

Schools Forum Training 29 January 2013

Children's Services Funding & Schools Forum Powers and Responsibilities

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Objective

- **To inform Schools Forum members of the areas of funding where they have responsibilities - either in an advisory or decision making capacity**



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Topics to be covered

- Funding for Schools' and Children's Services
- Schools Forum role and powers
- Impact of Government Policy Changes



Department for Education

- The Department for Education (DfE) is responsible at a national level for the education service
- Includes responsibilities for planning and monitoring the education service in schools in England, ensuring the provision of integrated services for children, and bringing together policy relating to children and young people



Education Funding Agency (EFA)

- Education Funding Agency is the DfE's delivery agency for funding and compliance
- Providing revenue and capital funding for education for learners between the ages of 3 and 19, or the ages of 3 and 25 for those with learning difficulties and disabilities
- Supporting the delivery of building and maintenance programmes for schools, academies, Free Schools and sixth-form colleges
- First port of call for queries from open academies, and carry out a number of compliance and assurance activities on behalf of the Secretary of State, including monitoring funding agreements and admission appeals
- Implementing funding reform for pre- and post-16 education for 2013-14



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The Purpose of a Schools Forum

- S47A of School Standards and Framework Act 1998 (as amended by 2002 Education Act)
 - Outlines the role for advising the LA on such matters relating to the authority's '**Schools Budget**'
- Schools Forums (England) Regulations 2002
 - Required a LEA to establish a schools forum by January 2003
- Functions
 - Consultation on school funding formula
 - Consultation on contracts
 - Consultation on financial issues
- Schools Forum (England) Regulations 2012 came into force from 1st October 2012



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Children's Service Revenue Funding

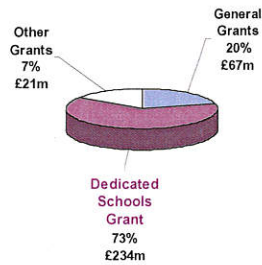


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Children's Service Revenue Budget 2013/14 £322m

DCS Grants

LA Budget



Schools Budget



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LA Budget - £67m

- Funding: Retained Business Rates + Revenue Support Grant + Top Up Funding + New Homes Bonus + Council Tax
- Budget holder is the Director of Children's Services
- Budget includes:
 - Children and Family Services
 - Quality and Partnership
 - Education Services
- Expenditure is prescribed through School Finance Regulations



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Other Grants 2013/14 - £21m

- Education Funding Agency post 16 £3m - EFA
- Pupil Premium £11m – DfE
- Youth Justice Board £0.5m - YJB
- Education Services Grant £6m - DfE
- Music Education Grant £0.5m - DfE



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Schools Budget - £234m

- Funding: Dedicated Schools Grant (DSG)
- Schools Forum is the 'guardian of the local Schools Budget':
 - Individual Schools Budget – e.g. Delegated budgets
 - ~ Mainstream Schools
 - ~ Early Years Providers
 - ~ Special Schools
 - ~ Pupil Referral UnitsBudget holder is Head teacher/Provider Manager
 - Central budget
 - Budget holder is Director of Children's Services

Expenditure is prescribed through School Finance Regulations



Dedicated Schools Grant



Dedicated Schools Grant (DSG) Background

- Broadly reflects assessment of needs in 2005-06 formula
- Delivers ring-fenced funding for education
- No direct relationship between funding and pupil needs



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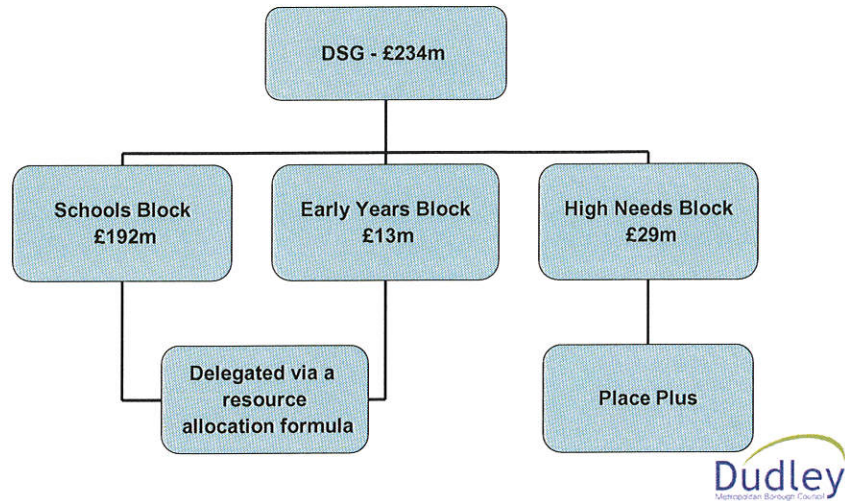
Dedicated Schools Grant- DSG

