

Replacing LACSEG: Funding Academies and local authorities for the functions that devolve to Academies

Consultation Response Form

The closing date for this consultation is:

24 September 2012

Your comments must reach us by that date.



Department
for Education

THIS FORM IS NOT INTERACTIVE. If you wish to respond electronically please use the online response facility available on the Department for Education e-consultation website (<http://www.education.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 Simon Smith (simonsmith@warwickshire.gov.uk)

Organisation (if applicable) Warwickshire County Council

Address: Resources Finance
Shire Hall
Market Square
Warwickshire
CV34 4UB

If you have an enquiry related to the policy content of the consultation you can email reform.LACSEG@education.gsi.gov.uk.

Or call Sally Duffy on 01325 735340 or Olga Bernardo on 0207 340 7685.

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the Consultation Unit by e-mail:

consultation.unit@education.gsi.gov.uk or by telephone: 0370 000 2288.

Please tick the box that best describes you as a respondent.

<input type="checkbox"/> Maintained School	<input type="checkbox"/> Academy	<input type="checkbox"/> Teacher
<input checked="" type="checkbox"/> Individual Local Authority	<input type="checkbox"/> Schools Forum	<input type="checkbox"/> Local Authority Group
<input type="checkbox"/> Teacher Association	<input type="checkbox"/> Other Trade Union / Professional Body	<input type="checkbox"/> Early Years Setting
<input type="checkbox"/> Governor Association	<input type="checkbox"/> Parent / Carer	<input type="checkbox"/> Other

If 'Other' Please Specify:

Higher levels of funding for pupils in special schools/ Special Academies and Pupil Referral Units (PRUs)/Alternative Provision (AP) Academies

In paragraphs 27 to 30 we discuss the higher staffing ratios per pupil and the need for more space per pupil in special schools/Special Academies and PRUs/AP Academies as a result of smaller group sizes and the intensive support that these institutions offer.

In order to measure the different levels of per-pupil funding that these institutions require, we compared levels of whole school funding for special schools and Pupil Referral Units (PRUs) with funding for mainstream schools. This showed that: special schools/Special Academies should receive funding at 4.25 times the amount allocated to pupils in mainstream settings; and PRUs/AP Academies should receive funding at 3.75 times the amount allocated to pupils in mainstream settings.

Question 1: Do you agree that a multiplier of 4.25 should be applied for pupils in special schools/Special Academies?

Yes

No

Not Sure

Comments:

No.

Of the 11 relevant lines of the s251, only 2 services on the budget statement would be likely to be accessed to a greater extent by children in special schools in Warwickshire (2.0.3 Therapies & Other Health-Related Services & 2.1.8 Education Welfare Service), but not significantly so. Other services, for example, School Improvement and Statutory/Regulatory duties, would be accessed on an equal basis regardless of school type.

Therefore, to adopt such a significantly higher multiplier would not be representative of the cost of services (as reflected through the s.251) that are provided to children in special schools.

Question 2: Do you agree that a multiplier of 3.75 should be applied for pupils in PRUs/AP Academies?

Yes

No

Not Sure

Comments:

While there no PRU /AP academies in Warwickshire to which this would apply, the principles outlined in the answer to question 1 apply to AP in the same way.

Funding local authorities for the responsibilities that they retain for pupils in Academies

In paragraphs 31 to 35 we talk about the need to provide local authorities with an amount of per-pupil funding for the responsibilities that they retain for pupils in Academies. Under our proposals, between £8 - £15 per pupil in an Academy would be allocated to the local authority and not delegated to Academies.

Question 3: Do you agree that a rate of approximately £8 - £15 per pupil is appropriate for the responsibilities that local authorities retain for pupils in Academies?

Yes

No

Not Sure

Comments:

Based on Warwickshire data on the budgeted and actual costs of providing the services for which the County retains a responsibility for both maintained and Academy pupils, we believe that £8-£15 will be insufficient to cover costs.

Our analysis indicates that the actual cost of providing these services for the 11/12 financial year was £18.10, and therefore, consideration should be given to providing a higher per pupil unit rate.

Area cost adjustment (ACA)

We want to allocate the new grant on a clear and transparent basis. In paragraphs 36 to 38 we consider whether an ACA should be applied. It is not clear from the data we hold whether the salary levels in different parts of the country are a significant factor in determining how much money is needed for these central education services. There are 28 different ACA bandings and, rounded to the nearest pound, this would result in around 14 different per-pupil rates for Academies and local authorities, depending on where they are in the country. We need to decide whether to apply an ACA or whether to distribute the funding on the same basis to pupils in all areas of the country.

Question 4: Do you think that an ACA should be applied when distributing the grant to Academies and local authorities?

Yes

No

Not Sure

Comments:

No – to have 14 different rates would lack transparency, and goes against the principle of having a ‘national’ system.

The consultation document also states that analysis of s.251 returns showed no link between the amount spent and general labour market costs in the area.

