

Equalities screening tool for schools budget Cabinet paper (Dec 2019)

To determine whether a full equalities impact assessment (EIA) needs to be completed for a range of other miscellaneous funding changes (for which an initial data analysis suggests that there are unlikely to be equalities issues or at least issues which can be identified from the data held). The main purpose of these changes is to manage the transition to the national funding formula, rather than to support locally driven changes.

Protected characteristic (users)	Potential positive impacts	Potential negative impacts
Age	All are Year 11 (mainstream schools)	All are Year 11 (mainstream schools)
Disability	Possible (nearest data held is on SEND)	Possible (nearest data held is on SEND)
Gender reassignment	Unlikely (schools)	Unlikely (schools)
Pregnancy and maternity	Unlikely (Under 16)	Unlikely (Under 16)
Race	Possible (use ethnicity) see below	Possible (use ethnicity) see below
Religion and belief	No data (schools)	No data (schools)
Sex	Unlikely (schools)	Unlikely (schools)

Sexual orientation	Unlikely and no data (schools)	Unlikely and no data (schools)
Marriage and civil partnerships	Unlikely (schools)	Unlikely (schools)
Carers		
Protected by association	No data (schools)	No data (schools)
Economic deprivation	Data analysed (see below)	Data analysed (see below)

General context of the changes

Schools funding is (and must be) delegated to individual schools, who then make decisions on how to spend it (including determining their own staffing establishment and selecting individual staff). For most of the proposed changes in the formula, all that the local authority (LA) can consider is the distribution of the funding between schools and whether the proposed change means that schools which might be expected to have high incidence of priority groups are relatively disadvantaged.

Therefore, the issues considered here are whether the distribution of funding is likely to disadvantage schools where we might expect higher incidence of priority groups.

The changes are not targeted on such groups and so the issue is whether the changes might unintentionally disadvantage some groups.

In determining how funding is distributed to schools, LAs are expected to move towards convergence with the government's National Funding Formula (NFF).

Pupils

The nearest data we have on priority groups for school pupils are ethnicity for race and SEND incidence for disability, plus data on economic deprivation (for which we have looked at free school meals incidence). We have considered the impact of the proposed funding changes on schools with above average, top quartile and top decile incidence of our selected indicators of ethnicity and SEND.

Staff

Decisions which may impact on staff would be made by individual schools. We do not have comprehensive data on staff characteristics (not least because a large minority of mainstream schools are now academies, and their staff are outside Surrey's systems). Most of the proposals considered here involve the distribution of funding between schools, rather than changing the total amount distributed. As such they are likely to increase opportunities in some schools and reduce them in others. This applies to all of the proposals described below

**Proposed funding changes considered here
(References are to the annexes in the Cabinet report)
The level of the minimum funding guarantee (MFG) (Annex 3 part a)**

We are proposing to set the level of the MFG at 1.84% which is the highest level at which we are permitted to set it. This maximises the protection given to schools which do not benefit from the NFF. The proportion of primary and secondary schools estimated to be on the minimum funding guarantee (and thus benefiting from the 1.84% rate) is as follows

	Primary	Secondary
All schools	16.11%	10.71%
Above average non-British	22.15%	10.71%
Above upper quartile non-British	21.33%	21.43%
Top 10% non-British	18.42%	42.86%
Above average non white	22.15%	10.71%
Above upper quartile non white	26.67%	21.43%
Top10% for non-white	28.95%	42.86%
Above average for EHCPs	19.46%	14.29%
Above upper quartile for EHCPs	28.00%	14.29%
Top 10% for EHCPs	34.21%	28.57%
Above average for %SEN	26.85%	17.86%
Above upper quartile for %SEN	41.33%	14.29%
Top 10% for %SEN	63.16%	28.57%
Above average FSM deprive	28.86%	17.86%
Above upper quartile FSM deprive	52.00%	35.71%
Top 10% deprivation	65.79%	28.57%

So, in so far as one can generalise, a higher proportion of schools with high incidence of proxy indicators of priority groups are on minimum funding guarantee. Therefore, our recommended option of setting MFG at the highest permitted level is beneficial to schools with a high incidence of priority groups.

Moving further towards the national funding formula (NFF) and the level of the ceiling (Annex 3 parts c and h)

Moving towards the NFF is a government objective and hence the long-term equalities impacts Moving towards the NFF is a government objective and hence the long-term equalities impacts are beyond the influence of the council (although we can choose to speed up or slow down a little). This is the balancing factor and is thus taken into account in the EIA on the high needs block transfer, as the extent of movement towards the NFF is affected by the transfer of funding into the high needs block. Accordingly, no separate analysis has been done on this option

Increasing the level of the lump sum (Annex 3 part b)

Increasing the level of the lump sum is intended to provide some small additional protection to small schools, although the impact is small. The NFF only provides assistance for very small schools in remote areas. Surrey has a number of one form entry infant schools in discrete village communities, and increasing the lump sum is a way of supporting small rural communities (some of which may have limited facilities).

