

Swindon Borough Council

Schools Forum

Tuesday, 12 July 2016

Committee Room 6, Civic Offices at 4.00 p.m.

School Members:

Janet Urban, Vice-Chair - Primary Headteacher
James Povoas - Academy Headteacher
Rhian Cockwell, Primary Headteacher
Andrew Henstridge, Primary Headteacher
Ray Williams, Primary Governor
Jackie Smith, Special Headteacher
Lauren Costella, Academy Headteacher
Wendy Conaghan, Academy Headteacher
Ben Slater, EOTAS
Alison Lowe, Primary Headteacher
Clive Zimmerman, Academy Headteacher
David Bell, Secondary Governor
Charles Law, Special Governor
Sue Banks, Secondary Headteacher
Jane Wheatley, Primary Headteacher
TBC, Secondary Governor

Non-School Members:

Kate Adams, Early Years Representative
Ruth Lee, Diocese of Clifton
Peter Smith, Trade Unions
Andrew Miller, 16-19 Partnership
Graham Taylor, 16-19 Partnership
Ram Thiagarajah, BME
TBC, Diocese - Bristol Diocese

Observer Status

Beverley Pennekett, Education Funding Agency

Committee Officer: Rita Glen-Gallo

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AGENDA

- 1. Apologies for Absence**
- 2. Appointment of Chair**
- 3. Appointment of Vice-Chair**

4. **Minutes of Previous Meeting** (Pages 3 - 8)
To receive the minutes of the meeting held on 15th March 2016.
5. **Public Question Time**
6. **Final Dedicated Schools Grant Outturn 2015-16** (Pages 9 - 18)
7. **2016-17 Dedicated Schools Grant Budget Position** (Pages 19 - 34)
8. **2016-17 Dedicated Schools Grant Budget and Forward Look** (Pages 35 - 60)
9. **Post 16 High Needs Funding Update** (Pages 61 - 68)
10. **Date of next meeting**
The next meeting of the Forum will be on 18th October 2016.

Date of Despatch: 06 July 2016

Public Question Time - Swindon Borough Council is committed to increasing its accountability to the public and to promoting active citizenship. Up to 15 minutes will be allowed at the start of all Council meetings for questions to the Chair from members of the public about the work of the Committee (except for confidential matters and specific planning applications). Questions must be relevant, clear and concise. Because of time constraints Public Question Time is not an opportunity to make speeches or statements. Prior notice of a question to the Director of Law and Democratic Services is desirable - particularly if detailed background information is needed.

Access Arrangements – The Venue is wheelchair accessible and an infrared receiver hearing system is provided. If you would wish to attend the meeting but have any special requirement to enable you to do so please contact the Committee Clerk above, as soon as possible prior to the date of the meeting.

If you would like to receive any of the pages contained in this agenda in a larger print size please contact the Committee Officer whose name appears on the first page of this agenda.

SCHOOLS FORUM

TUESDAY, 15 MARCH 2016

PRESENT: -

School Members: Steve Colledge, Chair - Academy Headteacher
Andrew Henstridge, Primary Headteacher
Ray Williams, Primary Governor
Jackie Smith, Special Headteacher
Wendy Conaghan, Academy Headteacher
Ben Slater, EOTAS
Alison Lowe, Primary Headteacher
David Bell, Secondary Governor
Charles Law, Special Governor
Sue Banks, Secondary Headteacher

Non-School Members: Kate Adams, Early Years Representative
Jo Morris, Early Years Representative
Ram Thiagarajah, BME
Peter Smith, Trade Unions

Officers: Peter Nathan, Head of Education
Ian Burbidge, Head of Finance, Schools
Anne Mackay, Finance Manager, Education

Also Present: Councillor Fionuala Foley (Cabinet Member for Children's Services)

Apologies for absence were received from Janet Urban (Primary Headteacher), Rhian Cockwell, (Primary Headteacher), Lauren Costello (Academy Headteacher), Sandra Muir (Academy Headteacher), Jane Wheatley (Primary Headteacher), Andrew Miller (16-19 Partnership) and Graham Taylor (16-19 Partnership).

25. Minutes of Previous Meeting

Resolved: That the minutes of the meeting held on 12th January 2016 be confirmed and signed as a correct record.

26. Public Question Time

In accordance with Standing Order 28, Mr. Alastair Dixon-Patterson, Lydiard Park Academy had submitted questions relating to (a) the number of schools that have Minimum Funding Guarantee (MFG) following the budget decision made by Swindon Borough Council, (b) the number of schools that will have MFG support in the coming year (2017/2018) assuming that the Age-Weighted Pupil Unit (AWPU)/per pupil factors remain unchanged, and (c) the overall reduction in MFG payments for the coming year (2017/2018) assuming that AWPU/per pupil factors remained unchanged given it was recalculated annually.

The Chair advised that Mr Dixon-Patterson had been provided with a written response to his questions and that these had been circulated to members for information.

27. 15/16 Dedicated Schools Grant Budget Position

Mrs Anne Mackay, Finance Manager, Education, submitted a report advising the Forum on the latest projected 2016/17 Dedicated Schools Grant (DSG) retained budget position and on the projected year end position against the 2016/17 retained budgets based upon available information at the end of January 2016.

Mr Ian Burbidge, Head of Finance, Schools, introduced the report and commented on the changes that had taken place since the last report. In particular, Mr Burbidge highlighted the current projected overspend and explained that this might affect the DSG retained budget held by the Local Authority. He advised that an overspend of £0.722m was projected against the retained DSG Budget for the current financial year and the unallocated balance would be reduced to £0.376m. He confirmed that the DSG figures were subject to change due to top-up funding rates to meet pupil needs. He referred to contingency funding to support unexpected external placements and clarified the position with regard to the 2/3 year old funding arrangements.

Resolved: That the Schools Forum notes:

(1) That the latest projection on the 2015/16 retained budget was an overspend of £0.722m.

(2) That the unallocated Dedicated School Grant balance would be reduced to £0.376m.

28. Projected 2015/16 Year End School Balances

Mrs Anne Mackay, Finance Manager submitted a report advising the Forum regarding the indicative position relating to the level of projected 31st March 2016 school revenue balances as compared to the levels expected when 2015/16 schools budgets were set in June 2015.

Mr Ian Burbidge presented the report and confirmed that by end of financial year, there were 29 schools that had been effective in their financial planning and that only 3 schools indicated a difference in their budgets as opposed to their estimates. The Forum noted that the forecast level for 31st March 2016 was expected to be £3.97m, which was 15% higher than initial estimates of £3.45m.

Mr Steve Colledge, Chair of Schools Forum and Mr Burbidge responded to members' queries regarding:

- Budget variances from the previous year.
- The confirmation that the EOTAS (Education Other Than At School) financial data was not included in the figures presented to members.
- Balances and claw back arrangements for 2016/17.
- The High Needs Funding and Future Funding Model consultations being undertaken by the Department for Education and the need to ensure that all members of Swindon's schools associations responded.
- The confirmation that the 2017/19 Local Formula would be used to

fund Swindon Schools but the amount the LA receives will be determined by the new Government's new National Funding Formula.

Resolved - That it be noted that:

(1) The majority [31 of 41 (76%)] of Swindon maintained schools current estimates of their year end balances were close to the estimates provided when budgets were set as measured by the thresholds agreed by Schools Forum and are commended.

(2) Only 3 of 41 (7%) schools had reported significant variances between their current and initial estimates of their projected year end balances and the narrative explanations for the variances were provided to Schools Forum.

(3) Latest estimated school balances (adjusted to exclude in-year Academy conversions) were forecast to be £3.97m, which was 15% higher than initial estimates of £3.45m.

(4) One maintained school and the Special Resource Provision (SRP) for one mainstream school began the year in a deficit position and both were anticipating being in deficit at 31st March 2015.

(5) Further to (4) above, the maintained school was being supported by the Local Authority as it worked to balance its budget over the current and next two years.

(6) Further to (4) above, Special Resource Provision (SRP) funding was part of an ongoing review by SRP providers, Schools Forum members and the Local Authority.

(7) The Local Authority would present further information on school balances at the July 2016 Schools Forum showing how each school's estimate compared to their final year end positions.

(8) Projected year end balances had also been collected from mainstream schools with a Special Resource Provision (SRP) and from schools providing a commissioned service, Children Centre or community facilities.

(9) Further to (8) above, the rating for the maintained school included the total variances in the projected balances for the additional facilities, as the thresholds agreed by Schools Forum did not include the separation of these facilities.

29. 2016-17 Dedicated Schools Grant Budget

The Forum considered a report by Mr Ian Burbidge, Head of Finance, Schools, providing an update on the 2016/17 Dedicated Schools Grant (DSG) settlement, including (a) changes to the DSG Allocation, (b) an update on Special Resource Provision (SRP) funding, (c) Pupil Growth & Trigger Funding Policy (d) Hearing Impaired Outreach Service (e) Notional Special Education Needs Top-Up Funding, (f) new specialist 16 – 19 and Primary provisions, (g) in-year adjustment to the Notional Special Education Needs (SEN) Top Up funding, (g) Early Years 30 hours pilot and (h) Free School bids.

Mr Burbidge referred to Appendix A of the report which set out communication to headteachers concerning school budgets and reported on the outcome of communication undertaken with the Education Funding Agency. Members noted that following member meetings to discuss School Resource Provision Funding, a sub-committee had been set up to determine a medium to long-term solution within the present funding package. Mr Burbidge advised the meeting of the agreement with the School Resource Provision Group to support the

Robert Le Kyng School Resource Provision Unit on this occasion.

Mr Steve Colledge, Chair of Schools Forum, and Mr Burbidge responded to members' queries regarding the following:

- The difference in pre-opening start up costs between primary, secondary and special schools.
- The reason why set up funding for 19-25 provision was not available for Special Schools.
- That the Swindon Association of Primary Headteachers had discussed the new primary provision at Crowdy's Hill School and they were in support of additional special school places for SEN primary schools students.
- Confirmation that five Free School Bids affecting Swindon were being considered.
- The effect of the Eastern Villages house expansion on school place planning.
- The F40 Group recommendations to Government regarding the proposed funding arrangements.

Mr Burbidge reiterated the importance that all schools, with the support of their governors, respond to the various consultations regarding future funding. Members noted that meetings with SASH, SAPH and ASSSH were being undertaken to form a collected response to the consultation.

Resolved - (1) That the Schools Forum approves that an additional £45k of one off funding package be made available for Robert Le Kyng Special Resource Provision.

(2) That the School Forum notes:

(a) That further to (1) above, officers will propose a long term solution for discussion at the October meeting.

(b) That the continuation of the Hearing Impaired Outreach provided by Red Oaks will cost of £77,483.

(c) The growth and trigger funding policy was not agreed in its current form and therefore will be reviewed and presented to the July Schools Forum meeting for approval.

(d) That officers intend to review the Notional Special Educational Needs Policy and will present options to the July meeting for discussion.

(e) That a report will be presented to the July Schools Forum with draft Post 16 funding allocations for the 2016/17 academic year.

(f) That the Forum gave their view on the intention to open a new 16 – 19 Form provision at Crowdy's Hill Special School.

(g) That the Forum gave their view on the intention to open a new primary provision at Crowdy's Hill Special School.

(h) That Swindon has been selected to pilot the 30 hours of Early Years provision.