- DSG divided into three notional blocks from 2013/14
 - ~Schools Block
 - ~Early Years Provision Block
 - ~High Needs Pupils Block
- The blocks will not be ring-fenced but the DSG continues to be ring-fenced
- Schools Forum role – approval of central expenditure



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Dedicated Schools Grant Allocation 2013/14



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DSG Census Data

- 2013/14:
 - Confirmed notional Schools Block based on October 2012 Census;
 - Initial notional Early Years Block based on January 2012 Census, to be updated during 2013/14 for January 2013 and January 2014 numbers; and
 - Confirmed notional High Needs Block based on 2012/13 spend, possibly updated for 2013/14 population projections; by December 2012.

Dudley
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3 DSG Funding Blocks:

**Schools,
Early Years
&
High Needs**



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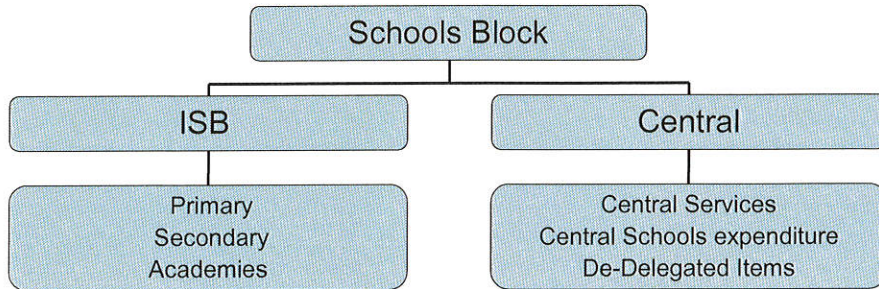
Schools Block Pupils

- Maintained schools and Academies
- National Curriculum Year Groups R-11 aged 4 or above
- Excluding pupils in SEN units or Resourced Provision – High Needs



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Schools Block



- Post 16 Provision in schools funded by EFA
- Academies funded directly via EFA



Mainstream School Funding Proforma

- Statutory requirement for LA to produce for EFA
- LA's detail their funding arrangements within the parameters of a simplified model
- Indicative 31st October 2012
- Final 22nd January 2013
- Scrutinised by EFA
- EFA policy changes 2014/15?

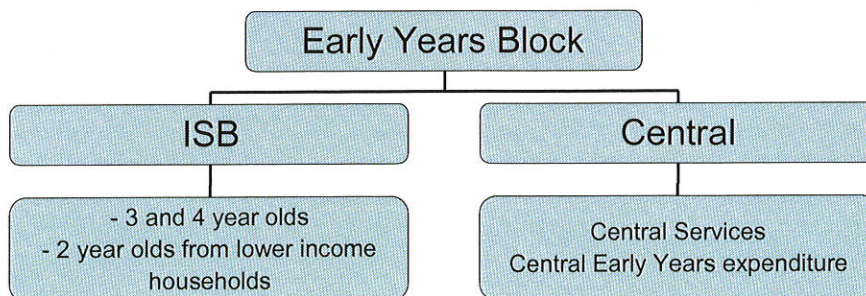


Early Years Block Pupils

- Maintained schools and Academies
 - National Curriculum year groups N1 and N2
 - All relevant pupils in Private, Voluntary and Independent (PVI) providers
 - Under 5s in Alternative Provision
 - Excluding
 - pupils in SEN units or Resourced Provision
 - Two-year-olds with SEN
- funded under the High Needs Block



