

 **WCC Schools Forum Report – Dave McNamara 12th December 2016**

1. **Summary**
	1. Forum are invited to consider the methodology for the allocation of additional funds in to the schools block in relation to what has happened in previous years and the information available on minimum funding levels in the National Funding Formula (NFF) consultation.
2. **Recommendations**
	1. For the primary phase to allocate funds through the schools block formula by targeting the lowest net funded schools to achieve a net minimum funding level of approximately £5,000 per pupil.
	2. For the secondary phase to allocate funds through the schools block formula by targeting the schools currently worst funded in relation to the NFF.
	3. Forum to give consideration to the impact of only using allowable Factors in achieving the above recommendations
3. **Background**
	1. Westminster City Council received extra funding from the DFE on the basis that its schools were collectively among the worst funded schools in the country. Over £1.1m was to be allocated directly to schools on pupil numbers:

Primary School Allocation £670k (56%)

Secondary School allocation £521k (44%)

* 1. Due to lack of clarity on the basis which the money was received, officers proposed that for the 2016/17 financial year the approach should be to allocate funding to the lowest net-funded schools. For Primary Schools this approached established a minimum net funding level of approximately £5,000 per pupil. For Secondary Schools this approach established a minimum net funding level £6,549 per pupil.
	2. This allocation was outside of the formula. Whilst the EFA agreed this dispensation it was on the basis that it should be incorporated in to the LA formula from 2017/18.
	3. Schools forum requested that officers model the impact of distributing the additional funds in accordance with the NFF and that this be presented to WCC Primary Heads Partnership and WSSIC.
1. **National Funding Formula (NFF) Consultation**
	1. The consultation around the introduction of the NFF revealed that the direction of travel established minimum funding levels for each element of the formula, with an area cost adjustment (ACA) to reflect regional variations. For Westminster, and the rest of London, the ACA was 18.63%. With this information officers were able to apply the minimum funding levels (MFL) to individual schools and to compare the result against the current formula. For most schools across London this resulted in a uniform drop in funding of up to 20%. For schools in Westminster the result was different and there were a number of schools that were identified which would benefit from the introduction of the NFF. It was this realisation that has informed a proposed change in approach in how the additional money should be targeted at schools. The objective should not be to allocate funds on the net funding level per pupil but to use those elements within the formula that would most benefit those schools who currently are worst funded vis-à-vis the NFF .

**Objective : To establish a fair and transparent process for the allocation of the additional funds within the formula**

**Rationale: The allocation needs to reflect the reason why WCC schools received the additional funds based on the most up to date information available**

* 1. The above does not invalidate the approach taken in 2016/17, but with more information available we are now able to target the funds more accurately to the worst-funded schools taking in to accounts all attributes of the pupils in the schools.
	2. It is acknowledged however that changing the way in which funds are allocated in 2017/18 could create significant changes in budget levels for individual schools who had benefitted from the distribution methodology in 2016/17.
	3. Appendix 1 sets out the potential impact on individual schools were the full effect of the NFF be implemented. The following table summarises the impact by phase.

|  |  |  |
| --- | --- | --- |
| School Name | NFF Beneficiaries | NFFNon-Beneficiaries |
| **Total** | **2,507,968** | **-2,049,738** |
| **Secondary School Impact** | **620,307** | **-1,045,130** |
| **Primary School Impact** | **1,887,661** | **-1,004,608** |

The implications of this are that the full effect could not be given to those schools who would benefit through the NFF without a significant redistribution of funds from other schools. The additional funds we have available does allow us to target the funds to those who relative to the NFF are currently worst funded. The next sections sets out the impact on individual phases.

