

Consultation on school, early years and 14-16 funding 2008-11

Consultation Response Form

The closing date for this consultation is: 1 June
2007

Your comments must reach us by that date.

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THIS FORM IS NOT INTERACTIVE. If you wish to respond electronically please use the online or offline response facility available on the Department for Education and Skills e-consultation website (<http://www.dfes.gov.uk/consultations>).

The information you provide in your response will be subject to the Freedom of Information Act 2000 and Environmental Information Regulations, which allow public access to information held by the Department. This does not necessarily mean that your response can be made available to the public as there are exemptions relating to information provided in confidence and information to which the Data Protection Act 1998 applies. You may request confidentiality by ticking the box provided, but you should note that neither this, nor an automatically-generated e-mail confidentiality statement, will necessarily exclude the public right of access.

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

Name Director of Children's Services
Organisation (if applicable) Dudley MBC
Address: Dudley MBC
Westox House
1 Trinity Road
Dudley MBC DY1 1JQ

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 email: consultation.unit@dfes.gsi.gov.uk

If you have a query relating to the consultation process you can contact the Consultation Unit on: Telephone: 01928 794888

Fax: 01928 794 311

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

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

<input type="checkbox"/> Local Authority	<input type="checkbox"/> Schools Forum	<input checked="" type="checkbox"/> Joint LA and Schools Forum
<input type="checkbox"/> Headteacher Association	<input type="checkbox"/> Teacher or Support Staff Union	<input type="checkbox"/> School Leader
<input type="checkbox"/> School Governor	<input type="checkbox"/> Bursar/School Business Manager	<input type="checkbox"/> Other School Staff
<input type="checkbox"/> Early Years Provider	<input type="checkbox"/> 14-19 Provider	<input type="checkbox"/> 14-19 Partnership
<input type="checkbox"/> Parent	<input type="checkbox"/> Pupil or student	<input type="checkbox"/> Other (please specify)

Please Specify:
Joint response on behalf of Schools Forum and Director of Children's Services.

Are you responding on behalf of an organisation?

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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Please Specify:

Which Local Authority area do you come under?

Comments:
LEA 332

If you are a school respondent, please tick as appropriate

Nursery

Primary

Secondary

Special

Other (please specify)

Please Specify:

If you are an early years provider, which setting are you from?

Early Years
Providers - Private

Early Years Provider
- Voluntary

Children's
Centre

Please Specify:

CHAPTER 2: THE DISTRIBUTION OF DSG TO LOCAL AUTHORITIES

Page 12, para 23

1 Do you agree that the 'proportionality test' should be removed from the criteria used by local authorities and Schools Forums to decide whether there should be a contribution from the centrally retained Schools Budget to local authority combined services budgets in support of ECM outcomes?

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

Comments:

Would welcome attempts to increase flexibility, however, there are concerns regarding funding potentially seeping out of the DSG to the LA budget to fund excessive pressures in Children's and Social Care therefore some funding streams should be protected.

There is clear need to increase national funding available for Children's Services and Social Care.

Page 21, para 41

2 Which method of distribution would you prefer for the period 2008-11: Spend plus or single formula?

<input checked="" type="checkbox"/> Spend plus	<input type="checkbox"/> Single Formula
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Comments:

Single Formula could be disadvantageous to Dudley because current DSG is based on previous SFSS (School Formula Spending Share) plus additional funding made available by Dudley (i.e. over and above pass-porting). Moving to a Single Formula could cause turbulence within local authority funding as all authorities start from a different base line and it could cause higher funding authorities (i.e. Dudley) to be top-sliced to fund current lower funding authorities.

It is recognised that a spend plus formula does allow for any headroom to be allocated in accordance with current ministerial priorities

Page 23, para 49

3 Should we move the pupil number count used for Dedicated Schools Grant allocations from January back to the preceding autumn?

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

Comments:

We would also wish to see SLASC, Form 8b and Early Years Census (PVI) moved to earlier date in order to ensure accurate DSG calculation.

There may be transitional issues with nursery intakes in the first instance, this would need to be taken into account.

Page 26, para 61

4 In the long term, which method of counting under 5s would you prefer: headcount or provision based?

<input checked="" type="checkbox"/> Headcount	<input type="checkbox"/> Provision based
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Comments:

It is felt that less turbulence would be experienced under the headcount method.

