

Impact Assessment

School Funding Formula Review and Amendments



Impact Assessments (IA) are a process of assessing how our proposals and decisions might impact upon different types of people and communities and developing proposals in line with relevant legislation.

This is a legal requirement, and ensures the Council considers key legislation, including Equalities, Welsh language, Future Generations, Socio-economic Duty and Risk when developing proposals.

It will also help the Council make the best possible decisions for the people of Powys.

1. Proposal Information

| | |
|--------------------------------|---|
| Author Name | Sarah Quibell / Mari Thomas |
| Head of Service | Georgie Bevan / Jane Thomas |
| Portfolio Holder | Cllr Pete Roberts, Cabinet Member for a Learning Powys / Cllr David Thomas, Cabinet Member for Finance and Corporate Transformation |
| Proposal title | School Budget Funding Formula Review and Amendments |
| Description of proposal | Following review and consultation, amendments to the school funding formulae for mainstream schools are proposed for notional ALN funding, a factor for deprivation and premises related funding. |

2. Savings and Consultation

Profile of savings delivery

| 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028+ | Total Savings |
|---------|---------|---------|---------|---------|-------|---------------|
| £0 | £0 | £0 | £0 | £ | £0 | £0 |

Further information

The proposals are to redistribute the schools delegated budget in the three areas (ALN, deprivation and premises) but not alter the overall quantum.

Consultation requirements

| | |
|---------------------------------|-----|
| Consultation required? | Yes |
| Union consultation date | N/A |
| Staff consultation date | N/A |
| Public consultation date | N/A |

Consultation plan (or justification where no consultation is required)

In line with good practice, the School Funding (Wales) Regulations 2010 require authorities to consult with the governing bodies of all schools it maintains when proposing amendments to the school funding formula.

A Formula Review Group was established in 2023 with a range of stakeholders, including headteachers and chairs of governors from each school sector, along with Council officers. The group has met on two occasions, in July and September 2023 to review the existing formulae, before developing a set of proposals for Primary, Secondary and All age schools.

The consultation on the current proposals took place between 8 November 2023 and 1 December 2023 following full discussion with the School Budget Forum.

In addition, all Chairs of Governors and headteachers were invited to a meeting with the Head of Education on the 29 November 2023, in which the proposals were presented in full. The Head of Finance (Section 151 Officer) was also in attendance at the meeting.

3. Impact on other service areas, geographical areas, and data protection

1a. Impact on other service areas

None

1b. Impact on geographical locations

All Powys schools

1c. Data protection impact assessment

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|---|----|
| Will the proposal involve processing the personal details of individuals? | No |
|---|----|

| | |
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| Is Powys County Council the data controller? | No |
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Further information

N/A

4. Impact on well-being goals including Welsh language and equalities

1d. A prosperous Wales

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|-------------------------|---------|
| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

1e. A resilient Wales

| | |
|-------------------------|---------|
| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

1f. A healthier Wales

| | |
|----------------------|---|
| Impact | <p>Retaining the current secondary funding formula as it stands will continue the allocation of a “First class of 15” funding, which includes the notional ALN funding – each year group in each stream and on each site that has 16 or more learners is funded for an initial teacher-learner ratio of 1 FTE teacher to 15 learners. It does not take account of the number of learners with ALN or eligible for FSM and does not differentiate between them.</p> <p>Additional Learning Needs:</p> <p>Currently we retain the majority of the notional ALN funding and distribute via Panel applications based on individual learners, which does not mirror the method used by the majority of Welsh local authorities. The process is time consuming for schools and the service and can delay the transfer of funding and impact on a school’s ability to intervene appropriately.</p> <p>Deprivation:</p> <p>For the purposes of funding distribution, it is considered that funding is provided to support all disadvantaged learners regardless of their socio-economic background.</p> <p>This is addressed in the current mainstream primary phase formula by distributing a set amount across all mainstream primary settings based on the three-year average number of eFSM at each school.</p> <p>The current methodology through the mainstream primary phase formula provides the same amount per learner eligible for eFSM, regardless of the overall proportion of the school’s population that is eligible for eFSM.</p> <p>It is noted that currently there is no equivalent allocation for mainstream secondary settings. Instead, in the secondary phase formula, each school receives an amount to cover the cost of the free school meals provided, which could not be used to support disadvantaged learners (the funding for this was included within the 1:15 funding).</p> |
| Impact Rating | Poor |