By supporting rural schools in this way, we are helping to maintain local services and supporting those in the community who may have limited access to transport to alternative locations. The corresponding reductions are made in per pupil funding not in targeted additional needs funding factors. In general, schools with higher incidence of ethnic minorities and SEND lose out indirectly under this change, because they are often relatively large schools) but no “losing” school loses more than 0.1% of budget (relative to the change not being made). All schools will see an overall increase per pupil compared to what they receive now) - and we see this small impact as justifiable in the context of the need to ensure stability of the smallest schools.

The table below shows the proportion of schools gaining and losing from this proposal.

Small schools and lump sum	Gain	Lose	Gain	Lose
All schools	28.19%	52.68%	32.14%	35.71%
Above average non-British	17.45%	64.43%	32.14%	35.71%
Above upper quartile non-British	18.67%	64.00%	14.29%	35.71%
Top 10% non-British	15.79%	68.42%	14.29%	57.14%
Above average non white	20.13%	62.42%	28.57%	35.71%
Above upper quartile non white	18.67%	64.00%	21.43%	42.86%
Top10% for non-white	15.79%	65.79%	14.29%	57.14%
Above average for EHCPs	19.46%	63.76%	46.43%	28.57%
Above upper quartile for EHCPs	14.67%	72.00%	50.00%	28.57%
Top10% for EHCPs	18.42%	71.05%	57.14%	28.57%

Above average for %SEN	24.16%	65.10%	46.43%	35.71%
Above upper quartile for %SEN	18.67%	80.00%	64.29%	42.86%
Top10% for %SEN	13.16%	86.84%	57.14%	28.57%
Above average for deprivation	27.52%	69.13%	53.57%	46.43%
Above upper quartile for deprivation	22.67%	77.33%	57.14%	42.86%
Top 10% for deprivation	13.16%	86.84%	71.43%	28.57%

Therefore, the recommendation is still to increase lump sums by 4%.

Pupil mobility funding (Annex 3 part e)

This is a DfE driven change. Pupil mobility is part of the DfE's national funding formula and although we are not obliged to use it, we cannot fund mobility by any other method. As such by making this change, we are converging on the DfE national funding formula which is something we are expected to do.

Total funding for mobility is around £200k

Table below shows the proportion of schools in receipt of mobility funding using the current method.

	Gain primary	Gain secondary
All schools	12.88%	1.82%
Above average non-British	19.20%	0.00%
Above upper quartile non-British	25.00%	0.00%
Top 10% non-British	35.71%	0.00%
Above average non white	18.25%	0.00%
Above upper quartile non-white	22.95%	0.00%
Top10% for non-white	40.74%	0.00%
Above average for EHCPs	17.32%	3.70%
Above upper quartile for EHCPs	15.38%	7.69%
Top 10% for EHCPs	15.15%	16.67%
Above average for %SEN	19.20%	3.70%
Above upper quartile for %SEN	33.93%	0.00%
Top10% for %SEN	31.03%	0.00%
Above average for deprivation	23.14%	3.70%
Above upper quartile for deprivation	41.51%	0.00%
Top 10% for deprivation	72.73%	0.00%

The table shows that in 2019/20 mobility funding was more common in schools with above average incidence of ethnic minorities, SEND, EHCPS and economic deprivation and thus maintaining this funding factor ought to be beneficial to schools with high incidence of priority groups. As only one secondary school received mobility funding, no further analysis was done on that sector.

Partial removal of delegated former combined services funding (Annex 3 part f)

Removal of a specific funding strand which has been withdrawn by DfE and which was previously delegated to schools to support confederations/partnerships and additional school improvement activity. As such, we see this as passing on the impact of a DfE policy. This funding stream was not part of the national funding formula and there was never any expectation that it should be delegated to schools. However, many schools will be protected against losses by including it in the calculation of the MFG and ceiling.

Changes to post 16 funding (Annex 3 part g)

This is simply a change in the age of the data used, and not in the categories of pupils qualifying for funding under this factor. As such we see this as a technical change with no equalities Implications

Funding for looked after children (Annex 3 part i)

No change in local policy is proposed here. We were simply asking schools and members to reaffirm their support for this funding factor as it is not part of the NFF. A local priority group but not legally defined equality priority group as such.

Growth funding (annex 4 part 2)

The proposal is to maintain equity of funding rates between schools adding bulge classes/ increasing PAN (where the LA has some discretion over the level of funding for additional classes adding new year groups (where the LA has none) and also maintain equity between funding rates classes.

As any school can in principle experience growth, the proposal has no direct equality impact. However, an equality impact needs to be considered if funding has to be transferred from main formula to support growth funding. This suggests that if a funding transfer is required then that reduction should not be from targeted funding (e.g. additional needs) but should be from basic funding.

So, equalities conclusion-implement with care. Basic provision for children in growth classes will be at risk if we do not implement.

Conclusions

After initial data analysis we conclude that none of the proposals above require a full equalities impact assessment. Those proposals which do have been reviewed and assessed separately.

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