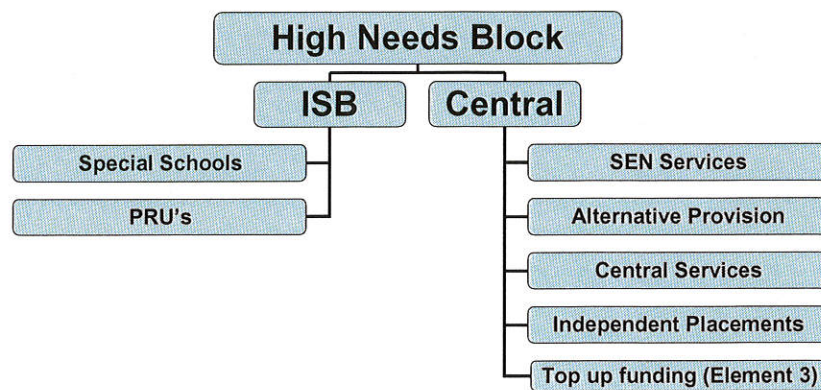
Early Years Block



High Needs Block Pupils /Students

- High needs pupils and students include:
 - pupils aged from birth to 19 with high-levels of SEN in schools, Academies or other settings;
 - those aged 16-25 with high-level Learning Difficulties or Disabilities (LDD) in FE; and,
 - school-age pupils placed in Alternative Provision (AP).
- High needs pupils and students defined as those requiring provision costing more than around £10,000/£8,000 per year

High Needs Block



High Needs Block Funding Approach

- **Element 1** = Core Education Funding
 - ~ Basic entitlement approx £4k
- **Element 2** = Additional Needs Support Funding
 - ~ Notional SEN £6k
- **Element 3** = Top Up Funding
 - ~To meet total cost of the education provision of an individual high needs pupil/student based on assessed needs: >Basic funding plus notional SEN of £6k



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High Needs Block - Place-Plus Approach

- Funding on a mixture of place and a pupil led basis:
place-plus
- Elements 1 & 2
 - Specials Schools funded at £10,000 per place
 - Pupil Referral Unit funded at £8,000 per place
 - SEN Units or Resourced provisions at £10,000 per place
- Element 3 / Top up budget
 - Special Schools
 - PRUs
 - 16-18 SEN or 19 – 24 with Learning Difficulties and Disabilities
 - Mainstream SEN pupils
 - SEN units or Resourced provision
 - Dudley resident pupils in other local authority schools with SEN



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High Needs Block – Arrangements

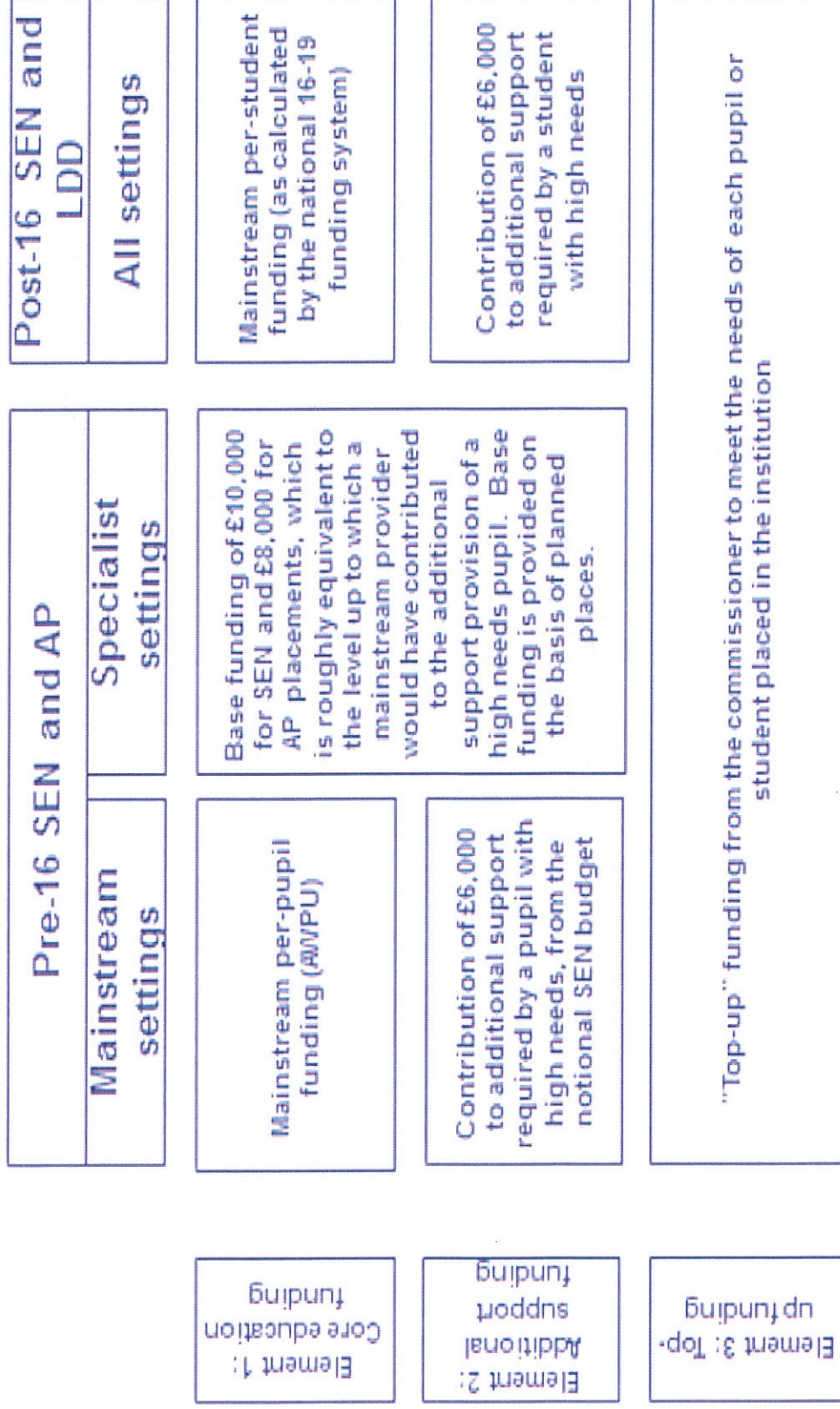
- Commissioner - statutory responsibility for arranging the educational provision for the pupil or student and paying Top Up funding
- Real time budget adjustments