Mitigation

The proposed changes to the funding formulae will target resources at schools with greater need within their learner population, allowing schools to plan for sustainable support for those learners.

The aim of the proposed changes are to support transparent and equitable funding arrangements for Primary, Secondary and All age schools, which will:

- Create a **more equitable provision for all learners** across Powys
- **Support the aspirations of the transformation programme**
- **Support all learners** including helping **offset the effects of disadvantage**
- **Support a collaborative schools' community** which offers effective professional learning to facilitate the self improving system.
- **Support inclusion and bilingualism, and promote access to excellence for all learners.**

The proposals will see the majority of the current retained notional ALN funding redistributed to schools, with a small amount retained per annum, which would only be available to provide funding to new complex presentations of ALN, whether through a learner being new to a Powys school or a learner suffering a life-changing event / illness.

By changing the methodology for distributing notional ALN funding to schools and delegating the majority of funds, there are benefits for all stakeholders and the potential to reduce the long term societal and financial costs associated with learners who may struggle without early intervention and consequent proper support.

The School Funding (Wales) Regulations 2010 stipulate that “A local authority must, in determining budget shares for both primary and secondary schools which they maintain, take into account in their formula a factor or factors based on the incidence of social deprivation among pupils registered at all such schools.” In addition to the use of the number of eFSM learners per schools, it is proposed that a multiplier is used to increase the weighting of the eFSM indicator as the proportion of the school population that is eligible for eFSM increases.

Implementation:

It is also proposed that the implementation is staggered over 2 years to support schools during the change, mitigate any risk and minimise disruption. This will also give the opportunity to review the impact of the new distribution methodology during the first year. It is proposed that the phasing is:

| | |
|-------------------------|---|
| | <ul style="list-style-type: none"> • Year 1 = 50% new formula, 50% current formula • Year 2 = 100% new formula. |
| Mitigated Rating | Good |

1g. A Wales of cohesive communities

| | |
|-------------------------|---------|
| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

1h. A globally responsible Wales

Impact

The current funding formula for secondary phase schools funds all schools and streams in the same way regardless of the characteristics of their learner population and does not target funding towards those that need support.

In addition, for those learners with a higher level of additional learning needs (ALN) additional band-led funding is provided following a potentially onerous application process. This makes it difficult for schools to plan support for those learners.

Retaining the current secondary funding formula as it stands will continue the allocation of a “First class of 15” funding, which includes the notional ALN funding – each year group in each stream and on each site that has 16 or more learners is funded for an initial teacher-learner ratio of 1 FTE teacher to 15 learners. It does not take account of the number of learners with ALN or eligible for FSM and does not differentiate between them.

Additional Learning Needs:

Currently we retain the majority of the notional ALN funding and distribute via Panel applications based on individual learners, which does not mirror the method used by the majority of Welsh local authorities. The process is time consuming for schools and the service and can delay the transfer of funding and impact on a school’s ability to intervene appropriately.

Deprivation:

For the purposes of funding distribution, it is considered that funding is provided to support all disadvantaged learners regardless of their socio-economic background.

This is addressed in the current mainstream primary phase formula by distributing a set amount across all mainstream primary settings based on the three-year average number of eFSM at each school.

The current methodology through the mainstream primary phase formula provides the same amount per learner eligible for eFSM, regardless of the overall proportion of the school’s population that is eligible for eFSM.