Deprivation

In paragraphs 39 to 41 we explain that we need to decide whether the new grant should be weighted towards deprived pupils. Section 251 budget data shows very varied levels of expenditure by local authorities on the central education services included in this grant. It is not clear from the data we hold whether levels of deprivation are a key factor in determining how much money is needed for central education services and whether it is significantly less expensive to provide or secure these services for schools with fewer deprived pupils. We could identify between 1% and 10% of the total amount of money for this grant and allocate this separately to deprived pupils. This would reduce the rate for pupils who are not deprived but increase the rate for pupils who have been eligible for free school meals at any time in the past six years. The impact on the per-pupil rates would depend on the proportion of the total funding pot that is identified for deprived pupils.

Question 5: Do you think that a deprivation factor should be applied?

Yes

No

Not Sure

Comments:

No. The consultation document states that there is no clear link between spend on Central Education Services and deprivation.

Question 6: If a deprivation factor is applied, where between 1% and 10% should we set the proportion of the funding pot to be allocated separately to deprived pupils?

Yes

No

Not Sure

Comments:

n/a

How the funding would be deducted from local authority start-up funding allocations

In paragraphs 42 to 45 we explain how funding would be deducted from the business rates retention scheme start-up funding allocation for local authorities. Under our proposals, the Department for Communities and Local Government would calculate the deduction from each local authority's business rates retention scheme start-up funding allocation for 2013-14 using the same per-pupil rates that the Department for Education will use to allocate the new grant. The total amount of funding deducted from each local authority would then be allocated to the local authority and to all Academies in the area based on the number of pupils for which they are responsible. This means that the amount deducted from the start-up funding allocation for each local authority would equal the amount paid back for all pupils in the local authority area. A local authority without any pupils in Academies throughout 2013-14 would have an amount deducted which equals the amount paid back in the form of a separate un-ringfenced grant from the Department for Education.

Question 7: Do you agree that the funding should be deducted from local authorities using the same national rates that we will use to allocate the new grant?

Yes

No

Not Sure

Comments:

No. The level of funding that is used to support specific services is wholly dependent on the level of resource received by the Local Authority. Warwickshire, alongside many other local authorities, receive significantly less DSG funding per pupil than the national average and, even though this recoupment relates to revenue grant, Warwickshire evidently commits less funding to these areas than is applied nationally. Consequently, adopting a national rate, which is some 20% higher than our local calculation, would ultimately result in significantly more money being recouped from Warwickshire County Council than is assigned to these services. This funding gap would have to be met from other services, which would adversely impact upon the delivery of some essential services.

To mitigate this, recouping funding based on the latest (2012/13) s.251 return would be most equitable

Transferring the funding for statutory induction into the Dedicated Schools Grant (DSG)

In paragraphs 52 to 54 we explain that, from September 2012, the induction regulations will change so that teaching schools can act as the 'appropriate body' for the induction of newly qualified teachers (NQTs) in maintained schools. The new regulations will also allow appropriate bodies, including local authorities, to charge for their services. In order to allow maintained schools and Academies to pay for the services of their preferred appropriate body, the funding for statutory induction will need to move into the DSG so it can be delegated directly to all schools through local funding formulae. We propose that £12 million should be removed from this new grant and distributed through the DSG.

Question 8: Do you agree that the funding for NQT induction should transfer into the DSG so that it can be delegated to all schools in the school budget share?

Yes

No

Not Sure

Comments:

Question 9: Have you any further comments?

While Warwickshire do not disagree with the concept of LACSEG from local authorities, it important to recognise the residual costs that will be left with the local authority. However, adopting a national average to LACSEG recoupment compounds further the disequity of education funding across the country

With adjustments being made to the recoupment on a monthly basis, this will cause significant uncertainty for Local Authorities in terms of service planning, as reductions to funding could occur in-year.

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 x

Here at the Department for Education 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?

<input type="checkbox"/> Yes	<input type="checkbox"/> No
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All DfE public consultations are required to conform to the following criteria within the Government Code of Practice on Consultation:

Criterion 1: Formal consultation should take place at a stage when there is scope to influence the policy outcome.

Criterion 2: Consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible.

Criterion 3: Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals.

Criterion 4: Consultation exercises should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach.

Criterion 5: Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consulters' buy-in to the process is to be obtained.

Criterion 6: Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.

Criterion 7: Officials running consultations should seek guidance in how to run an effective consultation exercise and share what they have learned from the experience.

If you have any comments on how DfE consultations are conducted, please contact Carole Edge, DfE Consultation Co-ordinator, tel: 01928 738060/ email: carole.edge@education.gsi.gov.uk

Thank you for taking time to respond to this consultation.

Completed questionnaires and other responses should be sent to the address shown below by 24 September 2012.

Send by e-mail to: reform.LACSEG@education.gsi.gov.uk

Send by post to:

Sally Duffy
Funding Policy Unit
2nd Floor, Mowden Hall
Staindrop Road
Darlington, DL3 9BG