(i) That five bids have been submitted to the EFA to provide new free schools in Swindon.

(j) That the Strategic Planning Manager will be requested to circulate the link regarding the Eastern Village expansion.

(k) That the Head of Finance advised that links to the various consultations regarding funding were available via schools online.

(l) That members of the Forum will meet in April to discuss a formal response to the consultations regarding future funding.

30.

Chair's Announcement

The Chair informed members that this was the last meeting he would be Chairing as he was retiring. On behalf of the Board, Councillor Fionuala Foley thanked Mr Steve Colledge for his dedication and valuable contributions and wished him well in his retirement. Members noted that Janet Urban (Primary Headteacher) would chair the next meeting of the Schools Forum.

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Final Dedicated Schools Grant Outturn 2015-16

Schools Forum

Date: 12th July 2016

Author:	Finance Manager – Education
Wards:	All
Locality Affected:	All
Settings Affected:	As the DSG is ring fenced funding provided by the DfE to meet the educational needs of early years, school age and all 0 to 25 year old high need pupils. Any decisions on how the grant is utilised indirectly affects all settings.

1. Purpose and Reasons

- 1.1 To advise Schools Forum members on the final 2015-16 Dedicated Schools Grant (DSG) outturn position following closure of the Local Authority's (LA's) 2015-16 final accounts.
- 1.2 This report provides Forum Members with information on the final spend against the 2015-16 centrally retained budget including commentaries on those areas of the budget where forecast figures proved to be inaccurate. Although there is demand-led pressure in many areas of the retained budget, the LA is continuing to take action wherever possible to reduce centrally retained budgets in order to maximise the value of DSG that can be distributed to Schools and Academies via the local fair funding formula.
- 1.3 The retained DSG budget is monitored in accordance with standard Swindon Borough Council (SBC) budgetary control procedures and a report is submitted to the Education Leadership Team each month. Updates are also periodically provided to Corporate Management Team, Cabinet and the Children's Health, Social Care and Education Overview and Scrutiny Committee.
- 1.4 The LA is required to report the position on the DSG budget to the Schools Forum throughout the year and at the financial year end. In accordance with grant conditions, the year-end DSG balance (whether positive or negative) is ring-fenced and must be carried forward to the following year, and the Schools Forum must be consulted on how the surplus or deficit is managed.
- 1.5 Utilisation of the DSG has a direct link to one of the Council's four priorities – "Offer education opportunities that lead to the right skills and the right jobs in the right places".

2. Recommendations

The Schools Forum is recommended to:

- 2.1 Note that the final outturn on the 2015-16 centrally retained DSG budget is an overspend of **£0.889m**.

Further information on the subject of this report can be obtained from Anne Mackay on 01793 465742 or amackay@swindon.gov.uk.

Final Dedicated Schools Grant Outturn 2015-16

Schools Forum

Date: 12th July 2016

- 2.2 Note that after taking account of the brought forward balance, the in-year overspend and allocations of funding previously agreed by the Schools Forum, the total DSG balance available for redistribution as at 31st March 2016 is **£0.209m.**

3. Detail

Final Outturn Position 2015-16

- 3.1 At the 15^h March 2016 Schools Forum meeting members were advised that the LA had anticipated finishing the 2015-16 financial year with an overspend of £0.722m, the final in year position is an overspend of £0.889m. Following the February monitoring period the anticipated outturn position had been updated to an overspend of £0.839m and notification of additional pressures were verbally provided to Schools Forum during the 15th March meeting.
- 3.2 The census numbers for 2 year olds and 3 and 4 year olds were lower than anticipated, affecting both the funding expected to be received and expenditure for participation.
- 3.3 The unallocated DSG balance carried forward at 31st March is £0.209m and all expenditure funded from this balance will need to be allowed under the early years and school finance regulations and be agreed by Schools Forum.
- 3.4 Attached at **Annex A** is the report issued to the Education Leadership Team on 6th June which provides commentaries on the main under and overspends on 2015-16 budgets.
- 3.5 It is important that budgets are managed effectively and that forecasts are as reliable as possible. The majority of the centrally retained budgets did not vary significantly to the end of February projections; the overall net variance for retained budgets was £0.050m.
- 3.6 In accordance with grant conditions, the year end DSG overspend was funded from reserves and the balance carried forward, Table 6 in Appendix A shows the current position, an unallocated balance of £0.209m.

Schools Forum is asked to note the following:

- **the final position on the 2015-16 retained budget was an in year overspend of £0.899m and**
- **the final DSG balance carried forward and uncommitted is £0.209m.**

Further information on the subject of this report can be obtained from Anne Mackay on 01793 465742 or amackay@swindon.gov.uk.

Final Dedicated Schools Grant Outturn 2015-16

Schools Forum

Date: 12th July 2016

4. Alternative Options

- 4.1 The LA could distribute the full value of the retained underspend in 2016-17 but an equitable method for allocation would need to be agreed which complied with the new school finance regulations. Furthermore use of the DSG balance can only really be on one off items and it is difficult to allocate this via the local formula without locking in commitments via the MFG mechanism.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 Various financial implications are included in this report relating to management of the retained DSG budget.

Legal and Human Rights Implications

- 5.2 There are no legal or human rights implications arising from this report.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 This report does not make any recommendations that affect these areas.

Diversity Impact Assessment

- 5.4 As there are no proposals in this report, a DIA has not been completed.

Risk Management

- 5.5 There are no specific risk management implications not highlighted in the body of the report.

6. Consultees

- 6.1 The Board Director Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None

8. Appendices

- 8.1 Appendix A –Dedicated Schools Grant Final 2015-16 Outturn report issued to the Education Leadership Team on 10th June 2016.

Further information on the subject of this report can be obtained from Anne Mackay on 01793 465742 or amackay@swindon.gov.uk.

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Report to: **Commissioning – Education Leadership Team**
 From: Anne Mackay, Finance Manager – Education
 Date: 22nd April 2016
 Subject: **Budget Monitoring Report – DSG Services**
 Period: Period to end of financial year 2015-16

1) Background

The Council's corporate budget monitoring timetable requires each Group to report its forecast outturn position each month and this report is based on information provided at the end of the financial year.

Although the DSG position is included in Corporate Management Team and Cabinet reports it is unlikely that elected members will be overly concerned as this is outside the SBC General Fund and is essentially an issue for the Head of Education and his leadership team to manage in consultation with the Finance Team and Schools Forum.

A summary of how the 2015-16 DSG has been allocated is provided below.

Table 1 – DSG 2015-16 Overview

	<u>£m</u>	<u>£m</u>
<u>Delegated</u>		
Maintained Mainstream schools	45.43	
Maintained Specialist settings (Special Schools and SRP's) (net of £0.510m EFA Post16)	6.59	
Academy Mainstream Recoupment	77.09	
Academy Specialist settings (Special Schools and SRP's) Recoupment	1.46	
Commissioned Services	0.97	
		131.54
<u>Centrally retained for provision</u>		
Disadvantaged 2 year old nursery places	2.79	
Free Nursery Entitlement 3 & 4 year olds	8.2	
In Year Pupil Growth	0.44	
High Need SEN		
Portage, SEN equipment, Therapeutic services etc.	0.74	
SBC top ups – mainstream settings	2.12	
SBC top ups - high need specialist settings	2.12	
HN Contingency	0.32	
Tuition Service	0.89	
Out of Borough placements	2.58	
Post 16 provision (new responsibilities)	2.02	
Exclusions income	(0.35)	28.52
<u>Centrally retained to cover SBC and other costs</u>		
Admissions, Free School Meal eligibility checks, school licences, equal pay etc.	0.95	
		0.95
Total DSG Allocation (not including Early Years Pupil Premium of £0.164m)		161.01

2) High Risk Areas and Latest Projections

Commentaries on all the main variances have been identified and those areas of the budget, which are inherently high-risk, and therefore have the potential to significantly affect the overall position, are provided below.

Table 2 – Latest Budget Monitoring Position				
<u>High-Risk Areas</u>	Notes	Budget 2015-16 £'000	Actual Variance £'000	Projected Variance last report £'000
Disadvantaged 2 year old place funding	2	2,787	(952)	(960)
Free nursery education (3 & 4 year olds)	3	8,199	212	206
High Needs Top ups (Mainstream)	4	2,116	445	433
High Needs Top ups (Specialist)	4	8,769	109	97
Notional SEN supplements (Mainstream)	5	350	27	27
External Placement Fees	6	2,582	(603)	(561)
HN Contingency	7	315	(315)	(315)
Post 16 HN Provision - New Responsibilities	8	2,022	(59)	(59)
School Exclusions / Dual registrations		(350)	18	26
Tuition Service		890	(31)	(22)
Schools Equal Pay Claims		0	31	31
Subtotal High Risk Areas		27,680	(1,118)	(1,097)
Other Low risk retained budgets	8	1,783	36	41
Total Retained Budgets		29,463	(1,082)	(1,056)
Maintained School Budgets (Mainstream)	10	45,429	(248)	0
Maintained School Budgets (Specialist Settings)		7,103	85	85
Commissioned Services		968	(6)	(6)
EFA recoupment for Academies	11	77,091	140	(105)
EFA direct funding of High Need places	1	1,460	561	561
Total DSG Expenditure Budgets		161,514	(550)	(521)
DSG Funding receivable	1	(82,453)	2,140	1,816
DSG Funding recouped by the EFA for academies		(77,091)	(140)	105
DSG Funding recouped by the EFA		(1,460)	(561)	(561)
Total DSG Funding Budgets		(161,004)	1,439	1,360
EFA 6 th Form Place Funding	1	(510)	0	0
Total DSG		(0)	889	839

The Leadership Team is asked to note the risk areas above and the year-end out-turn position, which will be reported to Corporate Management Team.

The main reasons for the overspend are provided below:

Note 1) DSG Funding Receivable **£2.140m decreased funding**

The budgeted DSG allocation is **£161.004m** including funding for Early Years Pupil Premium and an estimate of the DSG based on January 2016 census for 2 year olds and 3 & 4 year olds. As reported previously the LA budgets for the full DSG allocation from the EFA but the actual cash received is the DSG allocation less Academy Recoupment and High Need places funded directly by the EFA, a budgeted DSG receivable of **£82.453m**.

As reported in Table 3, after allowing for academy recoupment and EFA Direct funding of HN places the 2015-16 DSG expected to be received is **£80.386m**, a decrease of £2.067m when compared to budget. This change in funding is due to lower than anticipated Early Years pupil numbers **£1.086m** (note 2) and **£0.303m** (note 3), higher than budgeted deduction from the DSG for EFA Direct Funding of High Need places **£0.561m** and an increase in Academy recoupment **£0.140m** (note 11).

Schools Forum 12th July 2016 – DSG Retained Budget Monitoring Report Appendix A
The reductions in funding are offset by **£0.023m** of additional DSG funding for Non Recoupment academies and Newly Qualified Teachers, recently reduced from £0.044m by £0.021m as there is a net cost to the LA of the inclusion Non Recoupment academies.

As reported previously the confirmed January 2015 3 & 4 year old Spring Census numbers were 2,231 resulting in **£0.073m** less DSG than anticipated at the 2014-15 year end, affecting the outturn position for 2015-16.

As shown in Table 3 below, the total DSG received in year is expected to be **£80.313m** and the overall variance in funding in 2015-16 is **£2.140m**.

