

CUMBRIAN SCHOOLS FORUM – SCHOOLS’ BUDGET WORKING GROUP

Notes of the meeting of the Schools’ Budget Working Group held on Wednesday, 4 May 2005 at Rheged Discovery Centre, Penrith.

Present: Mr R Alston, (Foundation Secondary), Mr P Chappellhow (CCC – Conservative Group), Mr S Halfpenny (Carlisle Primary), Mr T Hobson (Eden Secondary), Mrs S Leathers (Special Schools, representing Mr S Bowditch) Mr C Rafferty (Allerdale Primary), Mr R Rogers (Eden Primary and Chair of the Group), Mr A Rutter (Teacher Associations), Mr A Hodge (LEA), and Mrs N Shiels (LEA).

Apologies: Mr S Bowditch, Mr C Clarke, Mrs J Farebrother, Mrs J Stocker, Mr B Thomas

SCHOOL FUNDING ARRANGEMENTS – CONSULTATION

At the meeting of the Schools’ Forum held on 20 April 2005 there had been a presentation setting out the Government’s proposals for new funding arrangements to take effect from 1 April 2006. The presentation had been supported by a report – School Funding Arrangements – Consultation.

All interested parties were invited to submit their views on the proposals before the end of the consultation period on 13 May 2005.

The Schools’ Forum had agreed that the Schools’ Budget Working Group should meet as soon as possible to formulate the Schools’ Forum response to the consultation exercise.

The Chair of the Schools’ Budgets Working Group explained that this was the sole purpose of this meeting before handing over to Anton Hodge who took the group through the pro-forma question by question.

Through a process of discussions and explanations the Schools’ Budget Working Group completed the response of behalf of the Schools’ Forum. The group agreed that immediately following the meeting the pro-forma should be completed incorporating the additional comments that had been agreed. This would then be circulated to those present at the meeting who would check the response and return any comments they may have. Any final comments would then be incorporated before the response was submitted to the DfES.

A copy of the final response that was submitted to DfES is attached.

P&R/NJS

4 May 2005

Consultation on new school funding arrangements from 2006-07

Consultation Response Form

The closing date for this consultation is: 13 May 2005
Your comments must reach us by that date.

department for

education and skills

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The information you send to us may need to be passed to colleagues within the Department for Education and Skills and/or published in a summary of responses received in response to this consultation. We will assume that you are content for us to do this, and that if you are replying by e-mail, your consent overrides any confidentiality disclaimer that is generated by your organisation's IT system, unless you specifically include a request to the contrary in the main text of your submission to us.

The Department may, in accordance with the Code of Practice on Access to Government Information, make available on public request, individual consultation responses. This will extend to your comments unless you inform us that you wish them to remain confidential.

Please tick if you want us to keep your response confidential.

Name Roger Alston
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5 Portland Square
Carlisle
CA1 1PU

If your enquiry is related to the policy content of the consultation you can contact:

e-mail: SchoolFunding.Questions@dfes.gsi.gov.uk

If you have a query relating to the consultation process you can contact the Consultation Unit on: Telephone: 01928 794888; or Fax: 01928 794 311

e-mail: consultation.unit@dfes.gsi.gov.uk

Please tick one of the boxes that best describes you as a respondent

Local Authority	√ Schools Forum	Teacher Union
Governor Association	Headteacher Association	School
Headteacher	Bursar	Governor
Teacher	Parent	Other

Please specify:

Three year budgets for schools - financial framework

1 Do you agree that it would be helpful to schools to receive forward budget information for at least two academic years as well as at least two financial years to aid forward planning? (*Paragraphs 18-21 in the full consultation document; 15-17 in the summary*)

√ Strongly agree	Agree	Neither agree nor disagree
Disagree	Strongly disagree	

Comments:

This should not cause additional bureaucratic burdens on schools and the system must be an improved version of the confusing nature of LSC allocations. However, generally it is a good idea.

2 Are there other ways in which either DfES or local authorities could help to extend schools' ability to plan ahead effectively?

