

HERTFORDSHIRE COUNTY COUNCIL

**CABINET
MONDAY 10 FEBRUARY 2003 AT 2.00 P.M.**

Agenda Item No.

6

SCHOOL FUNDING ARRANGEMENTS 2003/04

Report of the Director of Children, Schools and Families

Author: Claire Cook Tel:01992 555736

Executive Member: Robert Gordon

1. Purpose of the report

- To consider the outcomes of consultation with headteachers and governors on the proposed arrangements for funding schools in 2003/04 and later years
- To agree proposed changes to the Scheme for Financing Schools.

2. Summary

Each Autumn there is a consultation with schools about the arrangements for funding in the following financial year.

Given the significant changes in the structure of the Local Government Finance Settlement, and in the funding of Education in particular, and the lateness of information from the DfES, this year's consultation with schools could not begin until the very end of the Autumn term. The closing date for responses was 17 January, but schools were advised that responses received up to 24 January would be taken into consideration.

CSF Resources Panel considered the matter at their meeting on 15 January 2003 but were not able to discuss the full outcome since, at that stage, there was only a modest number of responses.

3. Conclusions

Cabinet is invited to consider the outcomes of the consultation.

1. Background

2. Proposals

2.1 The proposals refer to the arrangements for funding nursery, primary, secondary and special schools that are maintained by the Authority, and concern:

Changes to reflect the requirements of the government's Education Funding Review 2003/04

- Key Stage 1 class size funding
- Extension of existing arrangements for KS1 funding for Summer 2003

Formalising funding arrangements for special educational needs

- Primary Behaviour Support Units operating extended roll support
- Teaching Units attached to special schools
- Extended Day places in EBD schools

Proposed changes to the Scheme for Financing Schools

- General amendments to the Scheme
- Power to provide Community Facilities

Proposed place numbers in special schools 2003/04

2.1 **Proposal 1 – Key Stage 1 class size funding**

The Key Stage 1 (KS1) funding grant ends from 2003/04. There will still be a statutory requirement to restrict the size of infant classes to 30 or fewer pupils. This proposal relates to a funding model, shown at Appendix A, which would allocate funding where circumstances do not enable to schools to provide classes of 30 or less, with their current resources. The proposed model is expected to benefit around 50 schools in a full year, at a total cost of around £225,000. The allocations to individual schools would range from £2,000 to around £14,000.

2.3 **Proposal 2 – Extension of existing arrangements for KS1 funding for Summer 2003**

We are permitted under regulations to extend the existing arrangements for allocation of KS1 funding for the remainder of the academic year, i.e. until August 2003, to provide continuity for schools. This proposal would cost £1.1m, based on latest information on bids for 2002/03.

2.4 **Proposal 3 – Primary Behaviour Support Units operating extended roll support**

These units provide for pupils with a statement for Emotional & Behavioural Difficulty (EBD) who would benefit from attending a unit and from spending some time in a mainstream setting. The units also provide for permanently excluded pupils. The proposal relates to the funding methodology to provide for extended roll units, that is, the units taking responsibility for supporting children in the surrounding schools, and to reduce the number of pupils in the unit. Funding would be mainly allocated on a per place basis, with a small per pupil allocation relating to those pupils on roll in the unit, rather than those supported in neighbouring schools. The values at 2002/03 prices would be £10,600 per place and £85 per pupil.

2.5 **Proposal 4 – Teaching Units attached to special schools**

This relates to the Forest House Teaching Unit, attached to St Luke's Special School, which is currently funded by earmarked funding outside the school budget share. It is proposed that the funding would be delegated mainly on a per place basis, with a small per pupil allocation for each pupil on roll. At 2002/03 prices the values would be £10,100 per place and £85 per pupil.

2.6 Proposal 5 – Extended Day Places in EBD schools

The category of “extended day place” is not currently recognised in the funding formula. Extended day places provide for day pupils to stay on into the evening, taking part in a variety of specially arranged sports and other activities, as part of the Behaviour Strategy. It is proposed that a new place category of extended day places be introduced for EBD schools at a rate of £1,840 at 2002/03 prices.

2.7 Proposal 6 - proposed general amendments to the Scheme for Financing Schools

A small number of changes to the technical operation of the Scheme are proposed to take effect from April 2003, arising from:

- statutory guidance from the Department for Education & Skills in relation to the Funding Framework and teachers' pension arrangements
- requirement to align the Scheme with other guidance published by the Authority, including Financial Regulations specifically in relation to purchasing, tendering and contracting requirements, and governors' expenses.