It is noted that currently there is no equivalent allocation for mainstream secondary settings. Instead, in the secondary phase formula, each school receives an amount to cover the cost of the free school meals provided, which could not be used to support disadvantaged learners (the funding for this was included within the 1:15 funding).

Impact Rating

Poor

Mitigation

The proposed changes to the funding formulae will target resources at schools with greater need within their learner population, allowing schools to plan for sustainable support for those learners

The aim of the proposed changes are to support transparent and equitable funding arrangements for Primary, Secondary and All age schools, which will:

- Create a **more equitable provision for all learners** across Powys
- **Support the aspirations of the transformation programme**
- **Support all learners** including helping **offset the effects of disadvantage**
- **Support a collaborative schools' community** which offers effective professional learning to facilitate the self improving system.
- **Support inclusion and bilingualism, and promote access to excellence for all learners.**

The proposals will see the majority of the current retained notional ALN funding redistributed to schools, with a small amount retained per annum, which would only be available to provide funding to new complex presentations of ALN, whether through a learner being new to a Powys school or a learner suffering a life-changing event / illness.

By changing the methodology for distributing notional ALN funding to schools and delegating the majority of funds, there are benefits for all stakeholders and the potential to reduce the long term societal and financial costs associated with learners who may struggle without early intervention and consequent proper support.

The School Funding (Wales) Regulations 2010 stipulate that “A local authority must, in determining budget shares for both primary and secondary schools which they maintain, take into account in their formula a factor or factors based on the incidence of social deprivation among pupils registered at all such schools.” In addition to the use of the number of eFSM learners per schools, it is proposed that a multiplier is used to increase the weighting of the eFSM indicator as the proportion of the school population that is eligible for eFSM increases.

Implementation:

It is also proposed that the implementation is staggered over 2 years to support schools during the change, mitigate any risk and minimise disruption. This will also give the opportunity to review the impact of the

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| | <p>new distribution methodology during the first year. It is proposed that the phasing is:</p> <ul style="list-style-type: none"> • Year 1 = 50% new formula, 50% current formula • Year 2 = 100% new formula. |
| Mitigated Rating | Good |

1i. A Wales of vibrant culture and thriving Welsh language

Using Welsh

| | |
|-------------------------|---------|
| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

Promoting Welsh

| | |
|-------------------------|---------|
| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

Sports, Art & Recreation

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|-------------------------|---------|
| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

1j. A more equal Wales

Age

| | |
|-------------------------|---------|
| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

Disability

| | |
|----------------------|---|
| Impact | <p>The current funding formula for secondary phase schools funds all schools and streams in the same way regardless of the characteristics of their learner population and does not target funding towards those that need support.</p> <p>In addition, for those learners with a higher level of additional learning needs (ALN) additional band-led funding is provided following a potentially onerous application process. This makes it difficult for schools to plan support for those learners.</p> <p>Retaining the current secondary funding formula as it stands will continue the allocation of a “First class of 15” funding, which includes the notional ALN funding – each year group in each stream and on each site that has 16 or more learners is funded for an initial teacher-learner ratio of 1 FTE teacher to 15 learners. It does not take account of the number of learners with ALN or eligible for FSM and does not differentiate between them.</p> <p>Currently we retain the majority of the notional ALN funding and distribute via Panel applications based on individual learners, which does not mirror the method used by the majority of Welsh local authorities. The process is time consuming for schools and the service and can delay the transfer of funding and impact on a school’s ability to intervene appropriately</p> |
| Impact Rating | Poor |