Comments:

- consistent Academic Year funding between LEA and LSC allocations
- LEAs to help with prediction of future pupil numbers
- Synchronising pay awards in the public sector and set them for the medium term

3 Which funding year would be the most helpful for giving schools funding information for the academic year: August to July or September to August? (*Paragraph 22 in the full consultation document; 19-20 in the summary*)

August to July	<input checked="" type="checkbox"/> September to August
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Comments:

4 Do you agree that the approach of having funding increases in September, with funding allocations aligned to the academic year, is sensible? (*Paragraphs 25-28 in the full consultation document; 22-24 in the summary*)

<input type="checkbox"/> Strongly agree	<input checked="" type="checkbox"/> Agree	<input type="checkbox"/> Neither agree nor disagree
<input type="checkbox"/> Disagree	<input type="checkbox"/> Strongly disagree	

Comments:

But note that pay increases need to be taken into account when calculating the budget

5 Do you think that the benefits of accounting on an academic year as

well as a financial year basis outweigh the extra costs involved? (Paragraphs 29-33 in the full consultation document; 26 in the summary)

Strongly agree	Agree	Neither agree nor disagree
Disagree	√ Strongly disagree	

Comments:

If schools are to account on an academic year basis, then there is no point in doing this again at a different point in the year.

6 Do you have any further comments on the proposals to give schools three year budgets aligned to the academic year?

Comments:

The Forum is happy with the idea of Academic Year budgeting (subject to comments above and lessons learned from the LSC issues).

Of course, the best solution is to have only one year which is the same for Academic and Financial Year.

The new Dedicated Schools Grant

7 Do you agree that allocations of Dedicated Schools Grant should be adjusted in response to changes in pupil numbers, rather than being based on the initial pupil numbers used, without updates? (*Paragraph 57 in the full consultation document; 34 in the summary*)

<input checked="" type="checkbox"/> Strongly agree	Agree	Neither agree nor disagree
Disagree	Strongly disagree	

Comments:

8 Should allocations of Dedicated Schools Grant continue to use lagged pupil numbers or move to up-to-date actual pupil numbers? (*Paragraphs 58-62 in the full consultation document; 35 in the summary*)

<input checked="" type="checkbox"/> Lagged pupil numbers	Actual pupil numbers
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Comments:

But these should be adjusted retrospectively the following year

9 If allocations of Dedicated Schools Grant use up-to-date actual pupil numbers, should we continue to use lagged pupil numbers for authorities with falling rolls? (*Paragraph 67 in the full consultation document; 36 in the summary*)

Use lagged pupil numbers for schools with falling rolls

✓ Use actual pupil numbers for schools with falling rolls

Comments:

10 Given that pupil numbers will be updated, will it be helpful to fix the unit of resource for the funding distributed to local authorities for the three year period? (*Paragraphs 63-64 in the full consultation document; 37 in the summary*)

✓ Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

Comments:

11 Do you agree that the non-pupil data indicators should be frozen for the three year period based on an average of the latest actuals? (*Paragraphs 65-66 in the full consultation document; 38 in the summary*)

Strongly agree	Agree	Neither agree nor disagree
√ Disagree	Strongly disagree	

Comments:

But the costs of administering this must not be excessive

12 How do you think the floor increase should be funded: solely through a ceiling, or through a damping block as well? (*Paragraph 77 in the full consultation document; 40 in the summary*)

Ceiling only	√ Ceiling plus damping block
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Comments:

13 Should there be a cash floor, as well as one on a per pupil basis, built into the system to protect authorities with rapidly falling rolls? (*Paragraph 79 in the full consultation document; 41 in the summary*)

Per pupil floor only

Per pupil floor and cash floor

Comments:

14 Do you have views on what transitional arrangements are needed to ensure that there is no adverse impact on the rest of the local government finance system when DSG is introduced in 2006-07? (*Paragraphs 86-94 in the full consultation document; 43 in the summary*)

Comments:

None

15 Do you have any further comments on the proposals for the Dedicated Schools Grant?

Comments:

No

Three year school budgets: the distribution of funding from local authorities to schools

16 Do you agree that the split in the Schools Budget between the Individual Schools Budget and the central items set at the beginning of a three year funding period could subsequently be varied with the agreement of the Schools Forum if circumstances changed? *(Paragraph 101 in the full consultation document; 50 in the summary)*

√ Strongly agree	Agree	Neither agree nor disagree
Disagree	Strongly disagree	

Comments:

Yes – but limited parameters should be set (perhaps by the Forum)

17 Would you prefer a Minimum Funding Guarantee that continues to be set at or above cost pressures, or a lower value that would allow changes in a local authority’s formula to flow through more rapidly? *(Paragraph 102 in the full consultation document; 53 in the summary)*

At or above cost pressures	√ Lower than cost pressures
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Comments:

Do not hamper the LEA/Forum's ability to change its formula at a local level. The School's Forum should be allowed to decide the LEA level of MFG (but it would not be allowed to exceed the annual increase in DSG)

18 Do you agree that local authorities should be allowed to change their formulae once three year budgets have been set, under exceptional circumstances and with the agreement of their Schools Forum? (*Paragraph 116 in the full consultation document; 63 in the summary*)

✓ Strongly agree	Agree	Neither agree nor disagree
Disagree	Strongly disagree	

Comments:

19 Which do you think is more important: a system which allows schools to predict their future budget with more certainty, but is less responsive to changes in circumstances; or a system which allows all relevant data to be updated in the final budget? (*Paragraph 117 in the full consultation document; 64 in the summary*)

More certain but less responsive to change	✓ Less certain but more responsive to change
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Comments:

20 Do you agree that it would be sensible to have more predictable arrangements for updating the budget for the forthcoming year, and less predictable but more responsive arrangements for the years further away? *(Paragraphs 118-119 in the full consultation document; 65 in the summary)*

✓ Strongly agree	Agree	Neither agree nor disagree
Disagree	Strongly disagree	

Comments:

Will provide medium term stability

21 Which of the following three options do you think local authorities should use to update the indicative budget? *(Paragraphs 120-129 in the full consultation document; 67-73 in the summary)*

a) pupil number changes applied to AWPU's only	✓ b) pupil number and non-pupil data	c) an approach to be decided locally
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Comments:

22 Do you agree that funding for named SEN pupils should not be included in school budget forecasts for future years? (*Paragraph 121 in the full consultation document; 74 in the summary*)

✓ Strongly
agree

Disagree

Agree

Strongly
disagree

Neither agree nor
disagree

Comments:

This question is not worded very well. Most LEAs delegate Statements of SEN to schools. This should continue to be part of the school's funding, but will change every year (as will the AWPU)

23 Which is the best approach to avoiding turbulence when Teachers' Pay Grants are included in mainstream funding? (*Paragraphs 134-139 in the full consultation document; 76 in the summary*)

a) Allowing the funding to flow through an authority's formula and letting the Minimum Funding Guarantee moderate any turbulence

b) Allowing an authority to include a factor in their formula to continue the current distribution

c) Allowing an authority the flexibility to take an approach between options a) and b)
✓

Comments:

24 Do you have any general comments on the approach local authorities might take to giving schools three year budgets?

Comments:

The new Single Standards Grant

25 Do you agree that we should retain a small number of grants to offer targeted support and for activities that require support on a continuing basis? *(Paragraph 154 in the full consultation document; 83 in the summary)*

Strongly agree	<input checked="" type="checkbox"/> Agree	Neither agree nor disagree
Disagree	Strongly disagree	

Comments:

What about Standards Fund ICT grants – there is no mention in the Annex?

