

Schools Forum 18 March 2014

Report of the Interim Director of Children's Services

Consultation on School Funding Arrangements for 2015/16

Purpose of Report

1. To inform Schools Forum of the ongoing review of the funding arrangements for Dudley mainstream schools and proposed changes for 2015/16.

Budget Working Group Discussed

2. Yes – 14 March 2014.

Schools Forum Role and Responsibilities

3. A local authority must consult their Schools Forum and schools maintained by them about any proposed changes to the formula in relation to the factors and criteria taken into account and the methods, principles and rules adopted.
4. The Schools Forum Regulations 2012 at Regulation 11 prescribe that Schools Forum must inform the governing bodies of schools maintained by the authority of any consultation carried out by the authority, as soon as it reasonably can.
5. The Schools Forums (England) Regulations 2012 at Regulation 8(10) prescribe that Non-schools members, other than those who represent early years providers, must not vote on matters relating to the formulae to be used by the local authority to determine the amounts to be allocated to schools and early years providers in accordance with regulations made under sections 47 and 47a of the Act.

Action for Schools Forum

6. To note the proposed timetable of changes to the school funding arrangements for mainstream schools effective from April 2015.

Attachments to Report

7. None

Sue Coates
Senior Principal Accountant
3 March 2014

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Purpose of Report

1. To inform Schools Forum of the ongoing review of the funding arrangements for Dudley mainstream schools and proposed changes for 2015/16.

Background

2. Following full consultation with schools, Schools Forum on 24 October 2013 recommended to the Director of Children's Services the following proposed changes to school funding arrangements for mainstream schools effective from 1 April 2014.
 - To fund the Lump Sum for Primary schools at £130k and Secondary schools at £100k with re-allocation of funding released to pupils in KS3 and KS4 through the basic per pupil funding.
 - To implement the proposed change to methodology for identifying where additional funding is required by schools that receive insufficient funding to cover the first £6,000 of cost for High Needs pupils.
 - To fund 50% of the total cost of Minimum Funding Guarantee (MFG) from a claw back of gains for 2014/15.
 - Both the quantum and funding methodology for deprivation would be reviewed during 2014/15.
3. It was agreed that the funding of MFG from a clawback of gains would be reviewed for 2015/16 alongside a review of both the quantum and methodology for allocation of funding for deprivation.
4. The Headteachers Consultative Forum- Budget Working Group (HTCF-BWG) agreed a programme of work at their meeting on 14 February 2014 and will discuss the detailed financial modelling and benchmarking information at their meeting on 14 March 2014.
5. The financial models for funding the MFG from a clawback of gains that are being considered are as follows:
 - Option 1 – No change from 2014/15.
50% of MFG funded from a clawback of gains and 50% funded by all schools.
 - Option 2 – 25% of MFG funded from a clawback of gains and 75% funded by all schools.
 - Option 3 – No clawback of gains with MFG funded by all schools.

6. The recommendations from HTCF-BWG arising from this review will be presented to Schools Forum at their meeting on 3 June 2014 and any proposed changes to the Schools Funding arrangements for 2014/15 will be subject to consultation with all schools.
7. Details of the proposed timescales for this process are given in Table 1 below.

Table 1

Date	Action
14 March 2014	Detailed review and appraisal of funding models. Recommendations for consultation proposals from HTCF-BWG.
18 March 2014	Verbal update to Schools Forum.
12 May to 27 June 2014	Proposed Consultation period (6 weeks)
2 July 2014	Report outcomes of consultation to HTCF-BWG for recommendation to Schools Forum in September.
September 2014 Schools Forum meeting (date tbc)	Consider outcomes of consultation and recommendation from HTCF-BWG.
31 October 2014	Authority Pro-forma (APT) tool and Education Funding ProForma submitted to Education Funding Agency
28 February 2015	School Funding budgets issued to mainstream schools.
1 April 2015	Changes implemented.

Finance

8. The funding of schools is prescribed by the Department for Education (DfE) through the School and Early Years Finance (England) Regulations 2013.
9. Schools Forums are regulated by the regulated by the Schools Forums (England) Regulations 2012.
10. From 1st April 2006, the Schools Budget has been funded by a direct grant; Dedicated School Grant (DSG).

Law

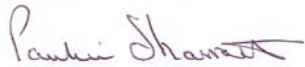
11. Councils' LMS Schemes are made under Section 48 of the School Standards and Framework Act 1998. The Education Acts 1996 and 2002 also have provisions relating to school funding.

Equality Impact

12. The Council's Equal Opportunities Policy is taken into account when considering the allocation of resources.

Recommendation

13. Schools Forum members to note the ongoing review of the funding arrangements for Dudley mainstream schools and proposed changes for 2015/16.



Pauline Sharratt
Interim Director of Children's Services

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