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|--------------------------------|--|
| <p>Mitigation</p> | <p>The proposed changes to the funding formulae will target resources at schools with greater ALN need within their learner population, allowing schools to plan for sustainable support for those learners. This will enable schools to support learners with ALN to fulfil their potential</p> <p>The aim of the proposed changes are to support transparent and equitable funding arrangements for Primary, Secondary and All age schools, which will create a more equitable provision for all learners across Powys</p> <p>The proposals will see the majority of the current retained notional ALN funding redistributed to schools, with a small amount retained per annum, which would only be available to provide funding to new complex presentations of ALN, whether through a learner being new to a Powys school or a learner suffering a life-changing event / illness.</p> <p>Implementation:</p> <p>It is also proposed that the implementation is staggered over 2 years to support schools during the change, mitigate any risk and minimise disruption. This will also give the opportunity to review the impact of the new distribution methodology during the first year. It is proposed that the phasing is:</p> <ul style="list-style-type: none"> • Year 1 = 50% new formula, 50% current formula • Year 2 = 100% new formula. |
| <p>Mitigated Rating</p> | <p>Good</p> |

Gender Reassignment

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|--------------------------------|----------------|
| <p>Impact</p> | <p>Neutral</p> |
| <p>Impact Rating</p> | <p>Neutral</p> |
| <p>Mitigation</p> | <p>Neutral</p> |
| <p>Mitigated Rating</p> | <p>Neutral</p> |

Marriage or Civil Partnership

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|-----------------------------|----------------|
| <p>Impact</p> | <p>Neutral</p> |
| <p>Impact Rating</p> | <p>Neutral</p> |

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| Mitigation | Neutral |
| Mitigated Rating | Neutral |

Race

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| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

Religion or belief

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| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

Sex

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|-------------------------|---------|
| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

Sexual Orientation

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|----------------------|---------|
| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |

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| Mitigated Rating | Neutral |
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Pregnancy and Maternity

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| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

Socio-economic Duty

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|----------------------|---|
| Impact | <p>The School Funding (Wales) Regulations 2010 stipulate that “A local authority must, in determining budget shares for both primary and secondary schools which they maintain, take into account in their formula a factor or factors based on the incidence of social deprivation among pupils registered at all such schools”.</p> <p>This is addressed in the current mainstream primary phase formula by distributing a set amount across all mainstream primary settings based on the three-year average number of eFSM at each school.</p> <p>The current methodology through the mainstream primary phase formula provides the same amount per learner eligible for eFSM, regardless of the overall proportion of the school’s population that is eligible for eFSM.</p> <p>It is noted that currently there is no equivalent allocation for mainstream secondary settings. Instead, in the secondary phase formula, each school receives an amount to cover the cost of the free school meals provided, which could not be used to support disadvantaged learners (the funding for this was included within the 1:15 funding).</p> |
| Impact Rating | Poor |

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|--------------------------------|--|
| <p>Mitigation</p> | <p>The proposed changes to the funding formulae will target resources at schools with greater need within their learner population, including factors for disadvantage, allowing schools to plan for sustainable support for those learners. This will enable schools to support learners those with disadvantage to fulfil their potential</p> <p>The School Funding (Wales) Regulations 2010 stipulate that “A local authority must, in determining budget shares for both primary and secondary schools which they maintain, take into account in their formula a factor or factors based on the incidence of social deprivation among pupils registered at all such schools.”</p> <p>The “Review of School Spending in Wales” in 2020 noted that ‘[t]here is a strong empirical evidence base showing that higher school spending has a larger, positive effect on learners from deprived backgrounds and can play a major role in reducing the attainment gap. As a result, the Review stated that ‘local authorities should therefore prioritise extra funding for deprivation’</p> <p>Therefore, it is proposed that in addition to the use of the number of eFSM eligible learners per school, a multiplier is used to increase the weighting of the eFSM indicator as the proportion of the school population.</p> <p>Implementation:</p> <p>It is also proposed that the implementation is staggered over 2 years to support schools during the change, mitigate any risk and minimise disruption. This will also give the opportunity to review the impact of the new distribution methodology during the first year. It is proposed that the phasing is:</p> <ul style="list-style-type: none"> • Year 1 = 50% new formula, 50% current formula • Year 2 = 100% new formula |
| <p>Mitigated Rating</p> | <p>Good</p> |

1k. Evidence

School Budget Forum meeting minutes.

Formula Review Group meeting minutes.