Page 28, para 71

5 Which method of transferring funding for academies should we use: the current method or the recoupment method?

Current

Recoupment

Comments:

Following discussions with neighbouring authorities, the view was to move to recoupment as it is a more equitable method.

Page 28, para 72

6 Should pupils at academies for whom individually assigned SEN resources are allocated, be included on form 8B?

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

Comments:

There is a concern that if DSG per pupil funding is totally removed to academy it does not leave the local authority with inadequate funds for SEN, etc.

Page 31, para 81

7 Should we consider using geographical based indicators such as Acorn and Mosaic in the distribution of DSG?

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

Comments:

Acorn and Mosaic are more sophisticated models.

Page 31, para 81

8 Are there other deprivation indicators that we could consider?



Comments:

Indicators should also reflect postcode data and higher education background of parents as these factors also have considerable influence.

Page 32, para 84

9 Should we seek to target funding at pockets of deprivation in less deprived authorities?

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

Comments:

This would advantage Dudley MBC as we are not a highly funded local authority for deprivation widely across the borough, but we do have severe pockets of deprivation which should count for funding purposes.

There is a conflict with open-enrolment policies. In Local Authorities with falling roles some parents from deprived areas seek and gain places at schools in more affluent areas. This creates lower demand for places at schools in deprived areas and distortions in the local funding models.

Page 32, para 84

10 If so, which method of distribution should we use?

Per pupil grant

Threshold based

Comments:

Option A as Dudley MBC is not a highly deprived area. This option is most financially advantageous.

Page 33, para 87

11 Would a grant for exceptional circumstances be a helpful addition to the flexibility of the system?

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

Comments:

Funding would be for exceptional fluctuations in pupil numbers after the start of the three year period i.e. E.A.L.

Changing population element needs to also be considered particularly with regard to falling rolls and immediate demands of growth in asylum seeker/refugee/economic migrant families.

12 How would you prefer the Central Expenditure Limit to be set: by the current method; or through the simpler comparison between cash increases in Dedicated Schools Grant and ISB?

<input type="checkbox"/> Current method	<input checked="" type="checkbox"/> Cash comparison
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Comments:

Cash comparison is simplified compared to current method.

13 Do you agree that we should remove the asymmetry from the Minimum Funding Guarantee methodology?

<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:

The asymmetry relates to 80:20 / 87.5:12.5 (falling roles) rule within MFG calculation. Our view is that this should be removed as it proves anomalous on a number of occasions. The wider debate should be around whether MFG should be removed all together.

See para 113 “Where this would result in an outcome for a school with very significantly rising rolls that did not deliver sufficient funding, LAs with their Schools Forums will have discretion to make an alternative arrangement”.

14 Do you agree that we should allow authorities to agree with their schools changes to the MFG methodology which affect up to 50% of their schools, as opposed to the current 20% limit?

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

Comments:

Dudley MBC agree and can cite examples of how changing SSP will result in funding protection issues because of the current rule.

15 Are there other changes to the decision making process on MFG variations that you would like to see considered – such as requiring there to be a majority of both primary and secondary school representatives in favour of a proposal?

Comments:

None.

16 Should we continue with the 1% headroom between the MFG and DSG minimum increase or should we reduce the margin?

1% headroom

Reduce margin

Comments:

The issue which may arise if headroom was reduced would be that central government would be in a better position to direct local authorities to target funding for ministerial priorities.

Page 45, para 126

17 Do you agree that the assessment of cost pressures feeding into the MFG should take account of efficiency savings, and thus lead to a lower level of MFG?

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

Comments:

Pros:

- More funding available to be driven through other formula factors.
- Greater flexibility to target funding.
- Reduce anomalous outcomes of operation of current MFG (protection against loss of funding streams i.e. Small Schools Protection).

Cons

- Potential shortfall in funding for schools legitimately requiring MFG protection.

18 Should we go further than this, and reduce the MFG to below average cost pressures in the second and subsequent years of the CSR?

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

Comments:

Prefer to retain at level of inflation.