2.8 Proposal 7 – Power to provide Community Facilities

This relates to a framework within the Scheme to recognise the powers provided to governing bodies under the Education Act 2002, with effect from 1 September 2002, to provide community facilities. In framing the regulations, we have tried to take a balanced approach:

- building on existing consultation arrangements with schools
- minimising bureaucracy around the arrangements
- protecting the interests of both schools and the LEA, whilst providing a framework which could promote the concept and delivery of the extended school.

2.9 Proposal 8 – proposed place numbers in special schools 2003/04

This relates to the proposed funded places for special schools in 2003/04, as set out in Appendix B. The place changes also take into account changes to EBD schools resulting from the Behaviour and Achievement Review, effective from September 2003.

3. Responses

- 3.1 By 24 January, responses had been received from 89 schools (16%) on the 8 proposals within the document. A summary of the responses is shown overleaf.

	Number	% of all responses	% of all schools
Proposal 1: Key Stage 1 class size funding			
Agree	51	57.3%	9.4%
Disagree	16	18.0%	2.9%
No view	22	24.7%	4.0%
Proposal 2: Extension of existing arrangements for KS1 funding			
Agree	64	71.9%	11.7%
Disagree	45	5.6%	0.9%
No view	20	22.5%	3.7%
Proposal 3: Primary Behaviour Support Units operating extended roll support			
Agree	59	66.3%	10.8%
Disagree	5	5.6%	0.9%
No view	25	28.1%	4.6%
Proposal 4: Teaching units attached to special schools			
Agree	54	60.7%	9.9%
Disagree	1	1.1%	0.2%
No view	34	38.2%	6.2%
Proposal 5: Extended day places in EBD schools			
Agree	50	56.2%	9.2%
Disagree	6	6.7%	1.1%
No view	33	37.1%	6.1%
Proposal 6: General amendments to the Scheme			
Agree	77	86.5%	14.1%
Disagree	2	2.2%	0.4%
No view	10	11.2%	1.8%
Proposal 7: Power to provide Community Facilities			
Agree	72	80.9%	13.2%
Disagree	4	4.5%	0.7%
No view	13	14.6%	2.4%
Proposal 8: Proposed place numbers in special schools			
Agree	48	53.9%	8.8%
Disagree	3	3.4%	0.6%
No view	38	42.7%	7.0%

- 3.2 All schools broadly supported Proposals 2 to 8.
- 3.3 Proposal 1 concerned Key Stage 1 Class Size arrangements, previously funded through the Standards Fund. While the majority of schools supported the proposed arrangements, 16 of the 67 primary schools that responded recorded their disagreement. The reasons for this disagreement were generally centred on the discontinuation of the Standards Fund grant.

4. Financial arrangements

The implications of these proposals are accounted for within the overall budget proposals for Children, Schools & Families for 2003/04.

Background Papers

School Funding Arrangements 2003/04 – Consultation Document December 2002.

KEY STAGE 1 FUNDING MODEL

The model, which forms the basis of Proposal 1, would only allocate funding where circumstances do not enable schools to provide classes of 30 pupils or less, within their current resources. All schools are eligible for funding under the model, except:

- those schools who have admitted over the admission limit through choice
- schools with fewer than 90 pupils, except those schools below 90 who have had to admit over their limit as a result of
 - appeal, or
 - issues relating to administration of admission arrangements which have been agreed with the authority.

Funding is only allocated where such circumstances do not enable schools to provide classes of 30 pupils or less.

The model operates as follows:

- a calculation is made of the notional number of teachers required each term to deliver classes of 30 or below for all pupils at KS1.
- using a weighted average over 3 terms, this figure is then used to calculate the notional number of teachers required to deliver the KS1 pledge in the whole of the financial year.
- a measure of the flexibility that the school already has within its budget to deliver classes within the KS1 pledge is calculated.
- this calculation is undertaken on the basis of the pupil:teacher ratio (PTR) for the total number of pupils at KS1 (weighted over three terms) divided by the sustainable class size, i.e. 24.
- where the PTR falls below the notional number of teachers, top-up funding is allocated, calculated with reference to the cost of a teacher provided under the existing funding (£26,500).

