



Learning and Skills Scrutiny Committee

Scrutiny Observations on the Amendments to the Schools Funding Formula and Scheme for Financing Schools – December 2019

The Learning and Skills Scrutiny Committee met on the 29th November 2019 to undertake pre-Cabinet scrutiny of the above report.

The Learning and Skills Scrutiny Committee thank the Portfolio Holder for Finance, Finance Officers and Schools Service Officers for attending Committee.

Scrutiny make the following observations:

Scrutiny welcome the review of the Funding Formula which has been undertaken subsequent to the phased implementation of the revised funding formula from April 2019. It addresses in part, three of the recommendations made by the Learning, Skills and Economy Scrutiny Committee in January 2019 namely:

2. That a review of the impact of the changes implemented be undertaken in the first year to identify if the changes have resulted in any negative consequences. This review to include but not be limited to:

- Impact of using previous year's figures for premises spend
- Impact of paying HLTA rate for PPA cover
- Impact of paying Admin staff at Grade 4 rather than Grade 5

6. That Cabinet demonstrate that small schools are not receiving a disproportionate amount of funding to the detriment of medium and large schools

7. That the Funding Formula be subject to annual review to reflect any education policy changes to ensure that the Funding Formula remains transparent and compliant with regulations, and that scrutiny have an opportunity to undertake pre-Cabinet scrutiny of any proposals to amend the Funding Formula

What has become clear over this past year is that primary schools have 'benefited' at the expense of secondary schools by the change in the funding formula. However, the benefits to the primary sector extend only to being able to provide education across the current estate and it is apparent that no schools in Powys are overly generously funded. The decision last year to clarify the formula and make it transparent was welcomed but it has resulted in a shift of resource to support the existing estate with the high level of surplus places which has resulted in insufficient funding available to support high schools across the county.

The proposal to bid for funding to pay TLRs will go some way to address this imbalance and it is clear that schools are required to pay contractually agreed allowances. What is not known is if the TLR structures across the county are correct for the reducing pupil roll.

Scrutiny are mindful that the authority is facing severe financial pressures from a number of sources and have also been advised that the authority has one of the highest per pupil spends in Wales. It is also known that transport costs are by far the highest of all the Welsh authorities which results in one of the lowest levels of delegation in Wales. Scrutiny are aware that the service have embarked on the early stages of a widespread transformation programme which, if carried through to completion, will address not only issues of surplus capacity but also improve the education offer to a wide section of Powys pupils who at present are limited by their lack of access to the more social aspects of the curriculum at the primary level (lack of opportunity to play team sports, sing in a choir etc) and a lack of access to a wide variety of subject options at secondary and particularly post 16 level. It will also be necessary to review the school transport arrangements to ensure these are most cost effective.

It will be necessary for the Funding Formula to be flexible enough to support the current extensive estate carrying a large number of surplus places through transformation to a more compact and appropriately sized estate.

Scrutiny also welcome the acknowledgement of the difficulties that in-year pupil movements cause to schools and the move within the Funding Formula to recognise that funding follows pupils. It was not clear during the scrutiny meeting how pupils who are admitted to a school on appeal would be funded. If the number of pupils admitted on appeal require a further class to be resourced then it appears that a school could apply to the contingency fund. This contingency fund can also be applied to for the support of pupils that have moved into Powys within the year and those schools who have lost a number of pupils and will struggle to balance their budget having paid over funding to other schools. It is understood this contingency fund is £150k and it is not clear if this will be sufficient to cover the scenarios identified.

With regard to the Post-16 funding it appears there is no dedicated funding for providing pastoral support, careers advice or UCAS support in Years 12 and 13. It is not clear if this is being funded from the teaching and learning element of the Welsh Government Post 16 grant or if this is funded by pastoral support provided for the 11-16 section of the High School. Scrutiny again request that school budgets are examined to identify the level or otherwise of cross-phase subsidisation - see previous recommendation to Cabinet September 2019:

4. That the level of cross-phase subsidisation is calculated so that the extent of funding meant for 11-16 pupils which is being used for sixth form students is clear and the extent of any link to school deficit budgets can be ascertained.

Scrutiny attendance at scrutiny sessions

Attendance at the Learning and Skills Scrutiny Committee on 29th November 2019:
County Councillors: County Councillor P Roberts (Chairman)

County Councillors: B Davies, S Davies, D Jones and L Roberts

Parent Governor Representative: S Davies

Church Representative M Evitts

Finance Panel Representatives: Independent Member J Brautigam and County Councillor D Thomas. Finance Panel observer: County Councillor G Williams