

**Education Scrutiny Committee**  
Meeting to be held on 10<sup>th</sup> July 2012

Electoral Division affected: All
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**School funding reform – next steps towards a fairer system**

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**Executive Summary**

On 26 March 2012, the Secretary of State for Education announced the next step in reforming school funding by launching a consultation ' School funding reform: Next steps towards a fairer system'. The closing date for responses was 21 May 2012.

The consultation focussed on reducing the number of "factors" within the formula funding calculation. The Local Authority, Schools Forum and individual schools have fed back their concerns as to the possible impact of these proposals on small schools. This response to National Government proposals was misinterpreted by some in the media as current proposals by the Local Authority to consult on the future of a large number of small schools. This is not the case and this paper seeks to clarify the position.

**Recommendation**

Education Scrutiny is asked to note the report.

**Background and Advice**

On 26 March 2012, the Secretary of State for Education announced the next step in reforming school funding by launching a consultation ' School funding reform: Next steps towards a fairer system'. The closing date for responses was 21 May 2012

From the next spending review period (2015/16) the Government intend to introduce a national school funding formula, however, from 2013/14 it proposed to put the building blocks in place by simplifying local arrangements for distributing funding to schools and other providers. The consultation set out the Government's proposals for school funding from 2013/14 and invited views on areas where different options are available for consideration.

The DfE have established Education Funding Agency (EFA) who, from April 2012, will be responsible for capital and revenue funding for 3-19 education and training.

## **Lancashire's Response to the Consultation**

Three seminars were arranged in April and May to provide schools with further information on the Government's proposals and a special meeting of the Schools Forum was also arranged for 1st May to shape a Forum consultation response.

Consultation responses from the County Council and the Schools Forum have been submitted by the 21st May 2012 deadline and individual schools were encouraged to respond where appropriate.

Approval has been received from the Cabinet Member for Children and Schools, at the Decision Making Session on 20th June, to enter a period of formal consultation with schools and other stakeholders about changes required to the Lancashire funding formula. This will run to 1<sup>st</sup> October 2012. As part of this modelling work has been undertaken around the new formula requirements to assess and illustrate the impact on individual schools.

### **Media interest**

The consultation referred to above made reference to the possible impact of the Government's proposals around small schools. This was misinterpreted by some elements of the media to imply that the Local Authority had current plans to consult on the future of a large number of small schools. To correct this misunderstanding the following press statement was released by the Cabinet Member for Children and Schools:

*County Councillor Susie Charles, Cabinet Member for Children and Schools, said:*

*"Throughout Lancashire, there are about 100 primary schools with fewer than 100 pupils on their roll, mostly based in small rural communities.*

*"The county council's funding arrangements for schools include a number of elements that reflect the needs of the pupils in small schools, as well as the costs of providing education in these specific settings.*

*"The government is currently consulting on proposals that would simplify the funding arrangements for schools. These proposals would remove the council's ability to use a number of factors to determine the level of funding, including those that specifically relate to the needs of small schools.*

*"The county council is still evaluating the potential impact of the proposals. We are working with headteachers from small schools to make appropriate representations to government and to develop solutions that will continue to support viable and vibrant provision in rural communities.*

*"The county council recognises the valuable contribution schools in rural areas make to their communities and we will do everything we can to help them to continue."*

## **Current position**

Separately and in response to a very significant fall in pupil numbers at the school to from over 50 to 14 at present and with the agreement of the Governing Body, the Blackburn Church of England Diocesan Authority and Local Authority are currently consulting on the future of Out Rawcliffe Church of England Primary School. This consultation will end on 20<sup>th</sup> July 2012.

In September the Cabinet Member will consider these responses and decide whether or not to publish a Statutory Notice of the proposal. If this is published then there would be a further six weeks for representations with a final decision reached in December 2012.

## **Consultations**

NA

## **Implications:**

This item has the following implications, as indicated:

## **Risk management**

There are no significant risks associated with this item

## **Local Government (Access to Information) Act 1985 List of Background Papers**

Paper	Date	Contact/Directorate/Tel
Cabinet Member for Children and Schools decision <a href="http://council.lancashire.gov.uk/ieDecisionDetails.aspx?ID=1976">http://council.lancashire.gov.uk/ieDecisionDetails.aspx?ID=1976</a>	20 <sup>th</sup> June 2012	S. Edwards, Directorate for Children and Young People, (01772) 531628

Reason for inclusion in Part II, if appropriate

NA