

## **Appendix A – Proposed changes to LFF funding rates in 2015-16**

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### **Changing Pupil Characteristics:**

- A1. Pupil characteristics account for about **17%** of all funding allocated through the LFF and apart from PFI, they are the main reason why some schools receive more funding per pupil than others. A summary of the pupil characteristics data is set out in **Appendix B1** entitled “LA Level Change in Pupil Characteristics. Between October 2012 and October 2014.”
- A2. For primary schools the biggest change is the further drop in pupils claiming Free School Meals which has fallen from **35.1%** to **33.4%** using the FSM6 indicator. This appears to be a national trend as it has affected secondary schools as well, but to a lesser extent. A contributing factor for primary schools could be the introduction of Universal Free School Meals as the drop in eligibility has occurred in most of our primary schools. This has a negative knock-on effect on Pupil Premium funding. On the other hand, in secondary schools there has been an increase in pupils living within areas of high deprivation (IDACI Bands 4-6). This is only partly explained by the inclusion of data for Eden Girls and Walthamstow Academy. In addition, low attainment at KS2 is falling as standards rise in our primary schools.
- A3. **Appendix B2** also shows the pupil characteristics for individual schools. As for last year the spreadsheet shows the 10 primary and 5 secondary schools with the highest percentages (RED) and the 10 primary and 5 secondary schools with lowest percentages (BLUE). The spreadsheet will help schools to understand why some schools receive significantly more funding than others. Schools with a large number of percentages in blue, will receive less funding than schools whose percentages are mainly red.
- A4. The pupil characteristics are changing for some primary schools more than others and a number of factors may contribute to this e.g.:
- (a) A change in catchment area as a school expands in size / has a second site in a different location.
  - (b) Changes to the income and mobility of families living in particular postal codes.
  - (c) Changes in how inclusive a school has become.
  - (d) Accuracy of data submitted by the school e.g. low attainment.
- A5. Schools with significant changes between October 2012 and October 2014 may see changes in their per pupil funding which is far higher or lower than the average for all schools. For example, the table on the next page shows the biggest increases and reductions in pupil characteristics.
- A6. Information for low attainment only relates to changes between October 2013 and October 2014 since the criteria was changed in 2013. For primary schools the big changes have been caused by bedding in the new Early Years Profile.

School	Category	Change
Whittingham	FSM6	-9% (47 to 38)
Barncroft	FSM6	-8% (48 to 40)
Mission Grove	FSM6	-7% (42 to 35)
Hillyfield	FSM6	-7% (40 to 33)
Davies Lane	FSM6	-6% (34 to 28)
Selwyn	FSM6	+4% (40 to 44)
Frederick Bremer	FSM6	+6% (51 to 57)
Davies Lane	IDACI 5-6	-5% (24 to 19)
Barncroft	IDACI 5-6	-5% (12 to 7)
St Joseph's RC JM	IDACI 5-6	-5% (23 to 18)
Chingford Hall	IDACI 5-6	+5% (40 to 45)
George Tomlinson	IDACI 5-6	+5% (5 to 10)
Riverley	Mobility	-14% (18 to 4)
Willowbrook	Mobility	-9% (22 to 13)
Edinburgh	Mobility	-8% (22 to 15)
Barncroft	Mobility	-8% (21 to 13)
Mayville	Mobility	-8% (21 to 13)
Davies Lane	Mobility	-6% (14 to 8)
Roger Ascham	Mobility	-6% (16 to 10)
Edinburgh	EAL3	-11% (56 to 45)
South Grove	EAL3	-11% (40 to 29)
Coppermill	EAL3	-11% (43 to 32)
Hillyfield	EAL3	+7% (30 to 37)
Mission Grove	EAL3	+6% (47 to 53)
Sybourn	EAL3	+5% (44 to 49)
Connaught Girls	LA KS2	-5 (24 to 19)
Frederick Bremer	LA KS2	-5 (29 to 24)
Gwyn Jones	LA Yr 1-2	-27 (64 to 37)
The Winns	LA Yr 1-2	-24 (65 to 41)
Chingford CE	LA Yr 1-2	-14 (81 to 67)
Whittingham	LA Yr 1-2	-14 (62 to 48)
Yardley	LA Yr 1-2	+9 (7 to 16)
South Grove	LA Yr 1-2	+9 (36 to 45)
George Tomlinson	LA Yr 1-2	+7 (32 to 39)