26 Could any more of the existing targeted grants be made part of the amalgamated grant? *(Annex E in the full consultation document; Annex B in the summary)*

<input checked="" type="checkbox"/> Yes	No
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If yes, please list which other grants could be part of the amalgamated grant:

Targeted Support
Primary Strategy
Targeted Improvement Grant

27 Do you agree that we should opt for stability in the first two years of the amalgamated grant, by aggregating current Standards Fund grants without formula changes for that period? *(Paragraphs 152-153 in the full consultation document; 86-87 in the summary)*

Strongly agree	Agree	Neither agree nor disagree
√ Disagree	Strongly disagree	

Comments:

No – the figures need to be updated for 2006-07 – they are already 2 years out of date and have not taken account of pupil changes in that time.

They should then be updated every year for pupil changes

28 Do you agree that we should move the existing School Standards Grant to a lump sum and per pupil basis during the transitional phase, with suitable damping arrangements to ensure stability? *(Paragraphs 156-157 in the full consultation document; 88 in the summary)*

Strongly agree	Agree	Neither agree nor disagree
√ Disagree	Strongly disagree	

Comments:

No – it will only be for another two years. Any schools gaining will have to pay for schools losing, so no point.

29 Do you agree that the Standards Fund and the School Standards Grant

should be brought together into a Single Standards Grant from 2008, using a formula that is pupil led and has a per school element to protect small schools, and a deprivation measure? *(Paragraph 160a in the full consultation document; 89-90 in the summary)*

√ Strongly agree	Agree	Neither agree nor disagree
Disagree	Strongly disagree	

Comments:

Yes – but it should also contain a sparsity factor allocation

30 Do you agree that we should allow schools to agree, through their Schools Forum, to local authorities increasing the level of holdback for coordination and collaboration purposes by top-slicing the new Single Standards Grant? *(Paragraph 162 in the full consultation document; 91 in the summary)*

√ Strongly agree	Agree	Neither agree nor disagree
Disagree	Strongly disagree	

Comments:

No

31 Do you have any further comments on the proposals for the new Single

Standards Grant?

Comments:

No

Strategic Financial Management and Planning

32 Do you think that the Financial Management Standard should become compulsory? (*Paragraphs 176-177 in the full consultation document; 100 in the summary*)

Strongly agree	Agree	Neither agree nor disagree
Disagree	√ Strongly disagree	

Comments:

33 How could the Financial Management Standard and Toolkit and Schools Financial Benchmarking website be improved for users? (*Paragraphs 176-177 in the full consultation document; 100 in the summary*)

Comments:

None

34 What sort of procurement deals and arrangements would be most suitable for schools? (*Paragraphs 195-203 in the full consultation document; 102-103 in the summary*)

Comments:

Do not set up the Centre of Procurement Excellence (para 195) – it is a waste of money.

LEAs can continue to operate together through other ways eg IPF and look at national accreditation of suppliers.

Eventually, procurement systems will have to be locally-based not national

35 In what other ways can schools become more productive and efficient in the use of their resources?

Comments:

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 and Skills 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
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How to respond and further information

The consultation response form is available at www.dfes.gov.uk/consultations/. You can complete this on-line, or download it and post it to us. Copies of the form are also enclosed with printed copies of this consultation document and the separate summary document.

If you are responding on-line, select the “Respond on-line” option at the beginning of the consultation webpage: www.dfes.gov.uk/consultations/.

If you prefer you can send completed response form to Department for Education and Skills, Consultation Unit, Area 2A, Castle View House, East Lane, Runcorn, Cheshire, WA7 2GJ

Or fax it to 01928 794248

Or send it by e-mail to: SchoolFunding.Consultation@dfes.gsi.gov.uk

If you have any questions about the proposals or would like to know more

If you would like to ask us about any aspect of the proposed funding arrangements, please e-mail the School Funding Team at Schoolfunding.Questions@dfes.gsi.gov.uk or call us on 020 7925 6706. You can also visit the school funding area on TeacherNet where we will keep a list of Frequently Asked Questions up to date and post any additional information that becomes available during the consultation period. The address is www.teachernet.gov.uk/management/schoolfunding/.

Additional Copies

Copies of the document can be requested from: DfES Publications, PO Box 5050, Sherwood Park, Annesley, Nottingham, NG15 0DG

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