

Schools Forum 13 November 2012

Report of the Director of Children's Services

School Funding Reforms - Update

Purpose of Report

1. To update Schools Forum members of Dudley's progress in respect of the DfEs national school funding reforms for implementation in April 2013.

Discussed at HTCF – BWG

2. Yes – 7 November 2012.

Schools Forum Role and Responsibilities

3. From 1st April 2006, the Schools Budget has been funded by a direct DfE grant: Dedicated School Grant (DSG).
4. The Forum is the 'guardian' of the local Schools Budget, and its distribution among schools and other bodies, and therefore must be closely involved throughout the development process.
5. A local authority must consult their Schools Forum and schools maintained by them about any proposed changes to the formulae in relation to the factors and criteria taken into account and the methods, principles and rules adopted.
6. The 2013 School and Early Years Finance (England) Regulations which are in draft form will also include responsibilities for financial Issues relating to Forum:
 - Giving a view as to:
 - Arrangements for pupils with special educational needs;
 - Arrangements for use of pupil referral units and the education of children otherwise than at school;
 - Arrangements for early years provision;
 - Administration arrangements for the allocation of central govt grants.
 - Deciding central spend as proposed by the LA on:
 - Funding for significant pre-16 pupil growth;
 - Equal pay back-pay;
 - Places in independent schools for non-SEN pupils;
 - Early years expenditure;
 - Admissions;
 - Servicing of schools forum;
 - Carbon reduction commitment;
 - Capital expenditure funded from revenue;
 - Contribution to combined budgets;

- Schools budget centrally funded termination of employment costs;
- Schools budget funded prudential borrowing costs.

Actions for Schools Forum

7. To note the progress in respect of the national funding reforms.

8.

Attachments to Report

9. Annex 1 – The Education Funding Agency proforma to be returned by 31 October (completed version to be tabled at the meeting).

Karen Cocker
Children's Services Finance Manager

28 October 2012

Schools Forum 13 November 2012

Report of the Director of Children's Services

School Funding Reforms - Update

Purpose of Report

1. To update Schools Forum members of Dudley's progress in respect of the DfEs national school funding reforms for implementation in April 2013.

Background

2. Since the DfE issued their final proposals in June 2012 in respect of the schools' funding reforms, Dudley has formulated a number of changes to schools funding for 2013/14. These have been discussed at Schools Forum over recent months and include:
 - a. Schools Forum Constitution revision and membership appointments
Dudley constitution is now in line with the DfEs revised Schools Forum 2012 Regulations: the agenda and minutes can be accessed via Dudley's public website and Dudley's Schools Forum currently has four vacancies from a membership of 29.
 - b. School Formula Funding Review for mainstream Schools agreed
The eight consultation questions were discussed at Schools Forum in October. The Director has agreed that for 2013/14 the lump sum will be set at £130,000.
 - c. Delegations and De-delegations for mainstream maintained schools agreed
The thirteen budget lines for delegations were discussed at the October Schools Forum and agreement reached in respect of the items for de-delegation. Further operational details will be discussed at Budget Working Group before 1 April 2013. All Academies will be contacted and invited to buy back into the de-delegated services before 1 April in order that the level of service provision can be established.
 - d. High Needs Block Planned Places
All Local Authorities were required to submit a return to the Education Funding Agency in August to agree the number of planned places the local authority would be funded for 2013/14.

- e. Special Education Needs (SEN) banded framework for element 3 'top up' in progress
Dudley has established a draft banded framework which identifies a continuum of funding for pre 16 SEN. Further work is required in relation to the equivalence of funding compared with other local authorities and also the post 16 element will need further discussions when the data is made available by the Education Funding Agency.
- f. Special Schools funding framework for 2013/14 in progress
The seven special schools budgets for 2012/13 have been aligned to the new funding framework applicable for 2013/14 in order that potential funding issues can be identified at an early stage.
- g. Alternative Provision review in progress
Dudley's alternative provision ranges from: The Mere for key stage 1 and 2, Sycamore Centre for key stage 3, Abberley St and external providers such as Dudley College for key stage 4 and Cherry Trees for home/hospital education. Given the changes in the funding arrangements for the High Needs Block (HNB) of the Dedicated Schools Grant for 2013/14 then a review of alternative provision in Dudley is required.
- h. Pupil Referral Unit delegations and governance in progress
All PRUs will have delegated budgets from 2013/14 in addition to being funded at £8,000 per place plus top up per pupil.
- i. Special Education Needs (SEN) Units in mainstream schools funding review is underway
Dudley commissions 135 SEN places in mainstream schools. The DfE proposed regulations from 2013 will amend the funding which can be allocated for each pupil via the delegated budget and from 2013/14, the funding must be available from the High Needs Block, therefore a funding review is underway. Given the extent of the change programme for schools in 2013/14, it is proposed that this review is undertaken during 2013/14 for implementation in 2014/15 therefore SEN unit budgets will remain on a centrally commissioned basis for 2013/14.
- j. Learning Difficulties and/or Disabilities (LDD) funding review is underway.
The Education Funding Agency is responsible for funding pupils aged 16-25. The funding data in respect of this element of change is still under discussion and will be integrated into the DSG and other frameworks as soon as it is available.
- k. Review of the statementing process with the introduction of the Education, Health and Care Plans is under review.
The SEN and Disability Green Paper proposes a new approach to special educational needs and disability which will include new single assessment process and Education, Health and Care Plan by 2014. With the option of a personal budget by 2014 for all families with children with a statement of SEN or a new Education, Health and Care Plan.

- i. Dedicated Schools Grant (DSG) baseline reinstatement for 2012/13 in to the three blocks for 2013/14 is complete.
This will allow for financial modelling to be undertaken in respect of the Schools Block, the Early Years Block and the High Needs Block in preparation for 2013/14 changes. This will be an agenda item for Forum shortly.
- m. Education Funding Agency (EFA) proforma at 31 October 2012 completed.
The DfE have requested a copy of each Local Authorities mainstream funding formula methodology for 2013/14 for scrutiny purposes. A copy is attached at Annex 1, the final version will be tabled at the meeting.
- n. October 2012 census data - now preparing for 2013/14 detailed schools budgets
School census pupil data will allow financial modelling to be undertaken to calculate mainstream school budgets based on current pupil numbers with the estimated DSG for 2013/14.
- o. Early Years Single Funding Formula for two year olds
Consultation to be issued at the end of November 2012 for implementation September 2013. A separate agenda item for this meeting.
- p. Dedicated Schools Grant announcement 2013/14
Expected December 2012 – with provisional data for all three block – but where the Early Years Block will be updated after the January 2013 and January 2014 census.

Finance

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

Law

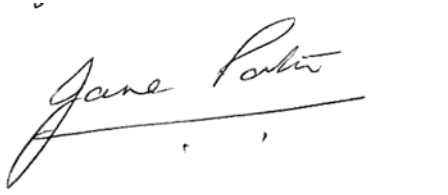
6. Councils' LMS Schemes are made under Section 48 of the School Standards and Framework Act 1998. The Education Acts 1996 and 2002 also have provisions relating to school funding.

Equality Impact

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

Recommendation

8. Schools Forum to note Dudley's progress in respect of the national school funding reforms for implementation in April 2013 and the Education Funding Agency proforma, to be tabled and discussed at the meeting.

A handwritten signature in black ink that reads "Jane Porter". The signature is written in a cursive style and is positioned to the left of a vertical line.

Jane Porter
Director of Children's Services

Contact Officer: Karen Cocker, Children's Services Finance Manager
Karen.cocker@dudley.gov.uk Tel: 01384 815382