## Changes to Funding Rates:

A7 The proposed changes reflect the recommendations agreed at Schools Forum in November 2014 and the need to contain the cost of any changes within the individual control totals for the primary and secondary sectors.

- *Raising Primary Lump Sum from £75,000 to £90,000*

A8 This has cost £750,000 (50 x £15,000) and has mainly benefited small schools with 2FE or less. However, for some schools part of the extra funding may have been clawed back through capping gains. All-through schools with primary phases did not benefit from this since they are deemed to be secondary schools and receive a Lump Sum of £125,000.

- *Revised Funding for Split-site Schools*

A9 The change from a formula based on percentage AWPUP to a lump sum means that the total cost for split site schools has been reduced. The table below sets out the information on the five levels, the rate of funding and the schools benefiting from split-site funding:

Level	Lump Sum	Schools	Best Fit Description
1	£15,000	Davies Lane, Chapel Infants, Newport, Henry Maynard, Stoneydown, Buxton George Mitchell (Prim) (7)	Within ¼ mile of the main site with no movement of pupils on a daily basis.
2	£40,000	Kelmscott, Willowfield, Leytonstone, Walthamstow Girls, Holy Family (5)	Sport on a separate site over ¼ mile away or joint use of a sports hall.
3	£20,000	Barclay, Mission Grove, Chingford CE, Our Lady's and St George's, Hillyfield, The Woodside, Sybourn, (7)	Second site over ¼ mile from main site with no movement of pupils on a daily basis.
4	£40,000	Connaught Girls, George Mitchell (Sec) (2)	Some movement of pupils between sites more than ¼ mile apart
5	£110,000	Holy Family, Norlington Boys (2)	Significant movement of pupils and teachers on a daily basis between sites more than ¼ mile apart.

A10 The total cost is **£0.745m** compared with the forecasted cost of **£0.869m** if the current scheme had been used for 2015-16. The savings have been added to funding available for the primary AWPUP.

- *Raising PFI Allocations by 2.5%*

A11 This is the requirement in the PFI scheme.

- *Raising Rates by 1%*

A12 Rates in the LFF for 2014-15 have been adjusted for actual rates paid, (as some schools and academies rate bills were changed for 2014-15 following adjustments to their rateable values). They have then been inflated by 1% for 2015-16. The total cost is broadly the same as for 2014-15 since there are savings from Larkswood becoming an academy and only paying 20% of NNDR.

- *Reducing Secondary AWPU by £40 to £4,760 and reducing Secondary FSM6 by £20 to £1180 per pupil.*

A13 These adjustments take account of the extra contribution to HNB (**£0.100m**) and to the Growth Fund (**£0.290m**). It would have been unfair if all the adjustments had been based upon AWPU as this would have favoured some schools more than others. In addition, a further **£0.240m** has been taken to reduce the wide gap in the average funding per pupil between primary and secondary schools. These adjustments mean that the ratio is reduced from 1:1.413 to 1:1.383 which is as far as the LA believes it is necessary to go in 2015-16 to remove Waltham Forest from being an outlier LA. Therefore, there is not the need to transfer the full **£0.600m** from secondary to primary schools as discussed at the Schools Forum meeting in November 2014. The reduction of AWPU costs **£0.520m** and the reduction in FSM6 costs **£0.110m**.

- *Raising Primary AWPU by £40 to £3,440*

A14 Having made all the above changes, there was sufficient funding left within the primary sector control total to raise primary AWPU by **£40** at a cost of **£0.952m**.