1. **Impact on Primary Phase**
	1. The following table sets out how the primary school allocation of £670k could be distributed to target schools who are currently the lowest net-funded schools, in line with the 2016/17 allocation and also if the funds were allocated by targeting those who are currently disadvantaged by the current formula (in relation to the NFF), and what the difference would be.
	2. Analysis of the table shows that whilst allocating the additional funds in proportion to how individual schools would benefit through the application of the NFF distributes funds to 16 more schools the impact on those who have received additional funding for the last two years based on their low net-funding would be significant; 5 schools would lose over £50,000 and 1 school would lose over £100,000.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| School Name | NFF Beneficiaries | NFFNon-Beneficiaries | 2016/17 Beneficiaries | Potential Beneficiaries via NFF | Difference in Beneficiaries |
| Barrow Hill Junior School | £17,395 |   | £12,887 | £6,181 | -£6,706 |
| Paddington Green Primary School | £3,642 |   |   | £1,294 | £1,294 |
| Edward Wilson Primary School | £175,090 |   |   | £62,212 | £62,212 |
| Essendine Primary School | £151,130 |   |   | £53,699 | £53,699 |
| Hallfield Primary School | £121,152 |   | £20,358 | £43,047 | £22,689 |
| Queens Park Primary School | £103,381 |   |   | £36,733 | £36,733 |
| BURDETT COUTTS | £69,213 |   |   | £24,592 | £24,592 |
| Hampden Gurney C.E. Primary | £5,535 |   | £64,087 | £1,967 | -£62,120 |
| OUR LADY OF DOLOURS SCHOOL | £84,398 |   |   | £29,988 | £29,988 |
| St Augustine's Primary School | £65,836 |   |   | £23,393 | £23,393 |
| St. Edward's Catholic Primary School | £77,106 |   | £4,776 | £27,397 | £22,621 |
| ST GABRIEL'S CE PRIMARY | £58,208 |   |   | £20,682 | £20,682 |
| St George's(Hanover Sq)School |   | -£6,664 | £19,342 |   | -£19,342 |
| St. Joseph's Catholic Primary School | £6,438 |   | £118,195 | £2,288 | -£115,907 |
| St Mary Magdalene School | £77,154 |   |   | £27,414 | £27,414 |
| St Mary of the Angels Catholic | £68,170 |   | £69,304 | £24,222 | -£45,082 |
| ST PETER'S C OF E | £63,736 |   |   | £22,646 | £22,646 |
| ST PETERS EATON SQUARE PRIMARY | £35,849 |   | £93,674 | £12,738 | -£80,936 |
| ST.SAVIOURS SCHOOL | £34,348 |   | £50,109 | £12,205 | -£37,904 |
| ST STEPHENS CE PRIMARY SCHOOL | £24,875 |   |   | £8,838 | £8,838 |
| St Vincent's Catholic Primary School |   | -£8,267 | £62,884 |   | -£62,884 |
| St. VINCENT DE PAUL PRIMARY SC | £8,451 |   | £21,664 | £3,003 | -£18,661 |
| Westminster Cathedral School | £26,582 |   |   | £9,445 | £9,445 |
| Christ Church Bentinck School | £506 |   |   | £180 | £180 |
| ARK Atwood Primary Academy |   | -£28,878 | £73,594 |   | -£73,594 |
| Wilberforce Primary School | £99,852 |   |   | £35,479 | £35,479 |
| GATEWAY ACADEMY | £272,888 |   |   | £96,962 | £96,962 |
| MILLBANK ACADEMY | £112,885 |   | £59,844 | £40,110 | -£19,734 |
| King Solomon Academy P | £123,841 |   |   | £44,003 | £44,003 |
|   |   |   | £670,718 | £670,718 | £0 |

