

APPENDIX 2

INTRODUCTION

In light of the introduction of a new national funding formula (NFF) for schools from 2018/19, a consultation document was issued on the 6th November 2017 proposing changes to the Barnsley schools funding formula. The consultation sets out the proposed changes to the local formula for funding schools in Barnsley in order to deliver a fair, transparent and consistent funding system that is closely aligned to the new NFF.

The consultation sought views on a number of proposals summarised as follows:

- changes to the funding baseline for the schools formula, but in particular the approved proposal by the Council to withdraw the £1m contribution it makes to the schools budget from 2018-19;
- changes to the funding factors; unit values and weightings used in the formula to align as closely to the new NFF;

The responses to the consultation on the proposal to transfer funding from the schools formula funding baseline are outlined in the other paper on the agenda.

This report describes the responses made by schools on the formula changes proposals. A summarised question-by-question analysis which sets out the responses received on each individual question is provided, as well as the Authority's decisions on the basis of these responses.

KEY CONSULTATION FINDINGS AND BMBC RESPONSE

Number of responses received

In total 32 schools (out of 87 schools) responded to the consultation on the changes to schools funding. This represented a 37% response rate. The table below shows how this is split between Primary and Secondary schools.

	No. of schools	No. of Responses	% responses
Secondary	10	5	50%
Primary	77	27	35%
	87	32	37%

The number of responses (and percentages) has been adjusted to take account of numerous responses from the same school (i.e. identical responses from the head teacher, business manager/bursar and governors of the same school). A geographical analysis of the responses have been undertaken and summarised in the table below. The

responses from the Penistone and north Barnsley (Darton/St Helens) areas account for 56% of the total responses received.

Ward	Number of Schools	No. of non-responses	No. of responses received	% Responses received
Central Barnsley	17	14	3	18%
Dearne	9	8	1	11%
North Barnsley	14	7	7	50%
North East Barnsley	17	14	3	18%
Penistone	12	1	11	92%
South Barnsley	18	11	7	39%
	87	55	32	

Also, a number of the 32 responses received represented identical comments from clusters of schools and MATs. In such cases the responses have been counted as per the number of schools the response related to.

Chapter1: Establishing funding baselines for schools' allocations

Q1: Do you support the Council's proposal to cease its £1m contribution to the schools budget and for the impact to be managed within the context of the increased funding from the NFF?

	Primary	Secondary	Total	%
Yes	10	1	11	34%
No	15	4	19	59%
Not answered	2	0	2	6%
	27	5	32	100%

Summary of responses

Respondents who agreed understood the budget pressures facing the council and could see the logic in spending the £1m in other areas. Though they did ask; would the same approach have been taken had the introduction of the NFF not benefited schools in Barnsley? They felt taking into account the proposal to transfer a further element of the NFF to High Needs, it looked like the original intention of introducing the NFF was being diluted.

Other responded that as the withdrawal of the £1m does not impact what schools should eventually receive then there is no issue with it being withdrawn. Indeed given the shortfall in the High Needs Block, we would suggest the LA diverts this money to address the need there, though they believe as per the briefing session that this decision has already been made and could not be influenced by the consultation outcome.

Respondents who answered 'No' to question 1 recognised that the SEND funding crisis must be addressed quickly. However, it is felt that schools cannot afford to lose any

funding required to support pupils, given the considerable austerity under which most schools have been operating for some time. Some schools felt the NFF is not addressing the issues that most schools face so any further loss of money is extremely detrimental even if managed through MFG.

Q2: Do you agree with the proposal to adjust the pupil led factors i.e. deprivation and low prior attainment, to manage the impact of the withdrawal of the £1m funding? If not can you suggest any alternative fair / equitable redistribution option(s)?

	Primary	Secondary	Total	Percentage
Yes	10	2	12	38%
No	15	3	18	56%
Not answered	2	0	2	6%
	27	5	32	100%

Summary of responses

Respondents that answered yes felt it seemed the fairest way so as not to adversely impact those schools in more affluent areas i.e. they presently receive very little in other funding streams such as pupil premium that schools in deprived areas receive specifically for disadvantaged pupils.

