



Schools Forum

AGENDA ITEM: 8

Title: Items to consult with schools in Autumn Term

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Recommendation

The Forum is asked to consider this report and give its views on the possible items for consultation.

Supporting Information

The County Council is required to consult with schools, to include both governing bodies and separately each headteacher on any significant changes to the formula framework before they are implemented. This means that it is normal practice for the County Council to consult with schools during the autumn term on any proposed changes which might be necessary before the following 1 April. There is always of course the late possibility of items which will need an urgent consultation, or indeed some items where the County Council receives a direction from the Secretary of State to alter the scheme. This has recently been the case for instance regarding the deduction of fees from teachers for the General Teaching Council, or the requirement to provide teacher salary information from those schools with external payroll providers for Teachers' Superannuation returns.

The items which it is thought at this stage it will be necessary to consult on are:-

1. Possible changes to premises factors

In a letter from the DfES earlier this year it was suggested that there would be a national approach to changing premises factors within each LEAs funding formula. Clearly, there are probably as many formula factors for premises as there are LEAs and the Government was wanting to ensure some consistency.

We did consult last autumn on doing away with the premises factors and allocating all premises funding through pupil numbers, however, there was not a clear majority of schools in favour of this change and the Cabinet Member for Schools decided not to make any changes to the current arrangements.

We now understand from DfES contacts that it is unlikely that we will receive any central directions for changes to premises factors, but it is still possible and

there is a question about whether the County Council should in any event consult on simplifying its current formula.

2. Newly Qualified Teachers

The Standards Fund for funding schools for newly qualified teachers previously paid £1,000 per term to schools for each newly qualified teacher. This Standards Fund activity ceased as at 31 March 2003 and the County Council made up this loss of grant and currently has unallocated some £700,000 of the Individual Schools Budget for 2003/04, but will do so to schools once it is known how many NQTs each school have had during this current financial year. This contributed towards the claims of unallocated funding simply because we did not know the number of NQTs there would be in schools during the coming financial year.

It would be right to consider allocating this funding for 2004/05 upfront now to schools, but that would have to be on the basis of a known factor prior to the beginning of the financial year. This could be the full-time equivalent number of NQTs at each school, say at the beginning of the autumn term 2003, or perhaps the spring term 2004. The advantage of this is that the funding will be allocated on the basis of some £3,500 per year in 2004/05, based on known actual numbers.

It is not felt appropriate to carry on with the present arrangements allocating during the year and initially withholding funding from schools.

3. Nursery Schools and Fair Funding

It will be a requirement that nursery schools will have a governing body from September 2003 and receive delegated budget shares, exactly the same as primary, secondary and special schools from April 2004.

The draft regulations currently out for discussion from DfES suggest that it would be possible to fund nursery schools on place numbers or pupil numbers as is thought appropriate. It will be necessary to consult with all schools, not only nursery schools, on the arrangements that there will be in place for April 2004 for nursery schools.

4. Ethnic Minority/Prior Attainment

A new factor was introduced into those items which an LEA can use for its formula for allocating funding to schools. This is a factor based on ethnic minority numbers and prior lower attainment. In other words we can have a formula factor where a child is from an ethnic minority and has lower prior attainment.

We do need to bear in mind that we do already fund all lower prior attainment and it is suggested we will need to consult with schools whether we add another factor to this, where it is linked to an ethnic minority pupil.

5. Local Bank Accounts

The County Council, in considering the introduction of the new SAP/SAPPHIRE financial systems might want to consider the advisability or probability of each school having its own local bank account. At the present time some 65 schools out of 235 operate a full bank account system and it will be necessary to seek schools' views on how this might move forward, given the new financial system. The full implications of the new financial system are not yet totally available as we currently move forward to the "blue print" stage where financial systems and structures are outlined.

As part of increasing schools budgets in 2003/04 and 2004/05, £1m will have to come from LEA central budgets. Part of this reduction could be met by all schools operating their own bank accounts, thereby reducing central net expenditure – but the implications on this for the SAPPHIRE project are not yet clear.

6. SEN Departments

Schools receive delegated funding allocations for specific SEN departments. These allocations are linked to the size and nature of each department – thus there is a specific allocation to all schools with, say, a Language Department for 10 pupils. There may need to be greater flexibility around these as new departments/resource centres emerge and this will need to form part of any consultation.

7. Learning & Skills Council Funding

Secondary schools receive funding for their post 16 provision from the County Council, but the amounts, conditions, changes etc are determined by the Learning and Skills Council (LSC). These changes started on 1 April 2002 and we might need to consult with schools about removing the deduction for the "double funding" element of relevant items. This will impact only on the secondary sector.

8. General

Linked to agenda item 7 it is possible that the DfES and Ministers will introduce a regulation for 2004/05 financial year which requires a minimum increase per pupil on each School's Delegated Budget, along probably with a ceiling of a maximum increase per pupil on each School's Delegated Budget.

Clearly the regulations and procedures for this are not yet clear as to which items are included and which items are not, but this might well cause other changes to be more difficult, or even the allocation of any additional monies to be pre-determined to some extent.