Table 3– DSG receivable			
Allocation	Budget	Expected	Variance
	£m	£m	£m
EFA's DSG Allocation	(148.901)	(148.924)	(0.023)
EFA DSG 2 year olds (note 2)	(2.782)	(1.696)	1.086
EFA DSG 3 & 4 year olds (note 3)	(9.156)	(8.853)	303
EFA DSG Early Years Pupil Premium	(0.165)	(0.165)	0
Total DSG allocation	(161.004)	(159.638)	1.366
Less Academy recoupment (note 11)	77.091	77.231	0.140
Less EFA Direct Funding of High Need places	1.460	2.021	0.561
DSG receivable 2015-16	(82.453)	(80.386)	2.067
Less 3 & 4 year old Spring 2015 Census adjustment	0.000	0.073	0.073
DSG received in year 2015-16	(82.453)	(80.313)	2.140

Note 2 – Disadvantaged two year old nursery funding **£0.952m underspend**
£1.086m decreased funding

The budget of £2.787m for 2 year old places was underspent by **£0.952m** due to slippage of building projects for infrastructure expansions of nursery provision and fluctuations in Department of Work and Pensions data.

The funding is based on the actual pupil numbers at the spring census 2015 (5/12ths) and spring census 2016 (7/12ths). The final spring census numbers were slightly lower than anticipated. The funding will be paid on FTE as for 3 and 4 year olds so Table 4 reflects the FTE funding rate and budget.

Table 4 – Early Years 2 year old 2015-16 DSG Funding			
	2015-16 Participation Budget	2015-16 FTE Budget	2015-16 FTE Actual
January 2015 Census (5/12)	957	574	295
January 2016 Census (7/12)	1,000	600	406
Full Year Equivalent	982	589	359
2 year old funding rate for 15 hours	£2,832.90		
2 year old funding rate for FTE		£4,721.50	£4,721.50
Total DSG receivable	£2,782,144	£2,782,144	£1,695,805
Difference			(£1,086,339)

The estimated net decrease in 2 year old pupils of 229 FTE will result in a **£1.086m** reduction of DSG.

Note 3 – Free nursery education (3 & 4 year olds):**£0.212m Overspend
£0.303m Decreased funding**

The 2015-16 outturn position is a **£0.212m** overspend based on actual take up to year end. The early years pupil premium was not allocated to the LA on actual eligible pupil numbers and therefore was not spent in full, the **£0.063m** underspend offsets pressures in Maintained settings of **£0.076m** and in Private, Voluntary and Independent (PVI) settings of **£0.180m**. There is also a staffing pressure of **£0.017m**.

As reported previously this element of DSG is based on participation and along with the overspend there will also be a decrease in the amount of Dedicated Schools Grant receivable as the FTE numbers are lower than budgeted. Early Years DSG is calculated based on 5/12ths of the January 2015 and 7/12ths of the January 2016 Early Years Census. The final DSG calculation compared to the 2015-16 budget agreed by Schools forum in January 2015 is summarised below.

Table 5 – Early Years 3 and 4 year old 2015-16 DSG Funding		
	2015-16 Budget	2015-16 Actual
January 2015 Census (5/12)	2,355	2,231
January 2016 Census (7/12)	2,355	2,310
Full Year Equivalent	2,355	2,277
3 and 4 year old funding rate	£3,888.06	£3,888.06
Total DSG receivable	£9,156,381	£8,853,437
Difference		(£302,944)

The net decrease in early years' pupils of 78 FTE will result in a **£0.303m** reduction of DSG.

Note 4 – High Needs Top Ups:**Mainstream £0.445m Overspend
Specialist £0.109m Overspend**

The High Needs Top Ups budget is overspent by **£0.554m**. The expenditure for specialist top ups increased by £0.017m for additional high need top ups and mainstream expenditure increased by £0.007m for additional early years payments. The LA is currently reviewing SENRAP processes to ensure that they are as robust as possible and that there is rigorous moderation of the mainstream applications.

Note 5 – Notional SEN supplements (Mainstream):**£0.027m Overspend**

Following the release of the October census data the Notional SEN budget is **£0.027m** overspent.

Note 6 – External Placement fees:**£0.603m Underspend**

The External Placement fees budget is **£0.603m** underspent, the latest month on month favourable movement of £0.042m reflects the ending of placements and reduced costs for a number of placements.

Note 7 – High Needs Contingency:**£0.315m Underspend**

During the 2015-16 budget setting process Schools Forum agreed that a contingency of £0.315m would be held to cover additional top up and placements costs. The **£0.315m** budget is not sufficient to cover the pressure on HN Top ups for all settings at note 4 £0.554m but this is also offset by the underspend for External Placements £0.603m at note 6, i.e. a current net underspend across these cost centres of £0.364m including the High Needs Contingency.

Note 8 – Post 16 – New Responsibilities:**£0.059m Underspend**

The overspend for FE providers was £0.220m including a £0.068m pressure forecast for a provider that was not been accepted by the EFA on the 2015/16 High Needs return. In ISP provision there is a projected underspend of £0.279m.

Note 9 – Other low risk retained budgets:**£0.036m Overspend**

The total underspend across these budgets is a pressure of £0.036m, is related to the payment of 2015/16 growth funding to expanding schools **£0.033m** and from other minor variances totalling **£0.003m**.

Note 10 – Maintained School budgets (Mainstream):**£0.248m Underspend**

Mainstream primary school budgets were underspent by **£0.248m** due to an in year academy conversion, the funding will be recouped from SBC and paid to the academy directly by the EFA increasing the EFA recoupment for academies (see note 11 below).

Note 11 – EFA recoupment for academies:**£0.140m Overspend**

The EFA have increased the amount of DSG funding they expect to recoup for academies by **£0.245m** due to a recent academy converter, the EFA reduced the recoupment due to the LA funding part year growth funding for two primary academies **£0.105m** as the recoupment was based on the higher pupil number so the LA would in effect be paying twice.

The Leadership Team is asked to note the risk areas above, the out-turn positions.

4) DSG Balance

In accordance with DfE grant conditions the DSG must be treated by the LA as being ring fenced for specified educational purposes and, in addition to consulting the Schools Forum on how each year's grant is allocated, the Forum must also be advised on any year end surplus or deficits. The final year end position is as follows:

Table 6 – DSG Balance	Latest Position
Opening DSG balance bfwf from 2014-15	£1.098m
Less – in year deficit (see table 2)	(£0.889m)
DSG balance unallocated to carry forward to 2016-17	£0.209m

The Leadership Team is asked to note that the unallocated DSG balance is £0.209m and that all expenditure funded from this balance will need to be allowed under the early years and school finance regulations and be agreed by Schools Forum.

5) Subjective Analysis

A summary of the final year-end underspend of £1.082m across the £29.5m centrally retained budget by type of expenditure compared to the budget profiles is shown below. This presents a different view to the more traditional analysis by service area. This is a standard table used by the Finance Team which has been included in the DSG report to improve consistency.

Subjective analysis Delegated DSG March 2016

Group Budget position by expenditure type	Full year budget £'000	Full year actual £'000	Full Year variance £'000
Employees	1,247	1,293	46
Premises	1,036	1,031	(4)
Transport	12	9	(3)
Supplies & Services	1,138	1,189	51
3rd Party Payments	27,857	26,608	(1,248)
Internal Recharges	889	941	52
Capital Financing	0	0	0
Income	(2,716)	(2,691)	25
Total	29,463	28,381	(1,082)

6) Improving Forecasting

Given that we are accountable to the Schools Forum regarding the effective management of the DSG, monthly meetings with senior Budget Managers will continue to be scheduled to take place shortly after the month end forecasting deadlines. This will enable all high risk forecast figures to be challenged and enable the wider budget position to be assessed, particularly on high need budgets, prior to reporting through to corporate board and in some months the Schools Forum.

The Leadership Team is asked to note that meetings will be scheduled to discuss key areas and the overall DSG position.

7) Summary of Key Recommendations

The Leadership Team is asked to:-

- *Note that the actual out-turn position, an overspend of £0.889m, will be reported to Corporate Board this month*
- *Note the risk areas above and the out-turn positions*
- *Note that the unallocated DSG balance carried forward is £0.209m*
- *Note the steps proposed aimed at improving forecasting*

2016-17 Dedicated Schools Grant Budget Position

Schools Forum

Date: 12th July 2016

Author:	Finance Manager Education
Wards:	All
Locality Affected:	All
Parishes Affected:	All

1. Purpose and Reasons

- 1.1 To advise Schools Forum members of the latest projected 2016-17 Dedicated Schools Grant (“DSG”) retained budget position.
- 1.2 The Local Authority (“LA”) is required to report the position on the DSG budget to the Schools Forum throughout the year and at the financial year end. This report provides Forum Members with the projected year end position against the 2016-17 retained budgets based upon available information at the end of May 2016.
- 1.3 The retained DSG budget is monitored in accordance with standard Swindon Borough Council (SBC) budgetary control procedures and a report is submitted to the Education Leadership Team each month. Updates are also periodically provided to Corporate Management Team, Cabinet and the Children’s Health, Social Care and Education Overview and Scrutiny Committee.
- 1.4 Utilisation of the DSG has a direct link to one of the Council’s four priorities – “Offer education opportunities that lead to the right skills and the right jobs in the right places”.

2. Recommendations

The Schools Forum is recommended to:

- 2.1 Note that the latest projection on the 2016-17 retained budget is an **underspend of £0.359m**
- 2.2 Note that the unallocated DSG balance will be **£0.568m**.

3. Detail

Latest 2016-17 Retained Budget Position

- 3.1 As reported to Schools Forum on 12th January 2016 the overall value of the 2016-17 centrally retained DSG budget is £30.695m.
- 3.2 Attached at **Appendix A** is the report that was issued to the Education Leadership Team on 10th June 2016 based on information at the end of May. This shows that an underspend of £0.359m is projected across the overall budget. The main reasons for the projected variances and commentaries on all high risk areas are provided in **Appendix A**.

Further information on the subject of this report can be obtained from Anne Mackay, Finance Manager Education 01793 465742, amackay@swindon.gov.uk.

2016-17 Dedicated Schools Grant Budget Position

Schools Forum

Date: 12th July 2016

- 3.3 The LA Finance team continue to work with Budget Managers to review the financial position to ensure robust forecasts are projected. In setting the retained budget officers included an element of contingency funding across some of the high risk budget areas to meet for any unexpected placements commissioned before 31st March 2017.
- 3.4 At this stage the LA is expecting that, although there continues to be a risk associated with the projection, an underspend of £0.359m (0.44%) will occur, which will need to be funded from existing unallocated DSG balances.
- 3.5 Following the projected underspend of £0.359m the value of the unallocated DSG balances will be £0.568m. The financial position will continue to be monitored and the final 2016-17 outturn position (subject to external audit) will be represented to the July 2017 Schools Forum after closure of the LA's accounts.

Members of the Schools Forum are now asked to:

- **Note that the latest projection on the 2016-17 retained budget is an underspend of £0.359m**
- **Note that the unallocated DSG balance will increase to £0.568m**

4. Alternative Options

- 4.1 There are no proposals included within this report.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 Various financial implications are included in this report relating to management of the retained DSG budget

Legal and Human Rights Implications

- 5.2 There are no legal or human rights implications arising from this report.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 This report does not make any recommendations that affect these areas.

