

CUMBRIAN SCHOOL FUNDING BULLETIN

ISSUE 1

December 15th 2006

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Main website: <http://www.cumbria.gov.uk/childrensservices/finance/>

Schools Forum website:

<http://www.cumbria.gov.uk/childrensservices/finance/forum.asp>

PURPOSE

The purpose of this bulletin is simply to ensure that all schools are aware of recent developments in funding and finance issues. We aim to send this out to schools once a fortnight (dates shown below and allowing for school holidays) and it will reference all important documents and information that have been sent to schools during the previous two weeks (mainly via the portal) to ensure that nothing has been missed. We are well aware of the amount of information which is sent to schools and do not wish to increase that unnecessarily. However, following a number of discussions with school finance and admin staff, we have decided to trial this monthly bulletin.

It will also give us the chance to ensure you are up to date with some of the issues which are developing both nationally and locally. I would be grateful for any views on this experiment. We will run it initially for 3 months – please feel free to let us know at any point during that period.

This is being sent via the portal. However a number of you have asked if we could send it directly to a specific e-mail address (such as school finance staff or governors). We are happy to do that – please send the relevant addresses to education.finance@cumbriacc.gov.uk

We will also be putting these bulletins on our website at:

<http://www.cumbria.gov.uk/childrensservices/finance/latestnews.asp>

Anton Hodge
Senior Finance Manager – Children’s Services

SCHOOL FUNDING FORMULA REVIEW

You may be aware that the Schools Forum is working with officers in a fundamental review of the Funding Formula. The current funding formula is a direct descendant of the original LMS Formula that was introduced in 1988. The original formula was based, very much, on trying to replicate historic costs for individual schools and since then had been amended on a largely piecemeal basis, factor by factor.

In the recent past, schools and LA officers have raised a number of concerns regarding the factors in the current formula. Some of these issues are listed below – but this is by no means exhaustive. It is our view however that any new formula should attempt to address these concerns.

AWPU Funding

- Concerns raised by Junior and Primary schools about the lower value of KS2 AWPU
- Should we continue to pupil-led fund Special schools?
- The AWPU for nursery schools is higher than that for children of the same age in nursery classes (primary and infant schools)
- The high level of AWPU will increase further over the next three years with the addition of funding previously allocated through the Teachers Pay Grants

Social Deprivation

- Funding for social deprivation is based on Free School Meals: is this still a suitable basis?
- Funding is higher in Cumbria than in other LAs.
- How does this funding interact with other streams (e.g. personalised learning)?

School Size Issues

- Funding which protects small schools (small schools allocation, lump sum and minimum funding guarantee) has increased in the past few years and will continue to do so. Is this tenable?
- Small primary and secondary schools are facing financial pressures. Nine of the eleven secondary schools with fewer than 500 pupils on roll are in deficit.

Other Issues

- Is the funding of Class Size still a fair method of allocating funds?
- Funding for KS4 Practical Curriculum had been added in 2006-07 to the KS4 AWPU and this is due to increase in future years.

The Forum has agreed a timetable for carrying out the review – with an end date of November 2007, for potential implementation in April 2008. This will involve consultation with all schools. We will keep you updated on the progress of this review, but it might also be worthwhile passing on your views to the Forum representative at any point during the process.

Finally, I think it is worth saying that although this review follows on from work undertaken by officers and the Forum over the past two years, this review is being undertaken without any expectations or views as to if and how funding needs to change. The Forum has agreed a set of principles for the review which are set out below:

1. The formula will allocate a sum equivalent to the total funding for Cumbria set by central government in the DSG.
2. The formula will reflect the needs of individual children and groups of children.
3. The formula will be based on the cost of schools providing statutory and contractual requirements.

4. There will be one formula applied simply fairly and equitably to all schools throughout Cumbria.
5. Where a change in the formula leads to a shift in funding there will be a transitional period to dampen the impact of change, which will secure practical and professional management of change.

NATIONAL FUNDING NEWS

On the 6th December, The Chancellor delivered his Pre-Budget Report. This included news of an increase in School Standards Grants to schools. Further details are available at:

http://www.teachernet.gov.uk/management/schoolfunding/2006-07_funding_arrangements/specificgrants200608/Personalisationfunding/

In summary however this means an increase in the expected amount paid per pupil for SSG in 2007-08 (e.g. for primary schools it was £88 and is now £114). Funding for SSG(Personalisation) remains as expected and previously published.

FMSiS (Financial Management Standard in Schools)

This is simply to remind those secondary schools who have not yet completed the self-evaluation that this should be done as soon as possible. If you have any questions regarding this, please contact Graeme Wilson (graeme.wilson@cumbriacc.gov.uk).

Chequebook Schools Training

A reminder that we are running a couple of year-end issues training courses for chequebook schools in Kendal on 1st March and Carlisle on 8th March. For further details, please see the CCPD Directory or contact alison.evans@cumbriacc.gov.uk

Publication Dates

This bulletin will be published by midday on the following dates in 2007 (all Fridays):

| | | |
|--------------------------|--------------------------|------------------------|
| January 12 th | February 9 th | March 16 th |
| January 26 th | March 2 nd | March 30 th |

After that we will review the three-month trial and decide, after listening to your comments, whether to continue.