Overview High Needs Funding

	Pre-16 SEN and AP		Post-16 SEN and LDD
	Mainstream settings	Specialist settings	All settings
Element 1: Core education funding	Mainstream per-pupil funding (R/VP/PU)	Base funding of £10,000 for SEN and £8,000 for AP placements, which is roughly equivalent to the level up to which a mainstream provider would have contributed to the additional support provision of a high needs pupil. Base funding is provided on the basis of planned places.	Mainstream per-student funding (as calculated by the national 16-19 funding system)
Element 2: Additional support funding	Contribution of £6,000 to additional support required by a pupil with high needs, from the notional SEN budget		Contribution of £6,000 to additional support required by a student with high needs
Element 3: Top-up funding	"Top-up" funding from the commissioner to meet the needs of each pupil or student placed in the institution		

Overview High Needs Funding



Regulatory Framework



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School Finance Regulations

The funding of schools is prescribed by the DFE, through **The School and Early Years Finance (England) Regulations 2012**. The regulations prescribe how the school budget is to be allocated between Local Authority and Dedicated Schools Grant.



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Scheme for Financing Schools

- Statutory requirement – Section 48 School Standards & Framework Act 1998
- Sets out the financial relationship between the LA and the maintained schools which it funds
- It contains requirements relating to financial management
- Changes to the scheme approved by Schools Forum after public consultation
- To include PRU's from 1st April 2013



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Section 251 Statement

(S251 of The Apprenticeship, Skills, Children & Learning Act 2011)

- Statutory requirement for LA to produce
- Budget statement- LA school planned expenditure
- Outturn statement - LA school actual expenditure
- Format prescribed by DFE – LA level information & Schools level information for high needs
- Used for benchmarking and statistical analysis



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Section 251 Statement

- Section 251 statements can be accessed:
 - Inside Dudley access via:
Children's Services/CS Electronic Library/Children's services accountancy team/ section 251 budgets/section 251 budget statement 2012-13/ March 2012
 - Internet via:
Dudley.gov.uk/about/directorates/children-services/financialdocuments/section-251-2012-13-march-2012



Schools Forums Role



Schools Forums

- Schools Forum Regulations 2012 govern composition, consultation and procedures for Schools Forums
- Schools Forums – Operational and Good Practice Guidance
- Must meet at least four times a year
- Dudley Schools Forum meet to cover financial issues:
 - Regular and recurring items
 - DfE Policy items
 - Strategic issues impacting on DCS