Diversity Impact Assessment

- 5.4 As there are no proposals in this report, a DIA has not been completed.

Further information on the subject of this report can be obtained from Anne Mackay, Finance Manager Education 01793 465742, amackay@swindon.gov.uk.

2016-17 Dedicated Schools Grant Budget Position

Schools Forum

Date: 12th July 2016

Risk Management

- 5.5 There are no specific risk management implications not highlighted in the body of the report.

6. Consultees

- 6.1 The Board Director Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None

8. Appendices

- 8.1 Appendix A - Education Leadership Team budget monitoring report.
- 8.2 Appendix B – DSG Budget analysis by expenditure type.
- 8.3 Appendix C – DSG Profiled budget to date compared with actual spend to date.

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Report to: **Commissioning – Education Leadership Team**
 From: Anne Mackay, Finance Manager – Education
 Date: 10th June 2016
 Subject: **Budget Monitoring Report 2016-17 – DSG Services**
 Period: Period to May 2016

1) Background

The Council's corporate budget monitoring timetable requires each Group to report its forecast outturn position each month and this report is based on information provided at the end of May 2016.

Although the DSG position is included in Corporate Management Team and Cabinet reports it is unlikely that elected members will be overly concerned as this is outside the SBC General Fund and is essentially an issue for the Head of Education and his leadership team to manage in consultation with the Finance Team and Schools Forum.

A summary of how the 2016-17 DSG has been allocated so far is provided below.

Table 1 – DSG 2016-17 Overview

	<u>£m</u>	<u>£m</u>
<u>Delegated</u>		
Maintained Mainstream schools	45.664	
Maintained Specialist settings (Special Schools and SRP's)	7.551	
Maintained Specialist Settings - £0.520m EFA Post 16 funding	(0.520)	
Academy Mainstream Recoupment	77.104	
Academy Specialist settings (Special Schools and SRP's) Recoupment	2.022	
Commissioned Services	1.034	
		<u>132.855</u>
<u>Centrally retained for provision</u>		
Disadvantaged 2 year old nursery places	2.526	
Free Nursery Entitlement 3 & 4 year olds	9.111	
In Year Pupil Growth	0.656	<u>12.292</u>
High Need SEN		
Portage, SEN equipment, Therapeutic services etc.	0.752	
SBC top ups – mainstream settings	2.280	
SBC top ups - high need specialist settings	9.379	
HN Contingency	0.252	
Tuition Service	0.881	
Out of Borough placements	2.182	
Post 16 provision (new responsibilities)	2.000	
Exclusions income	(0.335)	<u>17.390</u>
<u>Centrally retained to cover SBC and other costs</u>		
Admissions, Free School Meal eligibility checks, school licences, equal pay etc.	1.013	<u>1.013</u>
		<u>30.695</u>
Total DSG Allocation (including Early Years Pupil Premium of £0.164m)		<u>163.550</u>

2) Completion of Online Monitoring Forecasts

As part of the budget monitoring reporting process the LA is required to report to Corporate Board how active Budget Managers have been in contributing to the on line information used to collate period end information. For DSG service areas the end of May completion rate was 93.6% (29/31).

The Leadership Team is asked to remind Budget Managers of the importance of this exercise and to encourage continued high participation for the remainder of the year.

3) High Risk Areas and Latest Projections

Commentaries on all the main variances have been identified and those areas of the budget, which are inherently high-risk, and therefore have the potential to significantly affect the overall position, are provided below.

Table 3 – Latest Budget Monitoring Position			
Item	Notes	Budget 2016-17 £'000	Projected Variance £'000
<u>High-Risk Areas</u>			
2 year old nursery place funding	2	2,526	(559)
Free nursery education (3&4 year olds)	3	9,111	(322)
High Needs Top ups (Mainstream)	4	2,707	(102)
High Needs Top ups (Specialist)	4	8,951	102
Notional SEN supplements (Mainstream)		400	0
External Placement Fees		2,182	0
HN Contingency	5	252	(252)
Post 16 HN Provision - New Responsibilities		2,000	0
School Exclusions / Dual registrations		(335)	0
Tuition Service		881	0
Schools Equal Pay Claims		31	0
Subtotal High Risk Areas		28,705	(1,133)
Other Low risk retained budgets	6	1,990	36
Total Retained Budgets		30,695	(1,097)
Maintained School Budgets (Mainstream)	7	45,664	(2,837)
Maintained School Budgets (Specialist Settings)	7	7,551	(90)
Commissioned Services		1,034	0
EFA 6 th Form Place Funding	8	(520)	10
Total DSG School Budgets		53,729	(2,917)
Total DSG Expenditure Budgets		84,424	(4,014)
Mainstream Academy budgets for recoupment	9	77,104	2,796
EFA direct funding of High Need places	9	2,022	90
Total DSG Budget		163,551	(1,128)
DSG Funding allocation receivable	1	(84,424)	3,655
DSG Funding recouped by the EFA for Academies	1	(77,104)	(2,796)
DSG Funding recouped by the EFA for HN places	1	(2,022)	(90)
Total DSG Funding Budgets		(163,551)	769
Total DSG Forecast		0	(359)

The Leadership Team is asked to note the risk areas above and the projected out-turn position, which will be reported to Corporate Management Team this month.

The main reasons for the variances from budget that are being forecast are provided below:

Note 1) DSG Funding Receivable

£3.655m decreased funding

The budgeted DSG allocation is **£163.551m** including funding for Early Years Pupil Premium and an estimate of the DSG based on January 2016 and January 2017 census for 2 year olds and 3 & 4 year olds. As reported previously the LA budgets for the full DSG allocation from the EFA but the actual cash received is the DSG allocation less Academy Recoupment and High Need places funded directly by the EFA, a budgeted DSG receivable of **£84.424m**.

As shown in Table 3 below, after allowing for academy recoupment and EFA Direct funding of HN places the 2015-16 DSG expected to be received is **£80.769m**, an overall variance in funding in 2016-17 of £3.655m when compared to budget. This reduction in funding is due to lower than anticipated census data for Early Years pupils for 2 year olds **£0.420m** (note 2) and 3 & 4 year olds **£0.348m** (note 3). The other variances are due to an increase in Academy recoupment **£2.796m** (note 9 and offset by a reduction in mainstream primary school budgets of £2.837m note 7) and an increase in EFA Direct Funding of HN places for the SRP places for a recent academy converter **£0.090m** (note 7).

<u>Table 3 – 2016-17 DSG receivable</u>			
Allocation	Budget £m	Estimated £m	Variance £m
EFA's DSG Allocation	(151.521)	(151.521)	0.000
EFA DSG Early Years for 2 year olds	(2.332)	(1.912)	0.420
EFA DSG Early Years for 3 & 4 year olds	(9.532)	(9.184)	0.348
EFA DSG Early Years Pupil Premium	(0.165)	(0.165)	0.000
Total DSG allocation	(163.551)	(162.782)	0.769
Less Academy recoupment	77.104	79.900	2.796
Less EFA Direct Funding of High Need places	2.022	2.112	0.090
DSG expected to be received in year	(84.424)	(80.769)	3.655

Note 2 – Disadvantaged two year old nursery funding

**£0.559m Underspend
£0.420m Decreased funding**

The budget of £2.526m for 2 year old places is expected to be underspent by **£0.559m** in line with a lower than expected January 2016 pupil census.

The funding is based on the actual pupil numbers at the spring census 2016 (5/12ths) and spring census 2017 (7/12ths). The spring 2016 census numbers were lower than anticipated and have fallen since the census data so a prudent estimate of funding has been forecast.

Table 4 – Early Years 2 year old 2016-17 DSG Funding		
	2016-17 Budget	2016-17 Projection
January 2016 Census (5/12)	494	405
January 2017 Census (7/12)	494	405
Full Year Equivalent	494	405
2 year old funding rate for FTE	£4,721.50	£4,721.50
Total DSG receivable	£2,332,421	£1,912,208
Variance		(£420,214)

The estimated net decrease in 2 year old pupils of 89 FTE will result in a **£0.420m** reduction of DSG.

Note 3 – Free nursery education (3 & 4 year olds):

£0.322m Underspend
£0.348m Decreased funding

The 2016-17 forecast position is a **£0.322m** underspend based on actual take up, the expenditure in Maintained settings is expected to be **£0.319m** lower and the underspend in Private, Voluntary and Independent (PVI) settings is expected to be **£0.003m**.

This element of DSG is based on participation and the LA anticipates that along with the underspend there will also be a decrease in the amount of Dedicated Schools Grant receivable as the FTE numbers are projected to be lower than budgeted based on the recent spring census. Early Years DSG is calculated based on 5/12ths of the January 2016 and 7/12ths of the January 2017 Early Years Census. The latest DSG calculation compared to the 2016-17 budget agreed by Schools forum is summarised below.

Table 5 – Early Years 3 and 4 year old 2016-17 DSG Funding		
	2016-17 Budget	2016-17 Projection
January 2016 Census (5/12)	2,380	2,310
January 2017 Census (7/12)	2,503	2,399
Full Year Equivalent	2,452	2,362
3 and 4 year old funding rate	£3,888.06	£3,888.06
Total DSG receivable	£9,532,551	£9,183,898
Variance		(£348,653)

The estimated net decrease in early years' pupils of 90 FTE will result in a **£0.348m** reduction of DSG.

Note 4 – High Needs Top Ups:

Mainstream £0.102m Underspend
Specialist £0.102m Pressure

The High Needs Top Ups budget is forecast to budget. The expenditure for specialist top ups is expected to be £0.102m higher than when the budget was produced and the mainstream expenditure is expected to be £0.102m less than budgeted. The LA is currently reviewing SENRAP processes to ensure that they are as robust as possible and that there is rigorous moderation of the mainstream applications.

Note 5 – High Needs Contingency:**£0.252m Underspend**

During the 2016-17 budget setting process Schools Forum agreed that a contingency of £0.252m would be held to cover additional top up and placements costs. The **£0.252m** budget is currently expected to cover any emerging pressures from HN Top ups for all settings and External Placements. There is currently a net underspend across these cost centres of £0.252m including the High Needs Contingency but there are inherent risks with these demand led budgets.

Note 6 – Other low risk retained budgets:**£0.036m Pressure**

The total pressure across these budgets is **£0.036m** and is related to the NNDR credits for two academy conversions, which will now show in the variance between the reduction of mainstream school budgets (note 7) and academy recoupment (note 10).

Note 7 – Maintained school budgets:**£2.927m Underspend**

The school budgets for two recent mainstream academy converters will now be recouped and paid directly to the academies by the Education Funding Agency (EFA) £2.837m, the reduction in school budgets is £0.041m less than the recoupment to allow for the academy NNDR credit (note 6). The EFA will also pay for the 9 SEN places at the academy with a special resource provision £0.090m, academy recoupment figures have been increased as a result (note 9).

Note 8 – EFA 6th Form Place Funding:**£0.010m Decreased Funding**

The EFA will be funding 51 and not 52 6th form places at Swindon Special School **£0.010m**.

Note 9 – EFA recoupment for academies and HN places:**£2.886m Pressure**

The EFA have increased the amount of DSG funding they expect to recoup for academies by **£2.796m** due to two recent academy conversions, the EFA will also be recouping 9 SEN places to pay the funding directly to an academy with a special resource provision **£0.090m**.

