

Schools Forum 19 March 2013

Report of the Director of Children's Services

Dudley's Scheme for Financing Schools – Approval Schools Forum

Purpose of Report

1. To seek urgent approval by Schools Forum for the proposed amendments required to the Dudley's Scheme for Financing Schools from April 2013.

Budget Working Group Discussed

2. Yes - 13 March 2013

Schools Forum Role and Responsibilities

3. The School and Early Years Finance (England) Regulations 2012 advise on the approval, by the Schools Forum or the Secretary of State, of proposals to revise a local authority's scheme of financing:
 - a. Where a local authority submit a copy of their proposals to revise their scheme to their Schools Forum for approval, the members of the Schools Forum who represent schools maintained by the authority may:
 - i. approve any such proposals;
 - ii. approve any such proposals subject to modifications; or
 - iii. refuse to approve any such proposals.
 - b. Where the Schools Forum approves the proposals to revise the scheme, it may specify the date upon which the revised scheme is to come into force. Where:
 - i. the Schools Forum refuses to approve proposals, or approves any such proposals subject to modifications which are not acceptable to the local authority; or
 - ii. the local authority are not required to establish a schools forum for their area,the authority may apply to the Secretary of State for approval of such proposals.
 - c. The Secretary of State may:
 - i. approve any such proposals;
 - ii. approve any such proposals subject to modifications; or
 - iii. refuse to approve any such proposals.

- d. When approving proposals to revise the scheme, the Secretary of State may specify the date upon which the revised Scheme is to come into force.
- e. No revised scheme is to come into force unless approved by the Schools Forum or the Secretary of State in accordance with Part 4 of the School and Early Years Finance (England) Regulations 2012.

Action for Schools Forum

4. Schools Forum has the power to approve amendments to the Scheme of Financing without the need for consultation with stakeholders and is asked to approve the urgent amendments required to Dudley's Scheme for Financing Schools from 1 April 2013.

Attachments to Report

5. Appendix A – Summary of Proposed Changes

Rachael Parkes
Senior Accountant
1 March 2013

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Purpose of Report

1. To seek urgent approval by Schools Forum for the proposed amendments required to the Dudley Scheme for Financing Schools from April 2013.

Background

2. Under section 48 of the Schools Standards and Framework Act 1998 all local authorities are required to establish and maintain a scheme for financing school's setting out the relationship between the local authority and the schools' it maintains.
3. No revised scheme for financing schools' is to come into force unless approved by the Schools Forum or the Secretary of State in accordance with Part 4 of the School and Early Years Finance (England) Regulations 2012.
4. The School and Early Years Finance (England) Regulations 2012, schedule 5, lists the issues that all schemes should address. The Department for Education (DfE) provides guidance to local authorities on the more detailed content of their schemes. This guidance is revised from time to time to reflect changes and amendments to legislation and policy directed through the School Finance Regulations.
5. Where the DfE issue revised Schools Finance Regulations, then Dudley's Scheme of Financing is automatically updated, there is no requirement for consultation on these occasions as the amendments are normally formal directions.
6. The Scheme for Financing Schools was last updated in March 2012 for directed revisions effective from 1 April 2012 as notified by the DfE 22 February 2012.

Approval Process

7. Schools Forum has the power to approve amendments to the Scheme of Financing without the need for consultation with stakeholders. Full details can be found in Part 4 of the School and Early Years Finance (England) Regulations 2012.

Proposed Amendments

8. As part of the DfE's national School Funding Reforms from 1 April 2013, Pupil Referral Unit (PRU) budgets are to be delegated. Therefore Dudley's Scheme for Financing Schools needs to be updated to reflect that the Scheme will now also apply to PRUs maintained by the Authority.

9. Due to the short timeframe and the urgency of the inclusion of PRUs in the scheme for 1 April 2013 it is proposed that the standard 13 week consultation period is not implemented in this case and that Schools Forum approve the minimum but urgent amendments as stipulated in Appendix A of this report.
10. A further update of the Scheme for Financing Schools is then proposed for Summer 2013 to incorporate any non urgent changes and this would then be subject to a 13 week consultation period.

Finance

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

Law

14. 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

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

Recommendation

16. Schools Forum to note the essential amendments required in respect of Dudley's Scheme for Financing Schools (as outlined in Appendix A) and to approve the Scheme effective from 1 April 2013.



Jane Porter
Director of Children's Services

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