19 Would a levy on balances and extra guidance be effective in reducing the current level of excessive balances?

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

Comments:

Excessive balances defined as 5%/8% (Secondary/Primary). We would wish to see a well thought through scheme from DfES for reducing balances - Dudley is currently trying to achieve a reduction in balances with some success.

Whilst in general agreement, we would welcome guidance but the authority decision to exercise a levy should remain with LA discretion. There is significant concern that a "national levy" without local discretion could result in accelerated spending with reduced impact on ECM outcomes.

20 Should we amend the Schools Forum regulations so that other members of school senior management teams, including Bursars, can be elected as schools members?

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

Comments:

Doubt expressed whether Bursars would be in a position to evaluate the educational outcomes of decisions made for pupils in all sectors. Schools Forum should be attended by those with a broad understanding of their area of responsibility which extends beyond the financial.

21 Do you agree that all local authorities should have non-schools members from the early years sector and 14-19 partnerships?

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

Comments:

Issue regarding pecuniary interests if members represent colleges or PVI establishments.

It is recognised that Children's services includes providers other than schools and membership should reflect this. It is important to avoid significant increases in numbers to enable effective discussion.

Schools forum to consider which box to tick

22 Should we raise the current maximum proportion of non-schools members above 20%?

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

Comments:

CHAPTER 4: FUNDING FOR SPECIALISED DIPLOMAS AT 14-16

23 Do you agree that funding for specialised diplomas for 14-16 year olds should be through a specific formula grant?

<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:

Agree targeted grant in line with current LSC calculation and allocation.

Verbal update on the 22nd May following discussions at Secondary Heads Forum on the 18th May.

Page 57, para 170

24 Are the three models for distributing funding for specialised diplomas at 14-16 to the front line the right range of options?

Comments:

Yes.

- (1) Central funding pool (insurance model) – central pot and AWPU claw back.
- (2) Central funding pool (partial delegation) – central pot and school contribution – no AWPU claw back.
- (3) Pay as you go – total delegation allocated fair funding formula based on January data and estimate September data?

Verbal update on the 22nd May following discussions at Secondary Heads Forum on the 18th May.

Page 57, para 170

25 Do you agree that we should leave the choice of which option to local discretion?

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

Comments:

Verbal update on the 22nd May following discussions at Secondary Heads Forum on the 18th May.

Page 60, para 176

26 Do you agree that the LSC funding methodology should be used as the basis of setting the cost of partnership provision to schools, with local discretion to reflect the varying costs of provision and funding levels received by schools?

<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:

Agree because it strikes a balance between nationally prescribed rates but allows local flexibility on what the delivery costs are.

Issue of MFG maybe, as AWPU changes overtime?

Verbal update on the 22nd May following discussions at Secondary Heads Forum on the 18th May.

CHAPTER 5: EARLY YEARS FUNDING

Page 68, para 207

27 Do you agree that local authorities should introduce a standardised method for calculating the unit of funding for early years provision in maintained and PVI settings for the coming CSR period?

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

Strongly disagree

Comments:

- PVI based on DfES historic notional sessional rates plus inflation.
- Maintained sector based on Dudley local formula (0.5 of AWPU).

- Maintained provision needs to be funded on a different basis to PVI settings, due to restrictions experienced by maintained providers in respect of the flexibility to generate additional funding.

28 How long would it take local authorities to develop, consult on and implement such a standardised method?

Comments:

For the PVI sector, it is felt that there would be some lengthy delay in collecting data.

Time would also be required to complete financial modelling and a full consultation process.

Not feasible before April 2009

Page 69, para 209

29 Do you agree that local authorities should use the same methods to calculate pupil numbers in maintained and PVI settings for the coming CSR period?

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

Comments:

There are longer term issues re: the loss of DSG if local formula is removed from maintained sector and payment based on sessional rates as for PVI sector. Maintained providers would struggle to maintain the quality and level of staffing required to deliver high quality learning.

DfES will be encouraging LAs to move to a sessional rate from 2008/09 onwards.

See comments in response to Q27.

Page 70, para 213

30 Do you agree that we should retain a single budget calculation point for early years provision in the maintained sector?

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

Comments:

Dudley would be financially disadvantaged if the pupil count is split over three school terms for nursery children.

As a LA with falling roles this would prove disadvantageous.