Respondents disagreeing with the use of pupil led factors felt that AWPU should be given a greater weighting rather than using deprivation factors.

Q3: Do you support the proposal to protect underfunded schools, through the minimum funding guarantee, from the impact of the adjustment?

	Primary	Secondary	Total	%
Yes	26	3	29	91%
No	1	2	3	9%
Not answered	0	0	0	0%
	27	5	32	100%

Summary of responses

The majority of responses felt no school should be adversely impacted from the changes and agreed to the protection. However when the impact of the high needs transfer is factored in, the proposal is for a nil minimum guarantee, so no school should lose funding but at the same time the expectations in the NFF of a minimum 0.5% per pupil increase is not met.

Chapter 2: Proposed changes to the local funding formula

Q4: Do you agree with the proposed principles that would inform the proposed changes to the formula.

	Primary	Secondary	Total	%
Yes	26	4	30	94%
No	0	1	1	3%
Not answered	1	0	1	3%
	27	5	32	100%

Summary of responses

The overall response was heavily in support of the principles put forward in the consultation. The expressed view from majority of schools that responded was that the principles were fair and sensible. However some schools suggested that clearer guidance and definition be provided to help make the changes easier to understand by headteachers and governors.

Q5: Do you agree with the funding factors currently used in the local formula? If not can you suggest other allowable factor(s) with an explanation for its inclusion in the local formula.

	Primary	Secondary	Total	%
Yes	17	5	22	69%
No	10	0	10	31%
Not answered	0	0	0	0%
	27	5	32	100%

Summary of responses

The majority of respondents agreed with the funding factors currently used, those who disagreed felt premises i.e. the state of buildings should have a greater consideration and deprivation should carry less weight given that those schools who attract it also receive pupil premium. While some felt the double (or triple) funding of many schools in deprived areas is not a fair way to allocate budgets and would like to see more acknowledgement of school led factors.

Q6: Do you support our proposal to set the primary to secondary ratio at 1:1.30, which although consistent with, is higher than the NFF ratio of 1:1.29?

	Primary	Secondary	Total	%
Yes	4	4	8	25%
No	20	1	21	66%
Not answered	3	0	3	9%
	27	5	32	100%

Summary of responses

The general feel of the responses is that schools are supportive of the principle of a higher funding ratio for secondary schools however some responses indicated that the ratio should be not be higher than the NFF ratio of 1:1.29 and that it could be phased in over the next two years in line with the transition period.

There were a number of respondents who felt that although secondary do need funding at a higher level than primary schools, however do not agree with the proposed ratio and that it is disproportionate to need. The expressed view was that younger children have significant needs that can be addressed (in primary schools) with the right support before they get older / issues become more serious.

The proposed ratio is seen by secondary schools as a welcomed recognition that the ratio has been out of alignment compared to the national position with the implication that they have been underfunded for many years. The level of surplus balances by primary schools compared to secondary was highlighted as evidence of the misalignment of the funding ratio.

Q7: Do you support our proposal to align the AWPUs rates closer to the NFF for secondary schools over the transition period, whilst protecting the primary phase by maintaining the rate at the current level?

	Primary	Secondary	Total	%
Yes	14	1	15	47%
No	11	3	14	44%
Not answered	2	1	3	9%
	27	5	32	100%

Summary of responses

There appears to be an even split across both phases and amongst schools in responses to this question, with no overwhelming agreement or disagreement to the proposal.

Whilst 52% of primary schools support closer alignment to NFF, this was under the proviso that the primary phase is protected and the AWPUs is maintained at the current level and not reduced to the NFF rate. Although supportive of the move towards NFF, concerns were equally raised regarding the funding uplift being skewed towards secondary schools (after allowing for the funding transfers out of the baseline).

The 11 primary schools that disagree with the proposal expressed the view that a closer alignment to the NFF would result in a significant shift in funding to secondary schools – as outlined in annex 2 - at the expense of the primary phase (which primaries cannot afford).