Schools Forums Roles and Powers

- Roles
 - Consultation/Advisory role
 - Decision making role
- Supported by
 - Budget Working Group – technical working sub group provides recommendations to Schools Forum



Consultative/Advisory role

Advice to the Director of Children's Services In relation to:

- Changes to the resource allocation formula
- Contracts
- 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 Government grants
- Minimum Funding Guarantee



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Decision Making Role

- Decisions on:
 - De-delegations for mainstream schools
 - Central spend - significant pre-16 pupil growth/equal pay back pay/places in independent schools for non SEN pupils/early years expenditure/CRC
 - Central spend – admissions/servicing of schools forum/capital exp funded from revenue/combined budgets/termination of employment costs/prudential borrowing (cash limited to 2012/13 values)
 - C/fwd deficit on central expenditure
 - Approval of the Scheme for Financing schools



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Impact of Policy Changes



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Impact of Policy Changes

- National Funding Formula
- Pupil Premium
- SEN green paper
- Alternative Provision
- PRU restructure
- Extension of the participation age
- Academy conversions



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National Funding Formula

- School Funding Reforms implemented from April 2013 first steps towards the introduction of a new NFF
- Expected to be introduced in Governments next spending period 2015/16
- Intended to ensure that similar pupils attract similar levels of funding



Pupil Premium

- National budget
 - 2011 £625m
 - 2012 £1.25bn
 - 2013 £1.875bn
 - 2014 £2.5bn
- Per pupil 2013-14 £900
- Purpose of pupil premium
- Reporting requirements



Pupil Premium

- Additional premium of £500 (maximum) for each Year 7 pupil who has not achieved at least level 4 in reading and/or maths at Key Stage 2
- Available to all state-funded schools with a Year 7 cohort, including PRUs and special schools
- Funding to continue for at least the duration of the current spending review – to 2015
- £50bn available Summer schools programme 2013-14



Questions?



SCHOOLS FORUMS: POWERS AND RESPONSIBILITIES 2013-2014

	Function	Local Authority	Forum	DfE Role
1	Formula Change (including redistributions)	Proposes and decides	Must be consulted. [Voting restricted to schools members plus PVF members]	None
2	Contracts	Propose at least one month prior to invitation to tender, the terms of any proposed contract	Gives a view	None
3	Financial Issues relating 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.	Consult annually	Gives a view and informs the governing bodies of all consultations carried out in lines 1, 2 & 3	None
4	Minimum funding guarantee	Proposes any exclusions from MFG for application to DfE	Gives a view	Approval
5	De-delegation for mainstream schools for: contingencies administration of free school meals insurance licences/subscriptions staff costs - supply cover support for minority ethnic pupils/underachieving groups behaviour support services library and museum services	Will propose	Primary and secondary school member representatives will decide for their phase.	Will adjudicate where Forum does not agree LA proposal
6	Central spend on funding for significant pre-16 pupil growth equal pay back-pay places in independent schools for non-SEN pupils early years expenditure carbon reduction commitment	Proposes	Decides	Adjudicates where Forum does not agree LA proposal
7	Central spend on admissions servicing of schools forum capital expenditure funded from revenue contribution to combined budgets schools budget centrally funded termination of employment costs schools budget funded prudential borrowing costs	Proposes up to the value committed in 2012/13 and where expenditure has already been committed	Decides for each line	Adjudicates where Forum does not agree LA proposal
8	Carry forward a deficit on central expenditure to the next year to be funded from the schools budget	Proposes	Decides	Adjudicates where Forum does not agree LA proposal
9	Scheme of financial management changes	Proposes and consults GB and Head of every School	Approves	Adjudicates where Forum does not agree LA proposal
10	Membership : length of office of members	Decides	None (but good practice would suggest that they gave a view)	None
11	Membership: appointment of Schools and Academies Members	Appoints those elected by members of the relevant sub groups. Facilitates election where required and appoints member if there is a tie or the election does not take place by a date set by the LA	None	None
12	Membership: Non Schools Members	Seeks nominations from the relevant bodies then appoints	None (but good practice would suggest that they gave a view)	None
13	Voting Procedures	None	Determine voting procedures	None
14	Chair of Forum	Facilitates	Elects (may not be an elected member of the council or officer)	None