Agreement if the pupil count remains as current (January), a move to an Autumn term count would be disadvantageous to maintained nursery providers and **Children's Centres**

Page 70, para 213

31 Which of the options at paragraph 211, a-c, or an alternative approach, would improve the alignment of the funding systems for PVI providers and maintained schools and be achievable within funding constraints?

<input type="checkbox"/> Places	<input checked="" type="checkbox"/> Termly estimates	<input type="checkbox"/> Guaranteed Minimum
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Other.

Comments:

- (a) Place led – stability ‘v’ unfilled places.
- (b) Termly estimates – adjust if actual > x% - greater flexibility than (a) but still funding some unfilled places.
- (c) Guaranteed minimum number of pupils only adjust for higher numbers – more flexibility than (a), minimise funding for unfilled places.

Endorse (b) termly estimates subject to a review of the estimate each term to reflect the previous term actuals.

Page 72, para 220

32 Would moving to a single formula for funding the free entitlement across maintained and PVI providers better enable local authorities to commission flexible provision?

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

Comments:

Turbulence would be experienced between the sectors if entitlement is funded equally over both sectors.

It would create financial instability amongst providers which would in turn adversely affect the provision offered

Page 72, para 220

33 If so, over what timescale would it be practical to implement such a formula?

Comments:

Earliest April 2009.

Page 73, para 223

34 We would welcome views on whether further changes or guidance are needed to develop this wider function of Schools Forums in relation to the Every Child Matters agenda.

Comments:

None.

Page 73, para 224

35 Would separately identifying funding for the early years entitlement help local authorities to ensure that the free entitlement is funded appropriately?

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

Comments:

Separately identifying targeted funding for Early Years would be more transparent but may give rise to other funding issues across the schools budget.

Subject to funding remaining within the DSG under the responsibility of Schools Forum.

CHAPTER 6: SPECIFIC GRANTS

Page 79, para 245

36 Do you agree that we should merge SSG and SSG (P) from 2008 09?

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

Comments:

See para 241 re comparative levels of turbulence and DfES assurance that transitional arrangements would be introduced to ensure that no school loses out.

SF to discuss and comment.

Page 79, para 245

37 In taking forward changes to the distribution of SDG over the period 2008-11, which method of transition would you prefer: (a) a cash (0%) floor; (b) a floor below 0%, to be set by DfES?

Cash (0%)

Below 0% DfES

Comments:

Option (a) would be cash limited at 2007/08 values and any additional funds could be targeted at LA discretion.

Option (b) restricted on a negative floor below 2007/08 cash value – DfES would limit the reduction experienced by individual schools.

Page 79, para 247

38 Should make payments of specific grants to academies from the Department rather than through local authorities from 2008-09?

Strongly agree

Agree

Neither agree nor disagree

Disagree

Strongly disagree

Comments:

SF to discuss and comment.

See para 246/247 - DfES propose simplified system to make payments direct to academies based on a formula determined by DfES.

39 Do you have any other comments about the consultation?

Comments:

None.

40 Please let us have your views on responding to this consultation. For instance did you have any difficulty understanding any of the questions and did you think we had the right number or type of questions?

Comments:

None.

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

All UK national public consultations are required to conform to the following standards:

1. Consult widely throughout the process, allowing a minimum of 12 weeks for written consultation at least once during the development of the policy.
2. Be clear about what your proposals are, who may be affected, what questions are being asked and the timescale for responses.
3. Ensure that your consultation is clear, concise and widely accessible.
4. Give feedback regarding the responses received and how the consultation process influenced the policy.
5. Monitor your department's effectiveness at consultation, including through the use of a designated consultation co-ordinator.
6. Ensure your consultation follows better regulation best practice, including carrying out a Regulatory Impact Assessment if appropriate.

Further information on the Code of Practice can be accessed through the Cabinet Office Website: <http://www.cabinetoffice.gov.uk/regulation/consultation-guidance/content/introduction/index.asp>

Thank you for taking time to respond to this consultation.

Completed questionnaires and other responses should be sent to the address shown below by 1 June 2007

Send by post to: Consultation Unit, Area 1a, Castle View House, East Lane, Runcorn Cheshire WA7 2GJ

Send by e-mail to: schoolfunding.consultation@dfes.gsi.gov.uk