* 1. This information was presented to the WCC Heads Partnership on 2nd December where there was informed discussion of all the issues, including that once allocated through the formula these allocations would then be protected by the Minimum Funding Guarantee. The conclusion of that discussion was that the collective opinion of the WCC Primary Heads Partnership was that they would like to see the current approach of allocating funds targeting at the lowest net-funded schools maintained.
	2. The City Council has considered all the information available to it and the informed consensus of the WCC Primary Heads Partnership. Whilst the preferred distribution is that sign-posted by the NFF it accepts that the collective support of schools to the significant impact on a number of primary schools merits the current distribution being consolidated into the formula, as far as allowable factors allow.
1. **Impact on Secondary Phase**
	1. The following table sets out how the secondary school allocation of £520k could be distributed to target schools who are currently the lowest net-funded schools, in line with the 2016/17 allocation and also if the funds were allocated by targeting those who are currently disadvantaged by the current formula (in relation to the NFF), and what the difference would be.
	2. Analysis of the table shows that whilst allocating the additional funds in proportion to how individual schools would benefit through the application of the NFF distributes funds to 4 more schools the impact on those who have received additional funding last year based on their low net-funding would be significant; 2 schools would lose over £50,000 and 1 school would lose nearly £300,000.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| School Name | NFF Beneficiaries | NFFNon-Beneficiaries | 2016/17 Beneficiaries | Potential Beneficiaries via NFF | Difference in Beneficiaries |
| St. Augustine's High School |   | -£976.92 |   |   | £0.00 |
| Marylebone Boys' School | £36,974.03 |   | £96,659.00 | £31,060.67 | -£65,598.33 |
| Quintin Kynaston School | £55,241.04 |   |   | £46,406.19 | £46,406.19 |
| The Grey Coat Hospital | £147,391.59 |   | £421,442.00 | £123,818.85 | -£297,623.15 |
| The St Marylebone School |   | -£260,805.12 |   |   | £0.00 |
| Westminster City School | £36,425.08 |   | £2,999.00 | £30,599.52 | £27,600.52 |
| St George's School Westminster |   | -£466,261.20 |   |   | £0.00 |
| Paddington Academy | £174,539.08 |   |   | £146,624.56 | £146,624.56 |
| Westminster Academy |   | -£317,086.37 |   |   | £0.00 |
| PIMLICO ACADEMY | £48,758.90 |   |   | £40,960.75 | £40,960.75 |
| King Solomon Academy S | £120,977.76 |   |   | £101,629.46 | £101,629.46 |
|   | **£620,307** | **-£1,045,130** | **£521,100** | **£521,100** | **£0** |

* 1. This information was proposed to the WSSIC on 18th November where there was informed discussion of all the issues.
	2. WSSIC members were requested to identify alternative rationale for the distribution of the additional funds. At the meeting and subsequently, consideration was requested to give full effect to the NFF beneficiaries of £620k. Without additional funds being made available, this would require redistributing funds from within the secondary phase and specifically those schools whose funding is not protected by the Minimum Funding Guarantee.
	3. The City Council has considered all the information available to it and while it is conscious of the impact of moving away from the methodology used in 2016/17 on those schools affected, not to do so would impact upon 4 schools who would benefit by over £40,000 including 2 who would benefit by more than £100,000. On the balance of the information available to it the City Council is proposing that the distribution of the additional funds for secondary schools be targeted in proportion to those schools who would benefit most through the introduction of the NFF be consolidated into the formula, as far as allowable factors allow.
1. **Distributing funds through the local formula**
	1. There are a restricted number of factors that can be used to distribute funds to schools. The following table sets out what these factors are and how the local WCC formula compares to the NFF. The table on the following page sets out the range of allowable factors and sets out the Minimum Funding Level for each factor as set by the EFA and used in the NFF along sie the comparable value used in the WCC local formula.



