

## **The new grant targeting pockets of deprivation in areas of otherwise low deprivation**

This grant meets a need that ASCL has identified for sometime now and was a serious flaw in the old SFSS formula. It does not correct the flaw in SFSS, it simply applies sticking plaster, but it does give us some good pointers for the formula review. It also produces another anomaly!

The new grant has two parts to its distribution.

- The overall social deprivation in an authority is measured using the new deprivation formula devised by the DCSF. In this new measure each LSOA (Local (?) Super Output Area – I think – anyway a small area defined by a postcode) is assigned a value depending on how many families within the area are socially deprived. The measure uses Tax Credit data and basically gives a weighting of 3 for families on with no income and those claiming the maximum in family tax credits. In other words, it weights as the same those families on no income and those on very low wages. Then families in the next level up are weighted 2 and above that the weighting is zero. Combining the scores for all the families within the LSOA gives an overall weighting for the area. To make the final score easy to understand, the most deprived local authority (Tower Hamlets in London) is given 100% and everyone else has a percentage below that; the lower the percentage, the less deprived the authority. To simplify even further, we can assign a rank order to authorities, where Tower Hamlets is 1 and Wokingham (a very affluent local authority) is 149. Why they have reversed the scales so that a high percentage score is high deprivation and a low ranking score is high deprivation is a question only the DCSF can answer – but that is what they do!
- There will be some correlation between the rank order on the new measure and the rank order on the old AEN indicator but it will not be absolute. The old measure gave a much higher weighting to families on benefits but no weighting to low-income families; it was therefore not as good at picking up low income families, particularly rural poverty. The old indicator, which was an additional educational need indicator and not simply a social deprivation indicator, also included English as an Additional Language (Primary schools) and ethnicity (secondary schools). Thus the old indicator was a measure of Additional Educational Need but with a crude measure of social deprivation and the new measure only tackles the social deprivation contribution (but much more accurately) but not EAL/ethnicity.
- There is another important way in which the new measure is different and improved. It measures the pupils in local authority schools not simply those that live in the authority. So each pupil on the PLASC data (the annual school census) is given a score according to their postcode and the scores for all the pupils in the authority are added together (which is why the measure could be used by local authorities in their own formulae). A pupil living in Birmingham but attending a school in Herefordshire takes their postcode score with them! If there is considerable movement in or out of an authority it will have an effect of the total score for that authority.
- Now we come to the distribution of the grant. The DCSF identified the local authorities that were, on the new measure, the least deprived with an overall

score of 55% or less (compared with Tower Hamlets at 100%). They then looked at all the pupils in those authorities whose postcode measure was over 80% (that is, they come from the 20% most deprived LSOAs in the country) and assigned a grant of £500 per pupil. It did not matter if the pupil lived in the authority or not, the pupil takes their postcode score with them.

- If we look at the list of authorities that qualified for the grant because their deprivation rating was 55% or less, then there are 5 authorities that qualify but do not get any grant; they are Wokingham, Rutland, West Berkshire, Bracknell and Windsor and Maidenhead. They do not get any grant because there are no pupils in their schools from LSOAs with a score of more than 80% (or, at least, very few pupils, there was a de minimus number of 10 pupils in the grant allocation). The other authorities in the list all receive varying amounts of grant. All this data is available on the DCSF website.

### ***How do the f40 authorities fair in the rankings?***

Below is a table showing all the f40 authorities and their ranking on the old and new measures. Remember that the two measures are not measuring exactly the same – the old measure includes ethnicity/EAL and applies to pupils living in the authority. The new measure is a more subtle measure of social deprivation only and applies to pupils in the schools in an authority.

Local authority	Share of additional funds for deprivation as a % of the LA personalised learning money	Ranking on the old AEN measure	Ranking on the new social deprivation measure	Change in ranking
Nottinghamshire		98	89	9
Hereford		105	95	10
Derbyshire	14.4	107	98	9
Staffordshire	17.2	118	105	13
Suffolk	11.8	119	106	13
Stockport	28.2	103	109	-6
Kent	16	107	111	-4
Worcestershire	17	121	112	9
East Riding	20.2	127	113	14
York	24.2	114	115	-1
Dorset	4.7	136	117	19
Gloucestershire	10	128	119	9
North Yorkshire	15.1	139	120	19
North Somerset	19.1	136	121	15
Warrington	23.2	115	123	-8
Cheshire	22	126	124	2
Warwickshire	7.8	127	125	2
Solihull	29.4	117	128	-11
Leicestershire	11.9	137	129	8
Bedfordshire	15.7	119	132	-13
Cambridgeshire	3.6	139	136	3
South Gloucestershire	1.5	142	137	5
Bury				
North Tyneside				
Wakefield				
Wigan				

You can sort out quite a few patterns from this information!

- Bury, North Tyneside, Wakefield and Wigan do not get any grant because their overall deprivation on the new measure is above 55% (they are all between 61-65%)
- On the new deprivation measure Solihull is 128 (that is the 21<sup>st</sup> least deprived authority in the country). It receives a considerably larger grant than, say, Warwickshire (ranked 125 or the 24<sup>th</sup> least deprived authority). The grant figures in this table are shown as a percentage of the personalised grant for the authority so that differences in size of authority are allowed for). I do not know but I would guess that this is because Solihull takes in a large number of pupils from more deprived areas outside of Solihull. These pupils contribute to the Pockets of Distribution grant – based on pupils attending the schools – but not to the personalised learning grant which is based on pupils living in the authority.
- Changing in rank order as we change to the new measure is interesting – but if the authority has a substantial number of pupils with EAL or from low attaining ethnic minorities, then this measure underestimates the authorities overall additional educational needs. Thus the authorities in the list above where the change in rank is negative may well have significant EAL/ethnicity

and this is not measured in the new indicator. It is more useful to look at authorities where EAL/ethnicity is not a significant element.

- A positive change in rank order as we go from old to new (the final column) indicates that the new measure is suggesting that the authority has more social deprivation than previously measured – the ranking has gone down and the lower the ranking the more deprived the authority – Tower Hamlets is 1.
- The ones that concern me are Nottinghamshire and Herefordshire. On the old ranking they were both in the top 1/3 of less deprived authorities – and therefore received a relatively small amount of AEN. On the new measure they are now more deprived and therefore do not come into the 1/3 of less deprived authorities – the ones that are eligible for the new grant. Compare Herefordshire with Trafford. Trafford is not an f40 member and I have only used it as a comparison because it is closest to Hereford in the new ranking. Trafford was deemed a great deal more deprived than Herefordshire on the old measure and therefore receives more AEN in its SFSS. Now because it is deemed to be less deprived it just scrapes into the least deprived category and gets the largest grant. Herefordshire was in the 1/3 of low deprivation authorities on the old measure and therefore received relatively little AEN in its SFSS formula. Herefordshire is now more deprived on the new measure, so much so that it is not longer in the 1/3 least deprived authorities, so it is not eligible for the new grant! I am sure Trafford needs and deserves the money – but if I was in Herefordshire I would be a bit miffed!