The secondary schools that disagree with this proposal, although supportive of the move towards the NFF, felt that the alignment is not far reaching enough (i.e. not closely aligned to the 72% NFF funding proportioned for AWPUs). Also some respondents would like to see a reduction in the primary AWPUs in line with the NFF - the rationale being that

primary has been funded proportionately higher for many years when compared with the national average.

Q8: Do you support our proposal to include the new minimum per pupil funding factor and for this to be set at the transitional level of £4600 for secondary and £3300 for primary schools for 2018/19?

	Primary	Secondary	Total	%
Yes	14	4	18	56%
No	0	1	1	3%
Not answered	13	0	13	41%
	27	5	32	100%

Summary of responses

The majority of responses received agreed that the new minimum per funding factor should be included.

Whilst a number of primary schools agree in principle to the inclusion of the new minimum per pupil factor, the overriding view is that the level of the minimum funding is not sufficient in sustaining small schools and to ensure the high quality provision currently in place across most schools. A high number felt that this question was difficult to answer hence 13 schools did not return any response to this question.

All secondary schools are generally supportive of the inclusion of this new factor – on the basis that it is solely needed to address chronic underfunding of certain schools. Underfunding of schools has impacted on quality of provision / growing class sizes as well as inequality of funding between secondary schools within the same local authority.

Q9: Do you support the weightings proposed for each of the additional needs factors as outlined above i.e. deprivation, low prior attainment and English as an additional language?

	Primary	Secondary	Total	%
Yes	9	2	11	34%
No	18	2	20	63%
Not answered	0	1	1	3%
	27	5	32	100%

Summary of responses

Whilst the responses for secondary schools were fairly split – for and against to this question, in the case of the primary phase, twice as many schools were opposed to the proposed weightings for each of the additional need factors. It should be noted that similar / identical responses (against) were received from Penistone area schools, which has a bearing on the overall outcome.

The majority of primary schools respondents are against the proposed weightings as the view is that it is not addressing the current double funding of deprivation in the system as many schools benefit from increased pupil premium grant. Increased funding through AWPU was the preferred choice.

Some schools opposed the proposed weightings on the basis that it should be increased to reflect greater alignment to NFF.

Whilst half of the secondary schools respondents support the reduction in the deprivation factor, nevertheless would like to see a similar movement towards the NFF for the other factors (the low funding proportion proposed for English as an Additional Language was highlighted as a case in point). Although one opposing secondary school felt the pace of the change (i.e. reduction of the deprivation factor) has had a significant impact on the school.

Q10: Do you support the proposal to maintain the lump sum factor at the current level i.e. £100,000 per school (irrespective of school phase)?

	Primary	Secondary	Total	%
Yes	8	3	11	34%
No	18	2	20	63%
Not answered	1	0	1	3%
	27	5	32	100%

Summary of responses

Most schools that responded are opposed to the proposal to maintain the lump sum at the current amount, instead would prefer the amount increased to £110,000 in line with the NFF. There were suggestions that this increase could be phased in over the 2 year transition period starting with £105,000 for 2018/19. The expressed view is that an additional £10,000 would have a beneficial impact on a number of small schools.

Q11: Do you agree with the current approach for addressing planned pupil growth outside of the local formula (with the set aside Growth Fund agreed and managed annually by the Schools Forum)

	Primary	Secondary	Total	%
Yes	16	3	19	59%
No	1	1	2	6%
Not answered	10	1	11	34%
	27	5	32	100%

Summary of responses

There is an overwhelming support for the current approach to addressing the issue of growth in pupil numbers / increase in admission numbers through the growth fund (outside the formula but managed by the schools forum). However, most respondents would like increased transparency and understanding of the current process.

The high proportion of 'not answered' responses reflects the fact that the current process is not well understood by some schools. Some schools would like to see a move towards providing funding for a full year instead of the current 7 / 12th arrangement.

Q12: Do you support our proposal to reflect the Government's expectation of the minimum 0.5% per pupil cash increase for each school within the formula.

	Primary	Secondary	Total	%
Yes	5	0	5	16%
No	1	1	2	6%
Not answered	21	4	25	78%
	27	5	32	100%

Summary of responses

A large number of respondents did not answer this question nor provide any comments / additional information to support their stated positions – a reflection of schools not really understanding what this means or intended impact.

