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**Schools Forum 6 October 2009**

**Report of the Director of Children's Services**

**Proposed Changes to Dudley's Resource Allocation Formula for Schools**

**Purpose of Report**

1. To advise Schools Forum of the draft consultation document shortly to be issued in respect of proposed changes to the mainstream schools resource allocation formula for 2010/11.

**Discussed at HTCF – BWG**

2. Yes - 29 September 2009

**Schools Forum Role and Responsibilities**

3. The Schools Forum Regulations state that the local authority shall consult the Forum on any proposed changes in relation to the factors and criteria or methods, principles and rules that have been adopted in their formula for allocating funds to schools.
4. Consultation must take place in sufficient time to allow the views expressed to be taken into account in the determination of the local authority's formula and in the initial determination of schools' budget shares before the beginning of the financial year.

**Actions for Schools Forum**

5. To note the impending publication of the consultation document "School Budgets 2010/11 – Proposed Changes to the Resource Allocation Formula for Schools."

**Attachments to Report**

6. Appendix A – draft consultation document.
7. Appendix B – financial details for premises funding
8. Appendix C – financial details for funding for Special Educational Needs (SEN) without statements

Sue Coates  
Senior Principal Accountant - Children's Services  
22 September 2009

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**Purpose of Report**

1. To advise Schools Forum of the draft consultation document shortly to be issued in respect of proposed changes to the mainstream schools resource allocation formula for 2010/11.

**Background**

2. During the last 18 months a number of formula factors have been discussed and reviewed by Head Teachers Consultative Forum – Budget Working Group (HTCF-BWG) to assess their effectiveness at targeting funding resources.
3. As a result there are two formula factors which are proposed for amendment from April 2010. These are listed below :
  - Premises Funding (Condition and Backlog) - It is proposed to remove this funding (£0.370m) which is currently based on historic data, and to re-direct it to schools through the premises funding formula factor via the Unit of Resource which is applied to the floor area of each school.
  - Funding for SEN without statements - Due to the abolition of Statutory Assessment Tests (SATs) at Key Stage 3 (KS3) from 2009, an alternative methodology based solely on either SATs results at KS2, or Teacher Assessment at KS2 is proposed to allocate funding to secondary schools for SEN without statements.
4. It is a requirement that all Head Teachers and Governing Bodies are consulted in the preceding financial year on any proposed variations to the Local Management of Schools (LMS) funding formula. A copy of the draft consultation document is attached at Appendix A, financial details of the proposed changes are attached at Appendices B and C.
5. The consultation period will be from October 2009 to January 2010. A final report will be presented to the Schools Forum meeting on 23 February 2010 advising members of the outcomes and the resulting recommendations of the Director of Children's Services.

## **Finance**

6. The funding of schools is prescribed by the DCSF through the School Finance (Amendment) (England) Regulations 2008.
7. Schools Forums are regulated by the School Forums Regulations 2002 as already amended by the Schools Forums (Amendment) Regulations 2004 the Schools Forums (Amendment) 2005 Regulations and the Schools Forums (England) (Amendment) Regulations 2008.
8. From 1<sup>st</sup> April 2006, the Schools Budget will be funded by a direct DCSF grant: Dedicated School Grant (DSG).

## **Law**

9. 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**

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

## **Recommendation**

11. Schools Forum :
  - Note the consultation document in respect of proposed changes to the mainstream schools resource allocation formula, which will be issued shortly.
  - Note that any responses can be made through the formal consultation process outlined in the document.



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**Director of Children's Services**

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