

# Together in the sight of God

The Federation of Church Schools of Shalfleet and Yarmouth

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27 June 2013

Dear Parents and Carers

Thank you very much to all parents and carers that attended the recent presentations by the Governing Body with regard to leadership of the Federation. During the meetings many expressed an interest in learning more about school funding and how it affects our schools and how it has changed over the last few years.

In the attached note we have gone into some detail about school funding arrangements in an attempt to give you an appropriate overview. Whilst school funding is not overly complex, the rate of change in the last few years has been astonishing and was worsened by the Isle of Wight Authority's decision to withdraw from providing any services to schools.

If you require further information, please give your questions to the school office in writing to be passed onto the Governors and we will get back to you. If desired we are happy to organise a group meeting to discuss the information given below in greater detail. Please let the school office know if you are interested in such a meeting.

Meanwhile we hope you will find this useful information.

Best wishes

Carla Bradshaw  
Chair of Governors

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School funding is split between 'Revenue' and 'Capital' funding.

**Revenue funding** is the annual income the school receives to provide education for the children in its care. There is no distinction here between being a Voluntary Controlled (Local Authority) School (Shalfleet) and a Voluntary Aided (Diocesan supported) School (Yarmouth). Revenue or Income for the school is based on pupil numbers and some other factors explained further below.

With this 'Revenue Funding', the school has to pay their staff and related expenses, premises costs such as property and kitchen maintenance, grounds maintenance, gas, water and electricity, specialist services such as Educational Psychologists, HR and Payroll services, stationary, all equipment used by the children to aid their education, computers, paper, pencils etc... in fact everything you would need to run the school almost like a business.

**Capital funding** is an annual grant received from the Government for the maintenance of the building and ICT infrastructure for the school. About 4 years ago the Capital Funding for our schools reduced from around £22-£24,000 to approximately £5,000 per year. This is the same for both schools.

For Capital funding (or DFC) there is a distinction between the two school types.

Shalfleet VC School receives 100% Capital Funding from the Government via the Local Authority.

Yarmouth VA School receives 90% Capital Funding from the Government via the Diocese and is expected to support 10% from its own funds. Usually the payment of this additional 10% for projects is arranged directly with the Diocese.

For larger capital works, informed by a School Building Conditions Survey, the Local Authority receives additional funding from Government. With this it has to maintain all its school buildings (VC & Community) stock and inevitably there is not sufficient to undertake all work. As a result schools have to work very hard to keep their buildings in reasonable condition.

For Voluntary Aided Schools there is a separate fund which is made available to the Catholic and Anglican Diocese for the same purpose. Governors need to make a request for access to these funds with the Diocese and matters will be addressed in order of priority, however often also with significant delays and in the same way as for the Local Authority, there never is sufficient money to go round.

## **MORE ABOUT REVENUE FUNDING:**

In the first instance, as a direct impact of the financial crisis the current government announced 1.5% budget cuts for 4 years from April 11/12 onwards. We are currently in the 3<sup>rd</sup> year and are expecting the last pre-announced cut in our budgets in April 14/15. Our schools financial year runs from 1 April – 31 March.

In addition the current government stated upon coming into office that they wished to 'balance out' the inequalities in school funding across the country. In some places pupils were given £7,000 or



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more per pupil and in others this could be as low as £2,000 per pupil. Many of these funding differences were driven by local factors and some legacy issues on how the funding was calculated which they wanted to eliminate. For the past 3 years the DfE has been working on new 'National Funding Formula' proposals which they would like to put in place in the next Spending Review period which is in 15/16 (General Election year).

In the meantime however they have asked Local Authorities and Schools to work on a revised 'local funding formula' the first of which was put in place for the school budget for 2013-14. In the coming year this formula will be reviewed but it is broadly expected to stay in place for 2014-15 as well.

The new funding arrangements mean that every school on the Isle of Wight, whether Primary, Secondary or Special receives £110,000. This number is based on a tranche of funding that has to be split equitably between the Primary and Secondary Schools and has to stay in a ratio of 1:1.25 between primary and secondary schools.

In addition the new pupil funding formula calculates a base grant per pupil (AWPU) for the Authority and directs further funding to those who need it most as indicated by a number of factors.

<b>Funding given directly to school</b>	<b>Funding per pupil</b>
AWPU	2,829.82
Postcode	£360.25 maximum per pupil but varies by postcode
Free School Meal Children Ever6	£522.13
% score at EYFS below 78	£820.20
English as an additional language	£493.92
Looked after children	£383.85
<b>Separate funding to be accounted for</b>	
Pupil Premium	£900 based on number of Free School Meals Children Ever6
Service Children	£300
Sports funding	Final tbc

This new funding arrangement has a number of consequences, not least that your funding can fluctuate very heavily each year. In addition the government has placed a much greater requirement on schools to account for the money allocated to them; how it was spent, why and what the impact of that spend was.

Funding for Special Educational Needs has undergone even more change in that the schools are required to fund about £9,000 up front for each pupil before they can ask the Local Authority for any

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assistance in funding provision for the pupil. In doing so the school has to make representations on how they have spent the first £9,000 before further funding could be approved.

The final point to mention is the impact of the contracting of services the schools now must undertake. These are services such as HR, Payroll, School Catering, Grounds Maintenance, property Maintenance, etc. To procure any contract according to government guidelines is not a straight forward task. In addition the requirement on Governors to prove 'value for money' adds complexity to the process. Our schools are working very closely together to ensure we contract as much as possible as a Federation in order to achieve value for money and leverage each other's volume of business. Still this is a new function that previously did not really exist in school and needs appropriate resourcing.

The net effect of all these changes is that schools receive significantly less money to keep their buildings in good order, they receive less money to provide for their pupils and governors have less choice on how to spend the money they do get and finally the administrative burden on schools has increased significantly all of which represent a squeeze on resources for our children.

Whilst we ultimately don't wish to paint a doom and gloom picture, the challenges for smaller than average schools are plain for all to see. Governors and Headteachers have worked tirelessly over the last few years to keep up with the changes, processes and requirements now placed upon schools. To date the outcome of this balancing act has been positive. Yarmouth has recently received a 'Good' Ofsted Report and Shalfleet received a letter extending their 'Good' qualification for a year based on current data available to Ofsted.

We aim to stay in 'Good' or progress to 'Outstanding' territory and will to that effect continue to look at our structures and working practises in order to facilitate this. Your support for the schools' work is vital to achieve this aim; through support for our educational goals for our children, engagement with whole school issues and through support for fund raising activities. Schools and parents are in a partnership and we will continue to engage with all of you to deliver the best possible.