Q13: If so, do you support the proposal to set the MFG at 0.5%, which would ensure all schools would see an increase in their funding compared to the adjusted baseline.

	Primary	Secondary	Total	%
Yes	16	3	19	59%
No	11	1	12	38%
Not answered	0	1	1	3%
	27	5	32	100%

Summary of responses

The majority of the responses agreed with the proposal to set the MFG at 0.5% (seen as sensible and fair), however it was highlighted by some schools that this level of protection will be negated if the proposal to transfer funding to the high needs block is implemented. Some secondary schools in particular expressed concerns regarding the impact of a high level of protection as it means underfunded secondary schools have to wait longer to have the funding imbalance addressed.

A high proportion of primary schools are oppose to the 0.5% MFG as it is perceived as inadequate and does not provide sufficient additional funding to schools to enable them meet the needs of pupils.

Chapter 3: Proposed transfer of 1.5% funding to the high needs block

Q14: Do you support in principle the council's proposal to transfer funding from the schools block to the high needs budget to contribute towards addressing the budget pressures arising from increasing SEN placements.

	Primary	Secondary	Total	%
Yes	4	1	5	16%
No	23	4	27	84%
Not answered	0	0	0	0%
	27	5	32	100%

Summary of responses

An overwhelming number of schools are not supportive of the proposal to transfer funding to the high needs block. A recurring theme in most responses is that the problem in the high needs is perceived as arisen from mismanagement and a lack of action by the LA to manage this problem in the past. The expressed view is that schools should not have to pay for the historic lack of action by the LA.

Whilst there appears to be an understanding of the particular needs of this cohort of pupils across most of the responses, there is strong view that the actions to address the financial pressure should not be at the expense or detriment of pupils in schools / academies. It is felt that there is insufficient funding in schools to support existing SEN pupils – as funding is being used to prop the budget.

This view was equally shared by some secondary schools that felt that the funding transfer would only exacerbate the funding crisis in schools, which would further impact on the quality of provision for high needs pupils (leading to more pupils placed externally).

Identical responses received from a number of academies (within the same MAT group) indicate a mismanagement of the issue historically and missed opportunity by the authority to tackle this issue and take actions earlier in 2014.

This theme was also expressed by another MAT group with the suggestion that the transferred amount should be reduced to the recurrent funding gap (£1.5m) and for the LA to fund the historic deficit (rather than schools paying for the historic lack of action by the LA).

Q15: Do you support the proposal to transfer 1.5% of the schools block funding in 2018/19 in recognition of the scale of the pressures facing the high needs block.

	Primary	Secondary	Total	%
Yes	4	0	4	13%
No	23	5	28	88%
Not answered	0	0	0	0%
	27	5	32	100%

Summary of responses

A number of responses to this questions mirror the comments made to the previous question. There is recognition by some schools of a collective responsibility of the issue and the fact that the funding has to come from somewhere to address the problem however, the transfer is seen as taking funding away from schools that need it to support vulnerable pupils in schools.

The issue of inadequate funding within schools to support current high needs pupils was identified as a pressing issue. Schools should not have to pay from their already stretched budgets to prop up other areas which are under pressure due to placement not being managed properly in the past.

The suggestion put forward by a MAT was for the funding transfer to be limited to £1.5m on the basis that the LA covers the historic deficit. A number of schools expressed support only if the LA seeks representations and approval from the DfE regarding the 1.5% transfer – in which they would have no choice but to comply.

Q16: If not, do you have any suggestions on how the financial pressures in the high needs block can best be addressed?

	Primary	Secondary	Total	%
Yes	21	3	24	75%
No	2	2	4	13%
Not answered	4	0	4	13%
	27	5	32	100%

Summary of responses

Whilst the general responses from schools were not supportive of the transfer proposal, a number of alternative suggestions were put forward as follows:

- Building of specialist units to increase capacity for alternative provision in the borough and avoid outside placements.
- The Council should meet the historic deficit position, with a reduced transfer from the schools block to meet the recurrent needs.
- Take money away from overfunded schools.
- Other LA's must be in the same position? – approach the Government collectively and directly about this national issue.