* 1. The fact that we are obliged to use restricted formula elements means that it is not possible to exclusively target those schools which in relation to the preferred methodology for distributing funds should benefit exclusively.
	2. The following tables illustrates this point by showing how £1,000 of additional funding would be shared amongst all secondary schools (\*) by using a set number of variables. The schools highlighted are those schools who would not be expected to benefit from the distribution of additional funds.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| School Name | NOR Secondary | £1,000 @ NOR Secondary | Secondary FSM Units | £1,000 @ Secondary FSM Units | IDACI Secondary Units Band 1 | £1,000 @ IDACI Secondary Units Band 1 | IDACI Secondary Units Band 2 | £1,000 @ IDACI Secondary Units Band 2 | IDACI Secondary Units Band 5 | £1,000 @ IDACI Secondary Units Band 5 |
| St. Augustine's High School | 762.00 | 92.55 | 255.65 | 103.41 | 44.47 | 83.61 | 42.50 | 54.12 | 6.92 | 35.33 |
| Marylebone Boys' School | 311.00 | 37.77 | 58.07 | 23.49 | 21.94 | 41.24 | 18.07 | 23.01 | 6.45 | 32.95 |
| Quintin Kynaston School | 1,061.00 | 128.87 | 433.00 | 175.15 | 60.06 | 112.91 | 72.07 | 91.78 | 13.01 | 66.46 |
| The Grey Coat Hospital | 772.00 | 93.77 | 86.00 | 34.79 | 48.00 | 90.24 | 138.00 | 175.75 | 6.00 | 30.64 |
| The St Marylebone School | 752.00 | 91.34 | 109.00 | 44.09 | 79.00 | 148.52 | 53.00 | 67.50 | 3.00 | 15.32 |
| Westminster City School | 651.00 | 79.07 | 162.00 | 65.53 | 33.05 | 62.14 | 98.15 | 125.00 | 8.01 | 40.92 |
| St George's School Westminster | 735.00 | 89.27 | 124.00 | 50.16 | 60.00 | 112.80 | 75.00 | 95.52 | 13.00 | 66.40 |
| Paddington Academy | 908.00 | 110.29 | 391.00 | 158.16 | 35.00 | 65.80 | 25.00 | 31.84 | 41.00 | 209.40 |
| Westminster Academy | 937.00 | 113.81 | 293.00 | 118.52 | 64.00 | 120.32 | 72.00 | 91.70 | 27.00 | 137.90 |
| PIMLICO ACADEMY | 1,026.00 | 124.62 | 402.47 | 162.80 | 70.38 | 132.32 | 180.42 | 229.77 | 68.40 | 349.34 |
| King Solomon Academy | 318.00 | 38.63 | 158.00 | 63.91 | 16.00 | 30.08 | 11.00 | 14.01 | 3.00 | 15.32 |
|  |  |  |  |  |  |  |  |  |  |  |
| Total Value and Proportion going to targeted schools | 8,233.00 | 1,000.00 | 2,472.19 | 1,000.00 | 531.90 | 1,000.00 | 785.20 | 1,000.00 | 195.80 | 1,000.00 |
|  | 613.02 |  | 683.82 |  | 534.74 |  | 691.16 |  | 745.05 |

* 1. The table shows that the factor that would deliver most funds to targeted schools is IDACI Band 5, but that even then less than 75% of funds would go to the targeted schools, and not necessarily in the right proportion A similar issue applies to primary schools.
1. **Impact of Minimum Funding Guarantee (MFG)**
	1. The MFG further distorts the distribution of funds. The distribution of additional funds through the formula would see an allocation to schools who are currently supported through the Minimum Funding Guarantee. However this would simply reduce the level of the MFG that they are entitled to i.e. they do not benefit overall.
2. **Next Stages & Distribution Through Allowable Factors**
	1. The next stage is to update the dataset with results from the October census and do an iterative exercise to distribute funds, mainly to targeted schools.
	2. As previously set out it is not possible to be precise in the allocation of funds exclusively to the targeted beneficiaries. The approach adopted will be to understand the factors that drive the majority of funding, relative to other schools, for the greatest beneficiaries. The tables below set out the main beneficiaries of the proposed allocations in the primary and secondary phases.

|  |  |
| --- | --- |
| School Name | 2016/17 Beneficiaries |
| St. Joseph's Catholic Primary School | £118,195 |
| ST PETERS EATON SQUARE PRIMARY | £93,674 |
| ARK Atwood Primary Academy | £73,594 |
| St Mary of the Angels Catholic | £69,304 |

|  |  |
| --- | --- |
| School Name | Potential Beneficiaries via NFF |
| Paddington Academy | 146,625 |
| The Grey Coat Hospital | 123,819 |
| King Solomon Academy S | 101,629 |