The proposal and consultation documents for School Budget Forum.

School Delegated Budget Funding Formula Review Cabinet Report.

5. Impact on key guiding principles & workforce

11. Sustainable development principles

Long-term

| | |
|----------------------|---|
| Impact | <p>Continuing with the funding formula will retain the status quo.</p> <p>Additional Learning Needs:</p> <p>Currently we retain the majority of the notional ALN funding and distribute via Panel applications based on individual learners, which does not mirror the method used by the majority of Welsh local authorities. The process is time consuming for schools and the service and can delay the transfer of funding and impact on a school's ability to intervene appropriately.</p> <p>In addition, for those learners with a higher level of additional learning needs (ALN) additional band-led funding is provided following a potentially onerous application process. This makes it difficult for schools to plan support for those learners.</p> <p>Deprivation:</p> <p>The current methodology through the mainstream primary phase formula provides the same amount per learner eligible for eFSM, regardless of the overall proportion of the school's population that is eligible for eFSM.</p> <p>It is noted that currently there is no equivalent allocation for mainstream secondary settings. Instead, in the secondary phase formula, each school receives an amount to cover the cost of the free school meals provided, which could not be used to support disadvantaged learners (the funding for this was included within the 1:15 funding).</p> <p>Premises (Primary and Secondary Phase Schools):</p> <p>The current formula methodology for premises funding is based on a standard rate per square metre (SQM) for all mainstream and special schools. The current formula does not take account of whether the school hosts a school kitchen.</p> <p>Energy costs have experienced significant inflationary increases, but these have not been uniform, either in terms of scale or timing, across the different fuel types currently used by schools for heating fuel. This has resulted in the standard amount per square metre not reflecting the differences in schools' relative need to spend, depending on their main fuel type used for heating</p> |
| Impact Rating | Poor |

Mitigation

The proposed changes to the funding formulae will target resources at schools with greater need within their learner population, allowing schools to plan for sustainable support for those learners, whilst also appropriately targeting premises funding.

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- **Support the aspirations of the transformation programme**
- **Support all learners** including helping **offset the effects of disadvantage**
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- **Support inclusion and bilingualism, and promote access to excellence for all learners.**

Additional Learning Needs:

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By changing the methodology for distributing notional ALN funding to schools and delegating the majority of funds, there are benefits for all stakeholders and the potential to reduce the long term societal and financial costs associated with learners who may struggle without early intervention and consequent proper support.

Deprivation:

The School Funding (Wales) Regulations 2010 stipulate that “A local authority must, in determining budget shares for both primary and secondary schools which they maintain, take into account in their formula a factor or factors based on the incidence of social deprivation among pupils registered at all such schools.” In addition to the use of the number of eFSM learners per schools, it is proposed that a multiplier is used to increase the weighting of the eFSM indicator as the proportion of the school population that is eligible for eFSM increases.

Premises (Primary and Secondary Phase Schools):

| | |
|-------------------------|--|
| | <p>It is proposed that the funding rate per square metre for grounds and premises is revised to exclude utility costs and any additional costs associated with hosting a working kitchen.</p> <p>There would be</p> <ul style="list-style-type: none"> • A new standard premises funding that applies to all schools - sqm of school x base rate per sqm (excluding utilities). • A utility specific rate per square metre is used to provide funding for schools based on the main fuel used for heating - Sqm of school x utility specific rate per sqm. • A utility top-up is applied to schools with working kitchens based on a rate per SQM of the kitchen areas - sqm of kitchen area x applicable top up rate per sqm. <p>Implementation:</p> <p>It is also proposed that the implementation is staggered over 2 years to support schools during the change, mitigate any risk and minimise disruption. This will also give the opportunity to review the impact of the new distribution methodology during the first year. It is proposed that the phasing is:</p> <ul style="list-style-type: none"> • Year 1 = 50% new formula, 50% current formula • Year 2 = 100% new formula |
| Mitigated Rating | Good |