- *Overall Changes in the Distribution of Funding*

A15 Overall, the above changes and the inclusion of the three new recoupment academies have had some impact on the distribution of funding. **Appendix C** entitled "Funding Rates within the LFF" shows that for primary schools:

- The increase in the Lump Sum from £75,000 to £90,000 has increased the percentage in funding allocated through the Lump Sum from 3.7% to 4.3%
- Percentage allocated through AWPU has remained unchanged at 76%.
- Lower numbers of qualifying pupils has resulted in a fall in FSM6 from 4.7% to 4.4% of funding and through EAL3 from 6.1% to 5.8%.

- Overall funding for disadvantaged pupils (deprivation/EAL/Low attainment/ mobility) falls from 17.6% to 16.9%.

A16 For secondary schools, there is no significant change and the overall funding for disadvantage pupils remains at 17.3%.

- *Minimum Funding Guarantee and Capping of Gains*

A17 The Minimum Funding Guarantee for 2015-16, set by the government, is **MINUS 1.5%**. This means that the maximum loss of funding is **1.5%** per pupil compared with 2014-15. The table below shows that the increase in funding per pupil for primary schools and the reduction in funding per pupil for secondary schools has changed the distribution of MFG between 2014-15 and 2015-16. MFG has fallen from **£1.037m** in 2014-15 to **£0.521m** in 2015-16. Whereas the cap was applied at **1.69%** in 2014-15; this has been raised to **2.45%** for 2015-16 enabling schools with a growth in LFF (mainly primary schools but significantly Chingford Foundation) to receive more of their funding.

Sector	2014-15 MFG	2015-16 MFG	2014-15 Capping	2015-16 Capping
Primary	9	3	21	18
Secondary	4	6	3	1
Total	13	9	24	19
Average amount	£79,769	£57,889	£43,208	£27,421

- *Overall Funding through the LFF*

A17 **Appendix D1** sets out the school budget share for each primary school and academy and also includes the primary phase share for the two all-through schools. **Appendix D2** sets out similar information for the secondary schools including the secondary phase of the two all-through schools.

A18 **Appendix D3** gives the comparison on funding post-MFG between 2014-15 and 2015-16. Overall, funding for primary schools rises by **3%** but the NOR has risen by **450** or **2%**. These figures exclude Emmanuel Community Academy and the primary phases of the two all-through schools. The spreadsheet shows how overall the net contribution of primary schools to MFG adjustments has risen from **£0.036m** in 2014-15 to **£0.293m** in 2015-16. It also shows the ten schools with the highest level of funding per pupil (**BOLD BLACK**) and the ten with the lowest funding per pupil (**BOLD BLUE** and pink background). The changes in budget shares shown in the final three columns are a reflection of changes in NOR, changes in pupil characteristics between October 2013 and October 2014 and MFG and capping gain adjustments.

A19 **Appendix D4** gives the same data for the all-through (deemed secondary) and secondary schools. Excluding the two new recoupment academies, funding has fallen by **£0.325m** or **0.5%**. In 2014-15 these schools contributed a net **£0.054m** to MFG. However, in 2015-16 they collectively receive a net **£0.210m**.

A20 Finally, **Appendix E** combines financial information from the LFF, Growth Fund, High Needs Block and Pupil Premium and therefore gives an overall picture for all funding for 5-16 year olds. The key points are:

- High Needs Block funding has risen by some **£0.685m** or **11%** but this includes the **£0.132m** paid to the three new recoupment academies.
- Provisional Pupil Premium (based on October census data for October 2013 and 2014 has risen by only **£0.078m**. Excluding the three recoupment academies means that it has actually fallen by **£0.456m** or **3%** despite a growth of 487 pupils. This is the result of fewer pupils being registered as eligible for free school meals – mainly in primary schools.
- Overall, and excluding the three new recoupment academies, funding has risen by **£2.233m** or **1.1%**. In primary schools funding has risen by **2%** reflecting the additional pupils, whereas for secondary schools, including the two all-through schools, overall funding has fallen by **0.1%**.