Report to Schools Forum 21st January 2016
From Mark Patton (Assistant Director – Education)

Item x: Mid-Term Transfers

1. Introduction

1.1 This report provides further information on financial implications in respect of the reimbursement of funding relating to mid-term transfers.

1.2 At the Forum meeting on 21st October 2015, it was agreed to carry out further work to analyse the impact for the academic year 2014/15 for both Primary and Secondary schools, if an informal agreement to transfer funding between schools for mid-term transfers had been in place.

1.3 An In Year Transfer (also referred to as a mid-term transfer) is when a parent/guardian requests that their child transfers from one school to another school. A transfer request could be for numerous reasons for example:

- Moving to the area from within the UK or from overseas
- Moving house within the Hartlepool area
- Unsettled/unhappy at school/change in circumstances

2. Analysis of Mid-Term Transfers

2.1 The table overleaf summarises the transfers for both sectors by the classification of the move. This data was recorded by the Admissions Team and the funding has been calculated pro rata using the matrix detailed in the last Forum report.

2.2 Internal transfers of Hartlepool pupils (HBC) total 260, this represents 52% of the total transfers in year. Of this, 211 pupils transferred in the Primary sector and 49 moved in the Secondary sector.

2.3 If a protocol was adopted only funding relating to internal (HBC) pupils would transfer between Hartlepool schools. Using the 2014/15 data, £0.781m would be redistributed between Primary schools and £0.227m between Secondary schools.

2.4 Other moves total 233, equating to 48% of the total transfers. This includes the pupils relocating from other local authorities and overseas pupils. There is no financial reimbursement for these pupils until they are recorded on the following October census for AWPU and January when the Pupil Premium census is recorded.

Type	Sector	AWPU	Pupil Premium	Total	Number of Pupils
HBC	Primary	546,701	235,180	781,881	211
	Secondary	191,795	35,140	226,935	49
HBC Total		**738,495**	**270,320**	**1,008,816**	**260**
Home Educated	Primary	4,303	2,090	6,393	2
	Secondary	10,636	1,480	12,117	2
Home Educated Total		**14,939**	**3,570**	**18,510**	**4**
Out of Area	Primary	392,021	131,010	523,031	137
	Secondary	185,276	33,660	218,936	45
Out of Area Total		**577,297**	**164,670**	**741,967**	**182**
Overseas	Primary	86,059	31,240	117,299	33
	Secondary	70,336	14,103	84,439	18
Overseas Total		**156,395**	**45,343**	**201,738**	**51**
Grand Total		**1,487,126**	**483,904**	**1,971,030**	**497**

Note: The analysis above assumes that all pupils recorded as internal were recorded on the relevant school census in the previous October.

3. Primary Sector

3.1 Previously, issues have been discussed in respect of schools who have a high level of mobility. Any policy agreed should not disadvantage these schools to ensure that volatility in school funding is minimised.

3.2 The table below shows the number of schools affected if HBC transactions are actioned:-

Primary Sector	Gain	Loss
No of Schools affected	17	12
Largest gain	£35,329	
Lowest gain	£1,061	
Largest Loss		(£49,849)
Lowest loss		(£2,355)

3.3 There were 211 (2.7% of primary pupils) transfers within HBC during the 2014/15 academic year. Funding transferred would have been £781,782 (AWPU £546,701, Pupil Premium £235,180).

3.4 During the academic year 2014/15 Ward Jackson school had 12 pupils transfer in from other local authorities. 12 further pupils were transferred out to schools within Hartlepool.

3.5 In this example, funding of £49,849 (AWPU £35,329, Pupil Premium £14,520) would transfer from Ward Jackson School to other Hartlepool schools and for the pupils transferring from out of authority there is no reimbursement. This would equate to £51,040 (AWPU £42,350, pupil premium of £8,690).

3.6 Under current practices the changes in pupil transfers would be budget neutral for Ward Jackson school. If a protocol was agreed the school would be financially worse off by £49,849.

4. Secondary Sector

4.1 The table below summaries the moves between secondary schools

Secondary Sector	Gain	Loss
No of Schools affected	2	3
Largest gain	34,245	
Lowest gain	28,864	
Largest Loss		(33,638)
Lowest loss		(12,631)

4.2 There were 49 transfers (less than 1% of secondary pupils) within HBC during the 2014/15 academic year. Funding transferred would have been £226,935 (AWPU £191,795, Pupil Premium £35,140).

5. Conclusions

5.1 There is no statutory requirement or guidance issued by the DfE which allows school budget re-determination for mid-term transfers. Any agreement by Schools Forum to introduce a protocol would be a local arrangement.

5.2 Given the level of out of authority pupils (233 2% of pupils) where no reimbursement would apply, a protocol to move funding between HBC schools for Mid-Term transfers, could lead to greater financial volatility for schools tying to manage their budget. In the example at paragrah 3.5, Ward Jackson school would be worse off by £50k.

5.3 The DfE consultation in relation to the spending review for the 2017/18 funding formula is due imminently and there is no indication at this stage what the impact for schools will be on their budgets.

6. For consideration

6.1 Forum need to consider whether to adopt a financial reimbursement arrangement for Mid-term Transfers. There are 2 options available.

Option 1 Do nothing on the basis that any change in funding may be too volatile for schools to effectively manage their budgets and there is also uncertainty relating to the 2017/18 schools formula consultation.

Option 2 To agree a protocol for the following: -

- Primary or,
- Secondary or,
- Both Sectors

7. Recommendation

7.1 Having considered the impact on individual schools and uncertainty in respect of the schools formula for 2017/18 and beyond, the Local Authority recommends Forum agree to Option 1.