* 1. The attributes of these schools are not unique and are not proportionate to their overall proposed allocation. For instance St Joseph’s most dominant factor relative to other schools is IDACI Primary Units Band 0, but even here the relative factor id 6.8% so that if £0.5m would be distributed through this factor they would only get £46,000 extra.
	2. The difficulty in targeting funds directly is further borne out by the following table that seeks to target funds to secondary schools.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| School Name | Secondary FSM Units | £200,000 @ Secondary FSM Units | IDACI Secondary Units Band 2 | £300,000 @ IDACI Secondary Units Band 2 | IDACI Secondary Units Band 5 | £300,000 @ IDACI Secondary Units Band 5 |  |
| St. Augustine's High School | 255.65 | 20,681.71 | 42.50 | 16,237.15 | 6.92 | 10,600.30 |   |
| Marylebone Boys' School | 58.07 | 4,697.91 | 18.07 | 6,902.59 | 6.45 | 9,886.28 |  |
| Quintin Kynaston School | 433.00 | 35,029.74 | 72.07 | 27,534.85 | 13.01 | 19,937.57 |  |
| The Grey Coat Hospital | 86.00 | 6,957.41 | 138.00 | 52,725.38 | 6.00 | 9,193.28 | 68,876.07 |
| The St Marylebone School | 109.00 | 8,818.11 | 53.00 | 20,249.60 | 3.00 | 4,596.64 |   |
| Westminster City School | 162.00 | 13,105.81 | 98.15 | 37,500.27 | 8.01 | 12,276.57 |   |
| St George's School Westminster | 124.00 | 10,031.61 | 75.00 | 28,655.10 | 13.00 | 19,918.78 |   |
| Paddington Academy | 391.00 | 31,631.93 | 25.00 | 9,551.70 | 41.00 | 62,820.76 | 104,004.40 |
| Westminster Academy | 293.00 | 23,703.73 | 72.00 | 27,508.90 | 27.00 | 41,369.77 |   |
| PIMLICO ACADEMY | 402.47 | 32,559.82 | 180.42 | 68,931.71 | 68.40 | 104,803.42 |  |
| King Solomon Academy | 158.00 | 12,782.21 | 11.00 | 4,202.75 | 3.00 | 4,596.64 | 21,581.60 |
|  |  |  |  |  |  |  | 194,462.07 |

* 1. Of the £800,000 allocated through these factors that benefit the three schools most, only £195k goes to them. However because the proposed methodology for allocating to secondary schools is based on Minimum Funding Levels if more factors were adjusted to be more in keeping with the MFLs then more funding could be targeted to schools through these factors.
	2. Forum are asked to give consideration to the impact of only using allowable factors in achieving the above recommendations

