

SLOUGH BOROUGH COUNCIL

REPORT TO: Education and Children's Services Scrutiny Panel

DATE: 15th March 2017

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WARD(S): All

PART I **FOR COMMENT & CONSIDERATION**

PROPOSED CHANGES TO THE FUNDING FORMULA FOR SCHOOLS

1. **Purpose of Report**
To provide information on the government's proposed funding formula for schools in 2018-19.
2. **Recommendation(s)/Proposed Action**
The Committee is requested to note the report.
3. **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**
- 3a. **Slough Joint Wellbeing Strategy Priorities**
The provision of school services in Slough will support the following priorities:
 - Protecting vulnerable children
- 3b. **Five Year Plan Outcomes**
The provision of school services in Slough will support the following outcomes:
 - Our children and young people will have the best start in life and opportunities to give them positive lives.
4. **Other Implications**
 - (a) **Financial**

There are no financial implications of proposed action. The report at this stage is for information only.
 - (b) **Risk Management**

Not applicable at this time.

(c) Human Rights Act and Other Legal Implications

Not applicable at this time.

(d) Equalities Impact Assessment

Not applicable at this time.

5. **Supporting Information**

- 5.1 The proposed formula reduces funding from most schools in Slough, however that not the case for Surrey, Bracknell, Kent, West Berks and other councils in the South East who have a more equal mixture of winners and losers.
- 5.2 The proposals appear to treat Slough a school from the London region. Those schools are facing similar losses in their proposed funding formula. These losses indicate a reduction in our unit cost per child however the DFE are yet to confirm this.
- 5.3 The DFE also stress that the figures provided needs to be reviewed with caution, as they are based on 2016/17 data.

Summary of Key Changes Affecting Slough

- 5.4 The following are the key changes for the council:
- **Change to the Primary/Secondary Ratio:** The DFE stress that Local Authorities should be working to move to a ratio of 1:1.29 before 2019-20. Currently Slough is at 1:1.33 hence Secondary schools receive 33% more funding than Primary schools.
 - **Lump Sum** – To have a single lump sum figure for both primary and secondary, the maximum suggested is **£110k**. Currently primary schools' receive **£100k** and Secondary schools **£150k**.
 - **Growth Fund** – it is proposed that will now be on a “lagged basis” meaning the amount will be derived from previous years' activities. Also it is proposed are proposing that instead of the existing flexibility that Local Authorities currently have to contribute funding from General Fund and transfer between the different components (or blocks within the DSG) Schools' Forum would now be consulted to decide on such transfers in the future.
- 5.5 Further details on the proposals can be found at <https://www.gov.uk/government/consultations/schools-national-funding-formula-stage-2>

6. **Comments of Other Committees**

This matter has been referred to the Panel by a motion passed by Council on 31st January 2017.

7. **Conclusion**

Most schools in Slough will see a loss in funding if the proposals are implemented. The Schools' Forum meet on 7th March to discuss the 2018-19 consultation on the proposal and all schools are being encouraged to respond to the consultation which closes on 22nd March 2017.

8. **Appendices Attached**

'A' - Funding Formula Data for Schools

9. **Background Papers**

See section 5.5