For instance:

School A

	Calculation	Summer	Spring	Autumn
Pupil numbers Key Stage 1		93	74	91
Teachers required	Divide pupil numbers by 30	4	3	4

- the weighted average number of teachers required is
 $4 \times 5/12 + 3 \times 4/12 + 4 \times 3/12 = \mathbf{3.67}$

- the pupil teacher ratio (PTR) within existing budget is:

Step 1 – Weighted average KS1 pupil numbers:

$$93 \times 5/12 + 74 \times 4/12 + 91 \times 3/12 = 86$$

Step 2 – Weighted average KS1 pupil numbers, divided by sustainable class number:

$$86/24 = \mathbf{3.59}$$

As the PTR (3.59) is below the teacher requirement (3.67), the school would be funded for 0.08 of a teacher (3.67-3.59). The school would receive funding of £2024 (£26,500 x 0.08).

APPENDIX B

School Name	Current place numbers				Proposed 2003/04 place numbers					Proposed 2003/04 place numbers (full year equivalent)				
	Total number of places	Residential places (inc. in total)	Day places at residential schools (inc in total)	Autism places (Inc in total)	Total number of places	Residential places (Inc in total)	Day places at residential schools (inc in total)	Extended day places (inc in total)	Autism places (inc in total)	Total number of places	Residential places (inc in total)	Day places at residential schools (inc in total)	Extended day places (inc in total)	Autism places (inc in total)
Woolgrove	108	0	0	8	110.00	0.00	0.00	0.00	10.00	110	0	0	0	10
Colnbrook	88	0	0	8	90.00	0.00	0.00	0.00	10.00	90	0	0	0	10
Middleton	92	0	0	8	92.00	0.00	0.00	0.00	12.00	92	0	0	0	12
Southfield	83	0	0	0	83.00	0.00	0.00	0.00	0.00	83	0	0	0	0
Haywood Grove	37	0	0	0	38.75	0.00	0.00	0.00	0.00	40	0	0	0	0
Larwood	59	25	34	0	61.92	25.00	36.92	0.00	0.00	64	25	39	0	0
Meadow Wood	28	0	0	0	28.00	0.00	0.00	0.00	0.00	28	0	0	0	0
The Valley	170	0	0	0	170.00	0.00	0.00	0.00	0.00	170	0	0	0	0
Garston Manor	115	0	0	0	120.00	0.00	0.00	0.00	0.00	120	0	0	0	0
Pinewood	155	0	0	0	155.00	0.00	0.00	0.00	0.00	155	0	0	0	0
St Luke's	170	0	0	* 14	170.00	0.00	0.00	0.00	* 14.00	170	0	0	0	* 14
Falconer	60	12	48	0	60.00	12.00	48.00	0.00	0.00	60	12	48	0	0
Brandles	45	0	0	0	49.67	0.00	0.00	0.00	0.00	53	0	0	0	0
Boxmoor House	62	37	25	0	66.67	37.00	29.67	0.00	0.00	70	37	33	0	0
Hailey Hall	56	30	26	0	58.33	30.00	28.33	0.00	0.00	60	30	30	0	0
Batchwood	73	0	0	0	73.00	0.00	0.00	3.50	0.00	73	0	0	6	0
Knightsfield	25	7	18	0	25.00	7.00	18.00	0.00	0.00	25	7	18	0	0
The Collett	128	0	0	8	128.00	0.00	0.00	0.00	8.00	128	0	0	0	8
Greenside	104	0	0	8	104.00	0.00	0.00	0.00	8.00	104	0	0	0	8
Amwell View	102	0	0	8	106.00	0.00	0.00	0.00	8.00	106	0	0	0	8
Watling View	85	0	0	0	85.00	0.00	0.00	0.00	8.00	85	0	0	0	8
Lakeside	63	0	0	0	63.00	0.00	0.00	0.00	0.00	63	0	0	0	0
Breakspeare	64	0	0	0	64.00	0.00	0.00	0.00	0.00	64	0	0	0	0
Woodfield	77	0	0	10	72.00	0.00	0.00	0.00	15.00	72	0	0	0	15
Lonsdale	84	26	58	0	84.00	26.00	58.00	0.00	0.00	84	26	58	0	0
Heathlands	100	26	74	0	105.00	26.00	79.00	0.00	0.00	105	26	79	0	0

* Note 1: Places relate to the hospital teaching unit at Forest House (not included in total)

Note 2: Funded place numbers for 2003/04 include 7/12ths of the increases agreed for September 2003