The Leadership Team is asked to note the risk areas above, the forecast out-turn positions and the suggested actions.

4) DSG Balance

In accordance with DfE grant conditions the DSG must be treated by the LA as being ring fenced for specified educational purposes and, in addition to consulting the Schools Forum on how each year's grant is allocated, the Forum must also be advised on any year end surplus or deficits. The latest position is as follows:

Table 6 – DSG Balance	Latest Position
Opening DSG balance bfwf from 2015-16	£0.209m
Less – projected in year underspend (see table 2)	£0.359m
Projected DSG balance unallocated	£0.568m

The Leadership Team is asked to note that the unallocated DSG balance is £0.568m and that all expenditure funded from this balance will need to be allowed under the early years and school finance regulations and be agreed by Schools Forum.

5) Subjective Analysis

A summary of the latest projected year-end underspend of £1.097m across the £30.7m centrally retained budget by type of expenditure compared to the budget profiles is shown below. This presents a different view to the more traditional analysis by service area. This is a standard table used by the Finance Team which has been included in the DSG report to improve consistency.

Subjective analysis Delegated DSG May 2016

Group Budget position by expenditure type	Year to date budget £'000	Year to date actual £'000	Year to date variance £'000	Total Budget 2016/17 £'000	Forecast Variance 2016/17 £'000
Employees	233	218	(15)	1,398	0
Premises	943	906	(37)	992	37
Transport	2	2	0	12	0
Supplies & Services	287	81	(206)	904	(252)
3rd Party Payments	3,202	6,892	3,691	29,191	(1,001)
Internal Recharges	84	118	34	942	0
Capital Financing	0	0	0	0	0
Income	(1,098)	(997)	101	(2,744)	120
Total	3,653	7,220	3,567	30,695	(1,097)

To better understand the above table the following annexes are attached to this report.

- **Annex A** – this shows a breakdown of all the 2016-17 retained budgets by type of expenditure and income and produces the totals in the “Total budget 2016-17” column in table 7 above
- **Annex B** – this shows a breakdown of each services profiled budget to date compared with actual spend to date. This will present useful information for both year to date actuals and full year projections. The aim is to highlight and address variances now, rather than wait until nearer the year end where late changes undermine confidence in our reporting.

The Leadership Team is asked to note the addition of subjective analysis information and the need to agree realistic budget profiles for input to the oracle system.

6) Improving Forecasting

Managers across the LA will be regularly invited to attend discussions on what the barriers to effective forecasting are and how they can be alleviated.

Given that we are accountable to the Schools Forum regarding the effective management of the DSG, monthly meetings with senior Budget Managers will be scheduled through to the end of 2016-17 to take place shortly after the month end forecasting deadlines. This will enable all high risk forecast figures to be challenged and enable the wider budget position to be assessed, particularly on high need budgets, prior to reporting through to corporate board and in some months the Schools Forum.

The Leadership Team is asked to note that the finance team will be inviting budget managers to discuss barriers to effective forecasting and that additional meetings have been scheduled to discuss key areas and the overall DSG position.

7) Summary of Key Recommendations

The Leadership Team is asked to:-

- *Note that the forecast out-turn position, a projected underspend of £0.359m, will be reported to Corporate Board this month*
- *Note the risk areas above, the forecast out-turn positions and the suggested actions*
- *Note that the unallocated DSG balance is currently £0.568m*
- *Note the steps proposed aimed at improving forecasting*

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DSG Budget Analysis by Expenditure Type

Appendix B

Service Area	2016/17 Budgets by Expenditure Type								
	Employees £'000	Premises £'000	Transport £'000	Supplies & Services £'000	3rd Party Payments £'000	Internal Recharges £'000	Capital Financing £'000	Income £'000	Total £'000
Free nursery education (3&4 year olds)	78.3	-	1.1	0.4	9,031.0	-	-	-	9,110.8
School subscriptions	-	-	-	190.6	-	-	-	(50.6)	140.0
Disadvantaged two year olds	22.8	-	-	-	2,462.5	40.2	-	-	2,525.5
Equal Pay	-	-	-	-	-	31.0	-	-	31.0
Central Charges	-	-	-	-	-	634.5	-	-	634.5
LAC Pupil Premium	-	-	-	378.1	-	-	-	(378.1)	-
DSG NNDR	-	904.7	-	-	-	-	-	(941.2)	(36.5)
Nyland Primary Behaviour Support	-	-	-	135.7	-	-	-	(135.7)	-
Trade Union Facilities	24.0	-	-	-	-	-	-	(24.0)	-
Schools' Forum	-	-	-	2.0	-	-	-	-	2.0
Admissions Forum	-	-	-	-	-	-	-	-	-
Trigger funding	-	-	-	-	524.0	-	-	-	524.0
Pupil Growth set up costs	-	-	-	-	131.8	-	-	-	131.8
Admissions	161.2	-	0.3	13.1	-	55.2	-	(34.5)	195.3
Free School Meals administration	-	-	-	2.4	-	19.4	-	(21.8)	-
Therapy	-	-	-	-	-	105.0	-	-	105.0
High Needs top ups	-	-	-	-	11,658.3	-	-	-	11,658.3
Statemented Pupils Equipment	-	-	-	130.0	-	-	-	-	130.0
Education Support Services Monitoring	-	-	-	10.0	-	-	-	-	10.0
Out of Borough fees	-	-	-	-	2,458.9	-	-	(277.3)	2,181.6
Travellers children	-	-	-	-	2.0	-	-	-	2.0
Tuition Services	634.0	28.3	6.5	37.9	123.6	59.9	-	(9.4)	880.8
Post 16 new responsibilities	15.1	-	-	-	2,248.7	-	-	(263.8)	2,000.0
Broadband Connectivity	-	-	-	383.8	-	-	-	(383.8)	-
The Oakfield project	288.5	47.4	2.2	11.1	-	-	-	(349.2)	-
Portage	158.2	11.7	2.1	2.7	-	-	-	(23.0)	151.7
Notional SEN	-	-	-	-	400.0	-	-	-	400.0
School Exclusions	15.5	-	-	17.6	-	(3.1)	-	(365.0)	(335.0)
High Needs Contingency	-	-	-	252.4	-	-	-	-	252.4
Expense Category Totals	1,397.6	992.1	12.2	1,567.8	29,040.8	942.1	0.0	(3,257.4)	30,695.2

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End of May 2016 Budget Monitoring

Appendix C

Service	Cost Centre	Budget to date	Actual to date	Variance to date	Full Year budget	Full year forecast	Full Year Variance
Free Nursery Education Commissioning - three & four year olds	2000	£31,628	£3,399,576	£3,367,948	£9,110,800	£8,938,403	(£322,397)
DSG Premature Retirement & Redundancy Costs	2002	£0	£0	£0	£0	£0	£0
School subscriptions	2004	£190,600	£169,682	(£20,918)	£140,000	£140,000	£0
Free Nursery Education Commissioning - two year olds	2005	£3,800	£630,602	£626,802	£2,525,500	£1,966,692	(£558,808)
DSG Retained Equal Pay	2009	£5,166	£31,000	£25,834	£31,000	£31,000	£0
DSG Retained Contingency	2011	£0	(£60,513)	(£60,513)	£634,500	£634,500	£0
LAC pupil premium	2012	£0	£10,664	£10,664	£0	£0	£0
DSG Academy recoupment	2013	£0	£0	£0	£0		£0
DSG NNDR	2015	£0	£65,151	£65,151	(£36,500)	£0	£36,500
Universal Infant Free School Meals	2016	£0	£0	£0	£0	£0	£0
Nyland Primary Behaviour Support	2019	(£113,084)	(£88,180)	£24,904	£0	£0	£0
Trade Union Facilities	2020	(£12,202)	(£14,254)	(£2,052)	£0	£0	£0
Schools' Forum	2021	£332	£1,025	£693	£2,000	£2,000	£0
Admissions Forum	2022	£0	£0	£0	£0	£0	£0
Pupil Growth Trigger Funding	2023	£0	£27,124	£27,124	£524,000	£524,000	£0
Pupil Growth Set Up Costs	2024	£131,800	£24,229	(£107,571)	£131,800	£131,800	£0
Admissions	2025	£11,844	£66,344	£54,500	£195,300	£195,300	£0
Free School Meals administration	2026	£3,350	(£15,803)	(£19,153)	£0	£0	£0
Therapy	2027	£0	£0	£0	£105,000	£105,000	£0
SEN Resourcing Assessment Panel	2028	£1,971,866	£1,948,077	(£23,789)	£11,658,300	£11,658,300	£0
Statemented Pupils Equipment	2029	£21,666	£988	(£20,678)	£130,000	£130,000	£0
Quality Assurance of commissioned services	2032	£0	£0	£0	£10,000	£10,000	£0
Out of Borough School Fees	2033	£409,814	£284,766	(£125,048)	£2,181,600	£2,181,600	£0
Travellers Children	2034	£332	£0	(£332)	£2,000	£2,000	£0
Tuition Service	2035	£176,140	£199,697	£23,557	£880,800	£880,800	£0
Post 16 - New Responsibilities	2036	£333,334	£489,884	£156,550	£2,000,000	£2,000,000	£0
Broadband Connectivity	2039	£63,966	£29,730	(£34,236)	£0	£0	£0
The Oakfield Project	2040	£51,980	£127,024	£75,044	£0	£0	£0
Year 11 Protocol	2041	£0	£0	£0	£0	£0	£0
Portage	2042	£27,078	£23,581	(£3,497)	£151,700	£151,700	£0
Notional SEN	2048	£400,000	£0	(£400,000)	£400,000	£400,000	£0
School Exclusions and short term placements	2049	(£55,834)	(£130,007)	(£74,173)	(£335,000)	(£335,000)	£0
High Needs Contingency	2055	£0	£0	£0	£252,400	£0	(£252,400)
New School start-up costs	2056	£0	£0	£0	£0	£0	£0
OVERALL TOTAL		£3,653,576	£7,220,387	£3,566,811	£30,685,200	£29,738,095	(£1,097,105)

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2016-17 Dedicated Schools Grant Budget and Forward Look

Schools Forum

Date: 12th July 2016

Author:	Head of Finance – Education
Wards:	All
Locality Affected:	All
Parishes Affected:	All

1. Purpose and Reasons

1.1 The Schools Forum meeting on 12th January 2016 received a report on the 2016/17 Dedicated Schools Grant Settlement and Budget. This report provides members with an update on various budget issues that remained unresolved after that meeting. This report addresses:

- Early Years 30 hours pilot
- Pupil Growth & Trigger Funding Policy
- Additional Trigger & Growth Funding for 2016/17
- Potential Future Growth Places & Costs
- Notional SEN
- Tuition Service Review
- New Special School Primary Provision
- Early Years - 30 hour pilot implications
- Potential Free School Bids affecting Swindon
- Apprenticeship Levy
- Review of Financial Regulations

1.2 These proposals contribute towards delivering the Council Vision Priority “Offer education opportunities that lead to the right skills and right jobs in the right places.”

2. Recommendations

The Schools Forum is recommended to:

- 2.1 Note the current arrangement for the 30 hours pilot detailed in Para. 3.2 – 3.9.
- 2.2 Approve the growth and trigger funding policy detailed in Para. 3.10 – 3.24.
- 2.3 Note that the Trigger funding budget will overspend by £115k as result of the need for additional reception places in North Swindon as detailed in Para. 3.25 – 3.26.