Collaboration

| | |
|-------------------------|---------|
| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

Involvement (including Communication & Engagement)

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| Impact | Neutral |
| Impact Rating | Neutral |

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|-------------------------|---------|
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

Prevention

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|---------------|--|
| Impact | <p>Continuing with the funding formula will retain the status quo.</p> <p>Additional Learning Needs:</p> <p>Currently we retain the majority of the notional ALN funding and distribute via Panel applications based on individual learners, which does not mirror the method used by the majority of Welsh local authorities. The process is time consuming for schools and the service and can delay the transfer of funding and impact on a school's ability to intervene appropriately.</p> <p>In addition, for those learners with a higher level of additional learning needs (ALN) additional band-led funding is provided following a potentially onerous application process. This makes it difficult for schools to plan support for those learners.</p> <p>Deprivation:</p> <p>The current methodology through the mainstream primary phase formula provides the same amount per learner eligible for eFSM, regardless of the overall proportion of the school's population that is eligible for eFSM.</p> <p>It is noted that currently there is no equivalent allocation for mainstream secondary settings. Instead, in the secondary phase formula, each school receives an amount to cover the cost of the free school meals provided, which could not be used to support disadvantaged learners (the funding for this was included within the 1:15 funding).</p> <p>Premises (Primary and Secondary Phase Schools):</p> <p>The current formula methodology for premises funding is based on a standard rate per square metre (SQM) for all mainstream and special schools. The current formula does not take account of whether the school hosts a school kitchen.</p> <p>Energy costs have experienced significant inflationary increases, but these have not been uniform, either in terms of scale or timing, across the different fuel types currently used by schools for heating fuel. This has resulted in the standard amount per square metre not reflecting the differences in schools' relative need to spend, depending on their main fuel type used for heating.</p> |
|---------------|--|

Impact Rating

Poor

Mitigation

The proposed changes to the funding formulae will target resources at schools with greater need within their learner population, allowing schools to plan for sustainable support for those learners, whilst also appropriately targeting premises funding.

The aim of the proposed changes are to support transparent and equitable funding arrangements for Primary, Secondary and All age schools, which will:

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- **Support inclusion and bilingualism, and promote access to excellence for all learners.**

Additional Learning Needs:

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By changing the methodology for distributing notional ALN funding to schools and delegating the majority of funds, there are benefits for all stakeholders and the potential to reduce the long term societal and financial costs associated with learners who may struggle without early intervention and consequent proper support.

Deprivation:

The School Funding (Wales) Regulations 2010 stipulate that “A local authority must, in determining budget shares for both primary and secondary schools which they maintain, take into account in their formula a factor or factors based on the incidence of social deprivation among pupils registered at all such schools.” In addition to the use of the number of eFSM learners per schools, it is proposed that a multiplier is used to increase the weighting of the eFSM indicator as the proportion of the school population that is eligible for eFSM increases.

Premises (Primary and Secondary Phase Schools):

| | |
|-------------------------|--|
| | <p>It is proposed that the funding rate per square metre for grounds and premises is revised to exclude utility costs and any additional costs associated with hosting a working kitchen.</p> <p>There would be</p> <ul style="list-style-type: none"> • A new standard premises funding that applies to all schools - sqm of school x base rate per sqm (excluding utilities). • A utility specific rate per square metre is used to provide funding for schools based on the main fuel used for heating - Sqm of school x utility specific rate per sqm. • A utility top-up is applied to schools with working kitchens based on a rate per SQM of the kitchen areas - sqm of kitchen area x applicable top up rate per sqm. <p>Implementation:</p> <p>It is also proposed that the implementation is staggered over 2 years to support schools during the change, mitigate any risk and minimise disruption. This will also give the opportunity to review the impact of the new distribution methodology during the first year. It is proposed that the phasing is:</p> <ul style="list-style-type: none"> • Year 1 = 50% new formula, 50% current formula • Year 2 = 100% new formula |
| Mitigated Rating | Good |

