupil	Base Funding	Top-up Funding	Total Funding
	col.1.	col.2.	col.3.	col.4.	col.5.	col.6.	(col.5+6 less £.10k.)	£	£	£
BESD1	56	56	10,021	9,721	19,742	0	9,742	560,000	545,537	1,105,537
<b>Total</b>	<b>56</b>	<b>56</b>		<b>9,721</b>	<b>19,742</b>		<b>9,742</b>	<b>560,000</b>	<b>545,537</b>	<b>1,105,537</b>

- A. Initial 9th March 12 allocation (excluding Pupil Premium, Statementing & Outreach) 1,105,537  
 B. Place Led Funding allocated using ALR methodology (full year equivalent) (561,176)  
 C. Top-up funding (sum of A and B) 544,361  
 D. Funding Top-up per place (C divided by no of places) 9,721  
 E. Variation between initial 9th March allocation & new draft formula - Gain / (Loss) (Total Funding col 7 less A above) 0