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 or iburbidge@swindon.gov.uk

2016-17 Dedicated Schools Grant Budget and Forward Look

Schools Forum

Date: 12th July 2016

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- 2.4 Note the forecasts of required pupil growth funding that will need to be considered as part of future budget setting processes as detailed in Para. 3.27 – 3.30.
 - 2.5 Note that officers have reviewed Notional SEN funding in other local authorities as detailed in Para. 3.31 – 3.37.
 - 2.6 Officers will recommend that subject to modelling results all mainstream High Needs funded pupils will be included in future calculations and some element of AWPU funding will be taken into account when calculating the Notional SEN budget as detailed in Para. 3.31 – 3.37.
 - 2.7 Note the current state of the Tuition Service review as detailed in Para. 3.38.
 - 2.8 Note that the LA intends to open a new specialist primary provision at Crowdy's Hill Special School from September 2016 as detailed in Para. 3.39 – 3.41.
 - 2.9 Note that Swindon has been selected to pilot the 30 hours of Early Years provision as detailed in Para. 3.42 – 3.45.
 - 2.10 Note the current status of the bids that have been submitted to the EFA to provide new free schools in Swindon as detailed in Para. 3.46 – 3.48.
 - 2.11 Note the potential impact of the apprenticeship levy on schools in Swindon as detailed in Para. 3.49 – 3.53.
 - 2.12 Note that the LA will commence a review of the Financial Regulations applicable to maintained schools as detailed in Para. 3.54.

3. Detail

Settings

- 3.1 The Dedicated Schools Grant (DSG) is ring fenced funding provided by the DfE to meet the educational needs of early years, school age and all 0 to 25 year old high need pupils, any decisions on how the grant is utilised indirectly affects all settings.

Early Years 30 hours pilot update

- 3.2 Swindon has been chosen to be one of eight local authorities to pilot the new 30 hour childcare offer for 3 and 4 year old's from September 2016. Places are limited to 415 and the LA is required to set its own eligibility criteria in addition to the criteria set by the Department based on working families.

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 or iburbidge@swindon.gov.uk

2016-17 Dedicated Schools Grant Budget and Forward Look

Schools Forum

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- 3.3 The LA were chosen as a pilot based on our innovative ideas around flexibility and is working with providers to establish new flexible models to trial during the pilot, which will benefit those families who don't work traditional 'Monday-Friday, 9am-5pm' hours.
- 3.4 To trial this in a controlled way, the LA has chosen to identify the Great Western Hospital as opportunities exist for parents, particularly given the recruitment issues currently being faced. By offering free, flexible childcare it is anticipated staff will be able to increase their hours, return to work sooner or it may encourage new staff to join the trust.
- 3.5 Following a period of negotiation with the Department, the LA will receive an interim funding rate of £4.41 across the whole 30 hours. The Department have made it clear this is not a reflection of the final funding rate providers will receive to deliver the 30 hour offer during full roll out from September 2017.
- 3.6 The rate applies only to funding for children accessing the universal and additional hour (funding for children accessing only the universal entitlement of 15 hours remains at its current rate until April 2017). In addition, the LA has received a one off grant of £150,000 to be used to cover costs of implementation.
- 3.7 The LA has discretion in how to distribute the funding available for early implementation; however, the Department's expectation is that 100% of the funding will be passed to providers.
- 3.8 The Department will fund the LA in arrears on a participation basis. We will be required to submit a claim form to the Department at the end of each term (December 16, March 17 and August 17) in order to receive funding for the number of places and hours delivered, however the expectation would be that we pay providers as part of their usual payment schedule.
- 3.9 Consideration needs to be made as to the impact on SENRAP funding, which may be required if eligible children extend their funded hours in an early years setting. The number of children who will be entitled to SENRAP funding is not yet known, as it is dependent on individual children meeting the eligibility criteria for the pilot.

Members of the Schools Forum are now asked to:

- **Note the current arrangement for the 30 hours pilot**

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 or iburbidge@swindon.gov.uk

2016-17 Dedicated Schools Grant Budget and Forward Look

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Date: 12th July 2016

Schools Growth Policy

- 3.10 At the March 2016 meeting of the Schools Forum the growth and trigger funding policy was not agreed in its current form and the forum requested the details to be reviewed and presented to the July Schools Forum meeting for approval.
- 3.11 Subsequently, officers took the recommendation of the forum to the working party set up to establish the pupil growth policy. The working group looked specifically at 2 areas of the policy:
- Set up funding for new Special Educational Needs provision
 - Clarification of the circumstances when trigger funding is appropriate.
- 3.12 The working party after consideration decided to maintain the level of set up funding for new Special Education Needs Provision at £40K to cover April to September pre-opening costs. The new primary and post 16 provision opening at Crowdys Hill for September 2016 will be funded at this rate, but will be reviewed in October 2016 to see if this level remains appropriate.
- 3.13 The proposed pupil growth funding policy currently states that any allocation of funding will be as a result of Local Authority planned growth. The working party considered that this would cover eventualities where Academies and Free Schools increase pupil numbers outside of the Local Authority's requirements. It is clear that pupil growth funding is not applicable in these circumstances.
- 3.14 This policy covers the following for primary, secondary and special schools.
- New provision pre-opening start-up funding and
 - In year trigger funding for LA planned growth.
- 3.15 Historically new schools and expansions were provided with additional funding for purchasing furniture and equipment (F&E) of £11.5K per classroom. For future capital related schemes there will not be a separate budget for set up costs and the F&E will be included in the capital budget for the scheme rather than the DSG.

Pre-opening start-up costs

- 3.16 The Department for Education published a new free school presumption in September 2015, which stated the requirement for Local Authorities to provide all pre-opening capital and revenue funding for a school that has been

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2016-17 Dedicated Schools Grant Budget and Forward Look

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identified as required. The funding is to cover all staffing, legal, administration costs from April leading up to the school opening in September.

- Primary school pre-opening set up costs are set at a maximum of £100K
- Secondary school pre-opening set up costs are set at a maximum of £170K
- Special school pre-opening set up funding for new special schools is set at a maximum of £40K per phase. There is no set up funding for 19 – 25 provision.

Trigger Funding

- 3.17 The task group of the Schools Admissions forum considered the optimum approach to opening new schools and school expansions to be through a phased approach. It is considered that the funding mechanisms and impact on existing school places through alternative methods are extremely difficult to estimate accurately.
- 3.18 In 2013 Schools Forum approved a trigger funding policy for LA approved expansions that provided a degree of protection to schools where actual pupils joining expansion classes were below the planned increase.

Primary Trigger Funding

- 3.19 The current approved policy is to fund 7/12 actual change in additional pupils in expanding classes (Years 1-6) with a protection for Reception at 21 pupils. This level of minimum funding protects the expanding school to cover the establishment of an additional class against a situation where the actual number of pupils is lower than expected.
- 3.20 The formula is based on providing a teacher at M6 and a mid-level TA, although this does not prevent the school using the funding more flexibly.

Secondary Trigger Funding

- 3.21 The model for secondary school expansions / new provision is set up to meet the place and curriculum requirements that are additional to the primary model. The model is based on providing teachers at M6 and mid-level TAs, as with the primary model this does not prevent the school using the funding more flexibly.
- 3.22 The minimum funding is provided at 8FE (30 pupils per FE) is established based on 12 teachers per year (2 English, 2 Maths, 1 Humanities, 2 Science,

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2 PE, 1 MFL, 1 ICT and 4 TA's). The leadership team are assumed to cover the remaining class, and are included based on part time Assistant Head teacher and a teaching Head teacher based on the size of the year group. Total minimum funding guaranteed therefore is 12 times M6 teacher and 4 times mid-level TA, to cover all staffing costs. All of the above are funded for 7/12 of the year i.e. September to March. The full year funding in subsequent years will be based on October census data on a lagged basis plus 7/12ths of estimated September intake.

- 3.23 The expansion / new provision is based on an 8FE school and will be calculated proportionally according to the size of expansion / new provision e.g. For a 2FE expansion (minimum trigger funding guaranteed will be 2/8 of the above)

Special Schools and SRPs

- 3.24 Due to the funding mechanisms for special school and SRP places there is no requirement to develop a separate policy for providing additional SEN places. SEN places are commissioned by the Local Authority and £10K is provided for each commissioned place, including any increases. Top-up funding is provided in addition according to the individual needs of the child with an Education Health and Care Plan.

Members of the Schools Forum are now asked to:

- **Approve the growth and trigger funding policy detailed above.**

Additional Trigger & Growth Funding for 2016/17

- 3.25 During the primary school allocation process it became apparent that the LA did not have enough reception places available in the North Swindon area to meet the needs of pupils for September 2016. At the normal closing date for applications 15th January 2016 the LA had received 2,945 applications for reception places, all of the available North Swindon places were filled with on-time applications. Subsequent to the closing date the LA received a further 140 applications for places, a number of which are in the North Swindon area.
- 3.26 The LA has agreed with Abbey Meads, Ferndale and St Marys schools that between them they will provide 70 additional reception places. This will cost an extra £115k in growth funding; this will be reflected in the June budget monitoring report. The alternative to providing these places would have meant that pupils would have had to travel as far as Covingham

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Members of the Schools Forum are now asked to:

- Note that the Trigger funding budget will overspend by £115k as result of the need for additional reception places in North Swindon.

Potential Future Growth Places & Costs

- 3.27 The school place planning team took a report to cabinet on the 10th February 2016 that outlined the projected number of school places required up to 2026. This was subject to a 6 week consultation that ran until 1st April 2016. The full cabinet report is attached at **Appendix 1**
- 3.28 As an extension to the mainstream growth the team are also looking at the need for new High Needs and Alternative Provision places, this has been forecast as a percentage of the total school population, after taking into account new provision that is already under construction or is being planned as part of the free schools process. A summary of all the additional place currently anticipated is given below at Table 1.