Integration

| | |
|-------------------------|---------|
| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

1m. Impact on the workforce

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|---------------|---|
| Impact | The current funding formula can result in the recruitment of short-term contracts, which can lead to instability in the workforce and, therefore, impact learner provision. |
|---------------|---|

| | |
|-------------------------|---|
| Impact Rating | Poor |
| Mitigation | <p>The proposals would result in more funding being directly delegated to schools, which may result in a more sustainable and stable workforce, and therefore continuity and improvements in learner provision.</p> <p>It is proposed that the implementation is staggered over 2 years to support schools during the change, mitigate any risk and minimise disruption. This will also give the opportunity to review the impact of the new distribution methodology during the first year. It is proposed that the phasing is:</p> <ul style="list-style-type: none"> • Year 1 = 50% new formula, 50% current formula • Year 2 = 100% new formula |
| Mitigated Rating | Good |

1n. Impact on payroll

| | |
|-------------------------|---|
| Impact | There may be some impact on payroll in relation to changes in staffing in schools and the service but this is not anticipated to be significant. |
| Impact Rating | Neutral |
| Mitigation | <p>It is proposed that the implementation is staggered over 2 years to support schools during the change, mitigate any risk and minimise disruption. This will also give the opportunity to review the impact of the new distribution methodology during the first year. It is proposed that the phasing is:</p> <ul style="list-style-type: none"> • Year 1 = 50% new formula, 50% current formula • Year 2 = 100% new formula |
| Mitigated Rating | Good |

1o. Welsh language impact on Staff

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|----------------------|---|
| Impact | The current funding formula can result in the recruitment of short-term contracts, which can lead to instability in the Welsh speaking workforce and, therefore, impact Welsh Medium learner provision. |
| Impact Rating | Poor |

| | |
|-------------------------|---|
| Mitigation | <p>The proposals would result in more funding being directly delegated to schools, which may result in a more sustainable and stable Welsh Medium workforce, and therefore continuity and improvements in Welsh Medium learner provision.</p> <p>It is proposed that the implementation is staggered over 2 years to support schools during the change, mitigate any risk and minimise disruption. This will also give the opportunity to review the impact of the new distribution methodology during the first year. It is proposed that the phasing is:</p> <ul style="list-style-type: none"> • Year 1 = 50% new formula, 50% current formula • Year 2 = 100% new formula |
| Mitigated Rating | Good |

1p. Impact on apprenticeships

| | |
|-------------------------|---------|
| Impact | Neutral |
| Impact Rating | Neutral |
| Mitigation | Neutral |
| Mitigated Rating | Neutral |

1q. Evidence

School Budget Forum meeting minutes.

Formula Review Group meeting minutes.

The proposal and consultation documents for School Budget Forum.

School Delegated Budget Funding Formula Review Cabinet Report.

6. Likelihood and risks

Risk 1

Schools who are subject to a significant reduction in funding due to the changes may struggle to balance their budget.

| | | | | | |
|-------------------------|---|---------------------|---|--------------------|---|
| Likelihood score | 3 | Impact score | 3 | Risk rating | 9 |
|-------------------------|---|---------------------|---|--------------------|---|

Mitigation

The proposals are in response to feedback from schools, who identified the need for ALN and deprivation funding to follow the learner. There will be schools, and therefore learners, who will significantly benefit from the changes. A reduction in administration for ALN processes should also positively impact schools.

Schools who have cooking kitchens that export meals to other schools also raised that they were not reimbursed for their utilities expenditure.

The proposed amendments seek to address the issues.

The proposals underwent full consultation, ensuring that all schools and governing bodies had the opportunity to review and feedback on the proposals.