Dave Mcnamara

Director of Finance & Resources

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| --- | --- | --- | --- | --- |
| School Name | MFL budget | Current ISB budget | NFF Beneficiaries | NFFNon-Beneficiaries |
| **Total** | **111,669,274** | **111,211,044** | **2,507,968** | **-2,049,738** |
| Barrow Hill Junior School | 1,157,325 | 1,139,930 | 17,395 |   |
| Paddington Green Primary School | 1,749,722 | 1,746,080 | 3,642 |   |
| Edward Wilson Primary School | 2,092,238 | 1,917,148 | 175,090 |   |
| Essendine Primary School | 2,209,651 | 2,058,522 | 151,130 |   |
| George Eliot Primary School | £2,218,697.58 | 2,238,951 |   | -20,254 |
| Hallfield Primary School | 2,610,341 | 2,489,189 | 121,152 |   |
| Robinsfield Infants | £840,729.59 | 865,309 |   | -24,579 |
| Queens Park Primary School | 1,545,912 | 1,442,531 | 103,381 |   |
| All Souls CE Primary School | £912,369.89 | 1,008,999 |   | -96,629 |
| BURDETT COUTTS | 1,509,400 | 1,440,188 | 69,213 |   |
| Hampden Gurney C.E. Primary | 954,706 | 949,171 | 5,535 |   |
| OUR LADY OF DOLOURS SCHOOL | 1,403,648 | 1,319,251 | 84,398 |   |
| St Augustine's Primary School | 1,187,965 | 1,122,129 | 65,836 |   |
| ST BARNABAS CE PRIMARY SCHOOL | £803,295.51 | 944,862 |   | -141,567 |
| ST CLEMENT DANES CE PRIMARY SC | £1,078,829.56 | 1,099,435 |   | -20,605 |
| St. Edward's Catholic Primary School | 1,872,789 | 1,795,683 | 77,106 |   |
| ST GABRIEL'S CE PRIMARY | 1,092,767 | 1,034,559 | 58,208 |   |
| St George's(Hanover Sq)School | £981,722.51 | 988,386 |   | -6,664 |
| SOHO PARISH CE SCHOOL | £818,099.57 | 904,000 |   | -85,900 |
| St James & St John Church of England Primary School | £832,125.33 | 966,566 |   | -134,441 |
| St. Joseph's Catholic Primary School | 1,190,098 | 1,183,660 | 6,438 |   |
| ST. LUKE'S CE PRIMARY SCHOOL | £1,056,065.85 | 1,071,906 |   | -15,840 |
| St Mary Magdalene School | 1,167,297 | 1,090,143 | 77,154 |   |
| St Mary's Bryanston Sq.School | £969,365.73 | 1,009,300 |   | -39,934 |
| St Mary of the Angels Catholic | 1,391,026 | 1,322,856 | 68,170 |   |
| ST.MATTHEW'S WESTMINSTER | £935,868.54 | 1,036,909 |   | -101,041 |
| School Name | MFL budget | Current ISB budget | NFF Beneficiaries | NFFNon-Beneficiaries |
| ST PETER'S C OF E | 1,122,009 | 1,058,273 | 63,736 |   |
| ST PETERS EATON SQUARE PRIMARY | 1,330,385 | 1,294,537 | 35,849 |   |
| ST.SAVIOURS SCHOOL | 1,002,306 | 967,958 | 34,348 |   |
| ST STEPHENS CE PRIMARY SCHOOL | 1,026,259 | 1,001,384 | 24,875 |   |
| St Vincent's Catholic Primary School | £936,900.51 | 945,167 |   | -8,267 |
| St. VINCENT DE PAUL PRIMARY SC | 983,994 | 975,543 | 8,451 |   |
| Westminster Cathedral School | 1,031,922 | 1,005,340 | 26,582 |   |
| Christ Church Bentinck School | 1,269,170 | 1,268,663 | 506 |   |
| ARK Atwood Primary Academy | £1,443,468.02 | 1,472,346 |   | -28,878 |
| Minerva Academy | £804,381.51 | 910,255 |   | -105,873 |
| Wilberforce Primary School | 1,624,672 | 1,524,820 | 99,852 |   |
| Pimlico Primary School | £643,363.39 | 750,811 |   | -107,447 |
| Churchill Gardens Primary Academy | £1,070,413.29 | 1,137,102 |   | -66,689 |
| GATEWAY ACADEMY | 3,416,768 | 3,143,880 | 272,888 |   |
| MILLBANK ACADEMY | 1,973,100 | 1,860,215 | 112,885 |   |
| St. Augustine's High School | 5,278,005 | 5,278,982 |   | -977 |
| Marylebone Boys' School | 2,012,692 | 1,975,718 | 36,974 |   |
| Quintin Kynaston School | 7,299,822 | 7,244,581 | 55,241 |   |
| The Grey Coat Hospital | 4,729,208 | 4,581,817 | 147,392 |   |
| The St Marylebone School | 4,737,098 | 4,997,903 |   | -260,805 |
| Westminster City School | 4,297,548 | 4,261,123 | 36,425 |   |
| St George's School Westminster | 4,845,171 | 5,311,433 |   | -466,261 |
| Paddington Academy | 6,394,508 | 6,219,969 | 174,539 |   |
| Westminster Academy | 6,609,135 | 6,926,222 |   | -317,086 |
| PIMLICO ACADEMY | 6,885,778 | 6,837,020 | 48,759 |   |
| King Solomon Academy P | 2,079,517 | 1,955,675 | 123,841 |   |
| King Solomon Academy S | 2,239,626 | 2,118,648 | 120,978 |   |
|  I**mpact on Secondary Schools** |   |   | **620,307** | **-1,045,130** |