Table 1 - Additional school places										
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Mainstream	391	135	675	1,155	1,395	1,455	1,485	1,110	825	645
High Needs	41	70	25	20	14	14	14	14	14	4
Alternative Provision	0	0	44	47	33	33	7	4	0	0

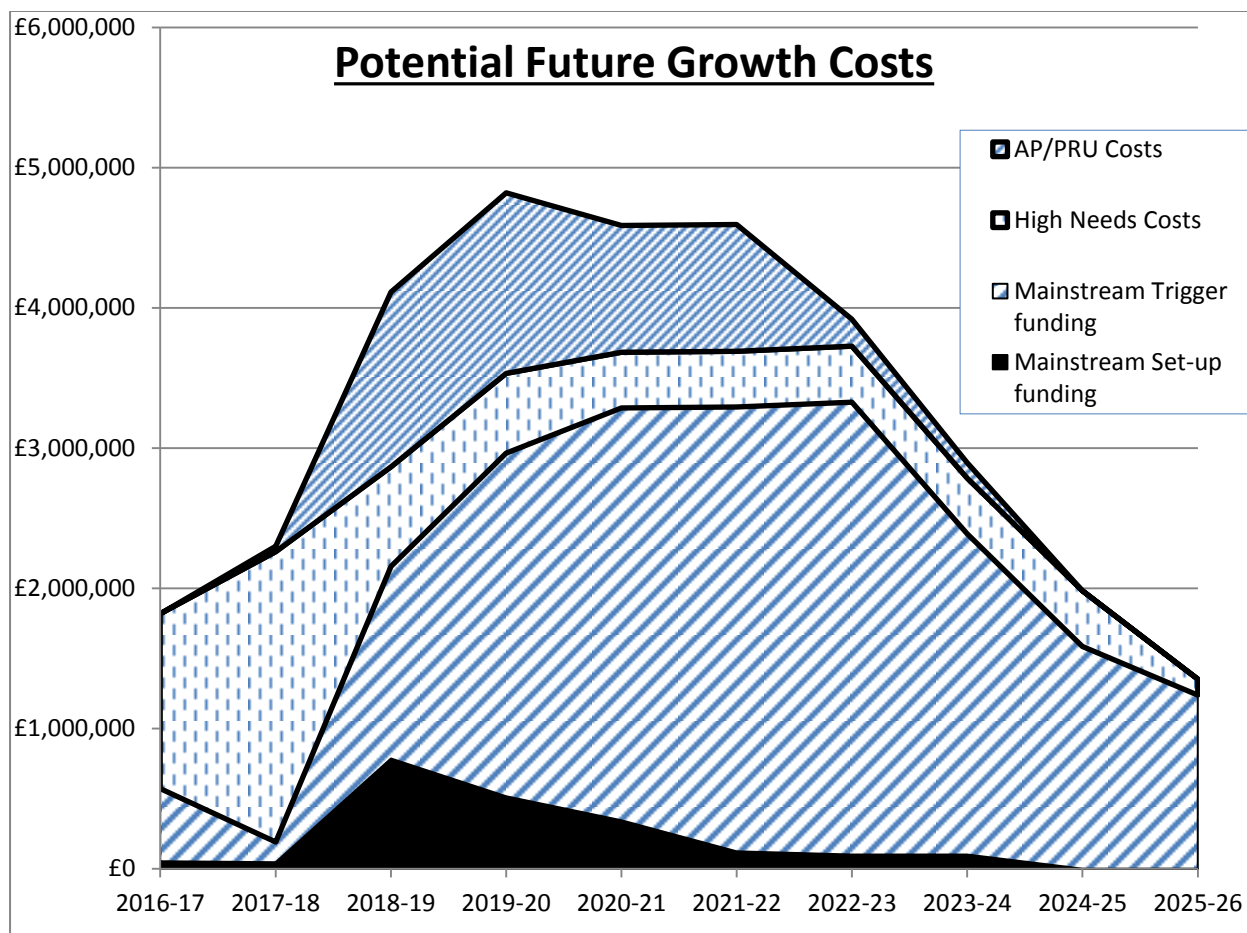
- 3.29 The funding for all new provision currently is the responsibility of the LA, this includes both set-up and trigger funding, and in the case of High Needs this includes the place and top up funding. The schools block meets the cost of mainstream growth and the High Needs block funding the remainder. Using the funding rates that are applicable for 2016-17, this would produce a funding requirement of £2.300m in 2017-18 rising to £4.819m in 2019-20. The graph below shows the potential cost of meeting this additional demand, should all of these schools be delivered in line with current expectations.

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 or iburbidge@swindon.gov.uk

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- 3.30 When the budget is being set for 2017-18 the future demands for funding will need to be considered to ensure that there is sufficient scope in future years to meet these cost pressures as they occur.

Members of the Schools Forum are now asked to:

- **Note the forecasts of required pupil growth funding that will need to be considered as part of future budget setting processes.**

Notional SEN Top-up Funding

- 3.31 Last year at its March meeting Forum agreed to implement a revised calculation method to assess Notional SEN top up funding. The previous method involved calculating the Notional SEN funding using October 2014 census data. The revised method was to assess the Notional SEN expenditure using both October 2014 5/12ths and October 2015 7/12ths census data with a claw back for funding over allocated in May. This method

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 or iburbidge@swindon.gov.uk

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was deemed to be fairer to all schools as it reflects the characteristics of the pupils attending the school in each part of the year.

- 3.32 Forum requested that this item was brought back for review after the first year of operation. The revised mechanism has resulted in an increase in costs of £27,350 above the budget of £350,000. There was a net increase of 24.5 statemented pupils between 2014 and 2015; however the number of LPA pupils fell by 212.4 over the same period. There were twenty four schools that received an additional payment in January 2016, however seven schools needed to make a repayment as the Notional SEN paid in May was higher than that required for the whole year. (Appendix C).
- 3.33 The LA is proposing to carry on with the current funding calculation basis; however the LA is proposing to only make one payment in January 2017 to cover all Notional SEN payments for the year. This revised approach will ensure that a school will only receive a payment if one is required and will avoid the need to reclaim funding from schools that have been overfunded.
- 3.34 As forum members will be aware the Notional SEN spend has been increasing over the last few years as demonstrated by the table below:-

Year	No of Schools receiving Notional SEN	Total cost of Notional SEN £000's
2013/14	18	256
2014/15	19	280
2015/16	26	377

- 3.35 The LA has carried out a review of Notional SEN funding in neighbouring local authorities, to assess whether these would be appropriate options for Swindon. This has revealed that although each Council has a different approach to determining what funding is considered as part of the Notional SEN funding budget, there is still an incentive to have more pupils that require top-up funding and therefore receive additional Notional SEN funding to help meet the first £6,000 of costs that are borne by the school.
- 3.36 The main funding differences noted from other LA's are as follows:-
- Include an element of AWPU and lump sum in the notional SEN calculation
 - Notional SEN top-up not provided to secondary schools

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 or iburbidge@swindon.gov.uk

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Date: 12th July 2016

- Pupils considered as part of the assessment of the school's ability to fund the first £6,000 include both those with a statement / EHCP and those where the LA has agreed funding without an EHCP.
- Schools that are smaller than 1 FE get £6,000 funding for all of their mainstream pupils that the LA has agreed to fund.

3.37 The review has also looked at how other LA's assess what top-up funding the school requires to meet the base £6,000 requirement. These included calculations similar to those already undertaken by SBC but also included the following:-

- The LA determines the "expected" percentage of pupils that the school should be able to fund before the LA provides additional funding. The percentage is an arbitrary number that is linked to the funding available from the LA's High Needs budget, these ranged between 1.33% and 3.5%.

E.g. a school of 210 pupils might be expected to fund the £6,000 for the first 2.5% of pupils, so in this instance 5.25 pupils. Therefore if the school have 5 pupils there will be no top-up, but if they have 6 the LA would top-up:- $(6 - 5.25) \times £6,000 = £4,500$.

- The LA determines an amount per pupil that the school should be able to fund before the LA provides additional funding. Again the amount is an arbitrary number that is linked to the funding available from the LA's High Needs budget, these ranged between £50 and £90.

E.g. a school has 210 pupils it would be expected to set aside £90 per pupil ($£90 \times 210 = £18,900$) to meet the required £6,000 funding per child. For this school that would be 3.15 pupils. Therefore in the example given above the LA would provide funding for 2.85 pupils or £17,100 ($2.85 \times £6,000$).

Members of Schools Forum are now asked to:

- **Note that officers have reviewed Notional SEN funding in other local authorities.**
- **Officers will recommend that subject to modelling results all mainstream High Needs funded pupils will be included in future calculations and some element of AWPU funding will be taken into account when calculating the Notional SEN budget.**

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 or iburbidge@swindon.gov.uk

2016-17 Dedicated Schools Grant Budget and Forward Look

Schools Forum

Date: 12th July 2016

Tuition Service review

- 3.38 A verbal update will be provided at the meeting by the Head of Education

Members of Schools Forum are now asked to:

- **Note the current state of the Tuition Service review.**

New Special School Primary Provision

- 3.39 Following agreement from the Cabinet Member for Children's Services to the contents of a Cabinet Member Briefing Note dated 7th September 2015, concerning the intention to commence consultation on proposals to lower the age range at Crowdys. A consultation was carried out from the 8th March 2016 – 29th April 2016.
- 3.40 We have received 10 comments from resident's staff and parents of the school. 7 of these comments fully supported the proposal.
- 3.41 A Cabinet Panel was set up to consider the proposal and approved the decision on the 16th June 2016.

Members of Schools Forum are now asked to:

- **Note that the LA intends to open a new specialist primary provision at Crowdy's Hill Special School from September 2016.**

Early Years - 30 hour pilot implications

- 3.42 In January 2016 it was confirmed that Swindon's bid to become an 'Early Implementer' for this high profile government initiative had been successful. In September 2016, Swindon will join seven other LAs sharing funding of £13m, to act as a pilot area to inform policy, ahead of the national roll-out from September 2017.
- 3.43 In addition, a further 25 authorities will join this work, acting as 'Early Innovators' looking at specific issues. All participants will share further funding of £4m to assist with this work.
- 3.44 Full details of the pilot and the full scheme are yet to be fully released, but officers attended a working group with the DfE on the 22nd February 2016 and to qualify for the 30 hours entitlement from September 2017 parents will need to be earning the equivalent of 16 hours at National Living wage. They

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 or iburbidge@swindon.gov.uk

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do not need to be working 16 hours per week, therefore, if a parent only works 10 hours per week but is earning the equivalent of 16 hours at National Living Wage (this is age dependant to what rate this will be) they will qualify.

- 3.45 Each parent can earn up to £100k to qualify. Therefore, if both parents each earn £99k they can qualify. If either parent earns £100k or more they will not qualify regardless of the second parents level of income. More details will be reported to the forum in July 2016.

Members of Schools Forum are now asked to:

- **Note that Swindon has been selected to pilot the 30 hours of Early Years provision.**

Potential Free School Bids affecting Swindon

- 3.46 Wave 11 – Free School applications were submitted in March 2016 from DBAT, Uplands School and Schools Company. The LA has received notification from the EFA that the Schools Company application will not be taken forward to the next stage of the process, but that the Uplands School application will. No notification has been provided regarding the status of the DBAT application to date. The EFA have indicated that approximately 250 applications were received during wave 11.
- 3.47 Wave 12 – As previously indicated an application is expected from New College Swindon for a new primary school located on land adjacent to the approved secondary school on Tadpole Farm. In addition the LA has been marketing primary schools to academy sponsors at Commonhead, Abbey Farm and the Eastern housing development.
- 3.48 It is expected that an applicant will be sought to provide the secondary school

Members of Schools Forum are now asked to:

- **Note the current status of the bids that have been submitted to the EFA to provide new free schools in Swindon.**

in the Eastern housing development during wave 13 (March 2017).

Apprenticeship Levy

- 3.49 The government published plans to introduce an apprenticeship levy from April 2017 to create a fund to offer more apprenticeships across the country.

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 or iburbidge@swindon.gov.uk

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This could have an impact on schools in the Swindon area, outline details of the scheme are provided in the following paragraphs.

- 3.50 **Who is affected** - All employers with a pay bill over £3 million will be expected to pay a levy of 0.5% on their total pay bill. Where schools are part of a group e.g. a federation, multi academy trust or are local authority maintained the total pay bill of the group will be what triggers whether the payment is due or not.
- 3.51 Each school or group will have an annual allowance of £15,000; this will need to be split between each school in the group.