It is proposed that the changes are phased in over 2 years, allowing schools greater time to plan for and implement the required changes..

| | | | | | |
|----------------------------------|---|------------------------------|---|-----------------------------|---|
| Residual likelihood score | 3 | Residual impact score | 2 | Residual risk rating | 6 |
|----------------------------------|---|------------------------------|---|-----------------------------|---|

Risk 2

Inaccurate data results in schools receiving the incorrect amount of funding.

| | | | | | |
|-------------------------|---|---------------------|---|--------------------|---|
| Likelihood score | 3 | Impact score | 3 | Risk rating | 9 |
|-------------------------|---|---------------------|---|--------------------|---|

Mitigation

The Service will continue to provide schools with clear information about correct data recording, as well as continue to offer scheduled and bespoke training opportunities and drop-in sessions in respect data entry and recording.

It is proposed that the changes are phased in over 2 years, allowing schools greater time to plan for and implement the required changes.

Data will also be centrally reviewed, with anomalies being highlighted to schools so that they can be rectified.

| | | | | | |
|----------------------------------|---|------------------------------|---|-----------------------------|---|
| Residual likelihood score | 2 | Residual impact score | 1 | Residual risk rating | 2 |
|----------------------------------|---|------------------------------|---|-----------------------------|---|

Risk 3

Click or tap here to enter text.

| | | | | | |
|-------------------------|-----------------|---------------------|-----------------|--------------------|-----------------|
| Likelihood score | Choose an item. | Impact score | Choose an item. | Risk rating | Choose an item. |
|-------------------------|-----------------|---------------------|-----------------|--------------------|-----------------|

Mitigation

Click or tap here to enter text.

| | | | | | |
|----------------------------------|-----------------|------------------------------|-----------------|-----------------------------|-----------------|
| Residual likelihood score | Choose an item. | Residual impact score | Choose an item. | Residual risk rating | Choose an item. |
|----------------------------------|-----------------|------------------------------|-----------------|-----------------------------|-----------------|

Risk 4

Click or tap here to enter text.

| | | | | | |
|-------------------------|-----------------|---------------------|-----------------|--------------------|-----------------|
| Likelihood score | Choose an item. | Impact score | Choose an item. | Risk rating | Choose an item. |
|-------------------------|-----------------|---------------------|-----------------|--------------------|-----------------|

Mitigation

Click or tap here to enter text.

| | | | | | |
|----------------------------------|-----------------|------------------------------|-----------------|-----------------------------|-----------------|
| Residual likelihood score | Choose an item. | Residual impact score | Choose an item. | Residual risk rating | Choose an item. |
|----------------------------------|-----------------|------------------------------|-----------------|-----------------------------|-----------------|

Risk 5

Click or tap here to enter text.

| | | | | | |
|-------------------------|-----------------|---------------------|-----------------|--------------------|-----------------|
| Likelihood score | Choose an item. | Impact score | Choose an item. | Risk rating | Choose an item. |
|-------------------------|-----------------|---------------------|-----------------|--------------------|-----------------|

Mitigation

Click or tap here to enter text.

Residual likelihood score

Choose an item.

Residual impact score

Choose an item.

Residual risk rating

Choose an item.

7. Overall summary and judgement

Outline assessment

The proposed formula and scheme changes will lead to a stable, transparent and fair funding arrangement for Powys learners and schools. The proposed formula changes will create more equitable funding provision for all primary and secondary mainstream schools across Powys, supporting inclusion and all learners regardless of their additional learning needs or disadvantage. Risks to schools with a reduced level of funding will be mitigated by phasing in of the proposals, providing support for schools to reduce their costs and access to the wider “Team around the School” to support them with the transition.

Cabinet reference

Click or tap here to enter text.

8. Additional evidence

School Budget Forum meeting minutes.

Formula Review Group meeting minutes.

The proposal and consultation documents for School Budget Forum.

School Delegated Budget Funding Formula Review Cabinet Report.

9. Monitoring arrangements

The school funding formula is reviewed each year to ensure that it distributes the schools delegated budget equitably across all schools. This will include ongoing monitoring of the impact of these proposed changes if agreed and implemented.

Review date

01/03/2025