Example 1: an employer who would pay the levy

An employer with an annual pay bill of £5,000,000:

- levy sum: $0.5\% \times £5,000,000 = £25,000$
- subtracting levy allowance: $£25,000 - £15,000 = £10,000$ annual levy payment

Example 2: an employer who would not have to pay the levy

An employer with an annual pay bill of £2,000,000:

- levy sum: $0.5\% \times £2,000,000 = £10,000$
- subtracting levy allowance: $£10,000 - £15,000 = £0$ annual levy payment

- 3.52 **Are there any benefits** – When you have paid the levy you will be able to access funding for apprenticeships at your organisation, this can contribute to training and assessment of apprentices.
- 3.53 **Further information** – The following website contains more information about the scheme and how it will operate:-

<https://www.gov.uk/government/publications/apprenticeship-levy-how-it-will-work/apprenticeship-levy-how-it-will-work>

More information will be provided as it become available.

Members of Schools Forum are now asked to:

- **Note the potential impact of the apprenticeship levy on schools in Swindon.**

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 or iburbidge@swindon.gov.uk

2016-17 Dedicated Schools Grant Budget and Forward Look

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Review of Financial Regulations

- 3.54 The LA is intending to start a review of the Financial Regulations that are applicable to LA maintained schools. The LA may need assistance with this review from maintained school staff, to ensure that any proposed changes meet the financial duties of the LA and the operational needs of schools. Once the review is complete the regulations will be brought to the members of this forum to approve.

Members of Schools Forum are now asked to:

- **Note that the LA will commence a review of the Financial Regulations applicable to maintained schools.**

4. Alternative Options

- 4.1 Members of the Forum may provide alternatives in the course of the meeting.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 Various financial implications are included in this report relating to management of the retained DSG budget.

Legal and Human Rights Implications

- 5.2 Legal and Human rights implications have been taken into account in preparing this report. It is considered that the recommendations are compatible with Convention Rights.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 No additional implications were raised in the preparation of this report.

Diversity Impact Assessment

- 5.4 The proposals within this report are designed to allocate funding targeted at disadvantaged pupils and at pupils with low prior attainment and / or special education needs in order to narrow the attainment gap between these and other pupils.

Further information on the subject of this report can be obtained from Ian Burbidge on 01793 464384 or iburbidge@swindon.gov.uk

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Risk Management

- 5.5 Any specific risk management implications are highlighted in the body of the report.

6. Consultees

- 6.1 The Board Director, Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None.

8. Appendices

- 8.1 Appendix 1 – School Place Planning Update 2016 – 10th February 2016.

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School Place Planning Update 2016

Cabinet

Date: 10th February 2016

Author:	Cabinet Member for Children Services Head of Education
Wards:	All
Locality Affected:	All
Parishes Affected:	All

1. Purpose and Reasons

- 1.1 The purpose of the report is to identify the number of school places required to meet Swindon's long-term educational place planning needs until 2026. The report consists of the expected demographic projections, proposed housing development areas, and the need to support attainment and opportunities for young people across the Town and Borough.
- 1.2 The report brings together information from a range of sources and sets out the issues the Borough will face in meeting its statutory duties for providing school places until 2026. The strategy includes present and predicted future pupil numbers on roll, together with information about birth rates, school capacity and new housing.
- 1.3 This report supports the Priority Two of the Vision to "Offer education opportunities that lead to the right skills and right jobs in the right places" and in specifically pledge 15 "in addition to two new Free secondary schools, build one secondary and 12 primary schools to meet the needs of our increasing population".

2. Recommendations

Cabinet is recommended to:

- 2.1 Note the education place planning demand arising across the Borough for Primary and Secondary school places and changes to national legislation;
- 2.2 Authorise the Head of Education to conduct a consultation on the school place planning study attached at **Appendix 1** as set out from paragraph 3.10 below;
- 2.3 Approve the basic principles set out in the report below on new school provision as set out from paragraph 3.35 below;
- 2.4 In order to start meeting the demand for additional places, authorise the Head of Education to commence processes for seeking a free school for the new provision set out in paragraphs 3.7 and 3.8 and report back on progress at the next Cabinet meeting on the 16th March 2016.

Further information on the subject of this report can be obtained from Gareth Cheal, Direct Dial 01793 465802, gcheal@swindon.gov.uk.

School Place Planning Update 2016**Cabinet****Date: 10th February 2016**

3. Detail

- 3.1 It is the Local Authority's statutory duty to ensure there are sufficient school places in Swindon. Please note the numbers provided in this report relate to forms of entry, which in planning school places one form of entry (usually expressed as FE) equals 30 pupils at the initial point of entry (reception year for primary schools or year 7 for secondary schools). For clarity, we have attempted to refer to FE throughout this report.
- 3.2 Cabinet has received a number of reports on additional primary and secondary school places in recent years and this report intends to pull together the Borough wide need for places following an update of the school place planning study, which was previously updated in 2011.
- 3.3 The updated school place planning study identifies that by 2026 the Borough will need to provide 23 to 25 FE to meet Primary Place needs, and 22 to 24 FE to meet Secondary Place needs, with potential expansions in addition.

Overview

- 3.4 The School Place Planning Study was updated in 2009 and 2011 versions of the School Place Planning Study to identify the number of school places and a range of other educational needs, required to meet Swindon's long-term educational place planning needs until 2026.
- 3.5 Since the 2011 version of the school place planning study was published, the Swindon Local Plan has been approved and the information contained within the previous study requires updating. In addition, there have been some changes to the demographic situation and school capacity in some existing areas of the town.
- 3.6 Further in the report these changes will be detailed in the following school place planning areas;
- 3.6.1 North Swindon
 - 3.6.2 Central and South Swindon
 - 3.6.3 East Swindon
 - 3.6.4 West Swindon
 - 3.6.5 Catholic cluster of schools
- 3.7 The table below shows the borough wide Primary Place Needs identified within the study and estimates the expected opening date for new provision (these are subject to review as the timing of opening is directly linked to the delivery of new houses):

Further information on the subject of this report can be obtained from Gareth Cheal, Direct Dial 01793 465802, gcheal@swindon.gov.uk.

School Place Planning Update 2016

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Date: 10th February 2016

Area	Number of schools	School Place Planning Area	Type of Provision	FE	Status	Expected opening date (September)
Tadpole Farm 2	1	North	New build	2	New (Free School bid in March 2016)	2018
Abbey Farm	1	North	New build	2	New	2019 or 2020
Wichelstowe	2	Central & South	New build	4	New (Free School bid in March 2016)	2018 & 2020
Central Urban area	1	Central & South	New build	2	New	2020
Central urban area	1	Central and South	Expansion	1	New	2022
Commonhead	1	East	New build	1	New	2018
South Marston	1	East	Expansion	1	Planning due for submission in February 2016	2018
New Eastern Villages	4/5	East	New build	8/10	New	2019 to 2026
Kingsdown	1	East	New build	2	New	2020
			Total	23/25		

3.8 The table below shows the borough wide Secondary Place Needs identified within the study:

Area	School Place Planning Area	Type of Provision	FE	Status	Expected opening date (September)
Great Western Academy	North	New School	5 - 7	Free School approved	2018
Swindon Church of England Secondary (Wichelstowe)	Central & South	New School	7	Free School approved	2018
New Eastern Villages	East	New School	10FE	New	2020 or 2021
		Total	22 - 24FE		

Further information on the subject of this report can be obtained from Gareth Cheal, Direct Dial 01793 465802, gcheal@swindon.gov.uk.

School Place Planning Update 2016

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Date: 10th February 2016

- 3.9 Further detail and background behind the requirements above are set out in the School Place Planning Study 2016 attached at **Appendix 1**.

Consultation

- 3.10 In February 2014, the Council adopted a Consultation Policy to clearly set out the Council's commitment to effective and efficient public consultation and set the expectation that this commitment will be consistently applied, particularly in relation to the Council's key decisions.
- 3.11 The Policy sets out a commitment to consultation, which meets the Council's legal requirement and adheres to a local standard of ten principles that will help ensure that consultation is effectively undertaken in a timely manner, at an appropriate stage in the decision making process and that results are used to inform policy development and service delivery.
- 3.12 In terms of the specific proposals outlined in this report, there are a number of consultation programmes that will be required.
- 3.13 On the 10th November 2015, the Local Authority hosted an event at the University Technical College Swindon to advertise to potential academy and free school sponsors the characteristics of Swindon, the education strategy and our place planning pressures. The event was attended by about 40 providers and representatives from the Regional Schools Commissioners office.
- 3.14 An informal drop in consultation session was also held on 10th November, for Head's, Governors, and members to come and give some initial comments on the draft study.
- 3.15 It is proposed to conduct a 6-week consultation, which will run from Tuesday 16th February to Friday 1st April 2016. Consultation on the School Place Planning Study will initially involve headteachers, governors and neighbouring Local Authorities. There will also be formal internal consultation with planning, property and highways officers.
- 3.16 In addition, there will be an online consultation via the School Place Planning section on the Swindon.Gov website which will heavily advertised via social media and Schools online. The Swindon Schools Traded services will be another means of seeking comments on the report.

Summary of School Places

- 3.17 The following section of this report sets out a summary of the pressures within the individual school place planning areas set out in paragraph 3.6 above and proposals to meet the demand. Further detail on each area is set out in the School Place Planning Study 2016 attached at **Appendix 1**.

Further information on the subject of this report can be obtained from Gareth Cheal, Direct Dial 01793 465802, gcheal@swindon.gov.uk.

School Place Planning Update 2016**Cabinet****Date: 10th February 2016**

North

- 3.18 There are already pressures for Primary and Secondary places in North Swindon, caused by a rise in cohort size. Further growth at Tadpole and Abbey Farm will add to this existing pressure. A 2FE primary school has been provided at Tadpole Farm and expansions have increased both Orchid Vale and Haydonleigh by an additional 1FE. A further 2FE primary school will be needed by September 2018 to manage the pressure from additional housing at Tadpole Farm. In addition a further 2FE school will be needed at Abbey Farm to accommodate the cumulative impact of infill developments around Blunsdon from September 2019 or September 2020.
- 3.19 As of September 2015, there were surplus places across the town in the secondary sector, however there will be an increase in demand once the larger cohorts already in the Primary schools feed into the secondary sector. This will be apparent from the continued house building programme at Tadpole Farm. A new 5FE to 7FE secondary free school is scheduled and needed in this area. The Department of Education has approved the opening of The Great Western Academy by 2018.
- 3.20 Historically the north planning area loses approximately 3.6FE out of the Borough to neighbouring Wiltshire schools through pupil and parental choice. This is envisaged to continue.

Central South

- 3.21 There are existing pressures on Primary and Secondary places in Central Swindon caused by a rise in cohort size from demographic trends.
- 3.22 Large-scale housing developments, such as Wichelstowe, have been started and will continue in this area. In addition to this, the birth rate in this area continues to increase in the short term.
- 3.23 These pressures will transfer to secondary school in due course. The Wichelstowe development will significantly increase demand for places, and the build out rate of these houses will determine where and when the new school will be built.
- 3.24 Two new primary schools opened in 2012 and 2014 reliving some immediate pressure and Even Swindon Primary School was expanded by 1FE in 2012. However, two further 2FE Primary Schools will need to be provided at the Wichelstowe site. The remaining pressure in the existing urban area will need to be met by 1 new 2FE school and expanding an existing school.
- 3.25 A new 7FE Church of England Secondary School will be built at Wichelstowe for September 2018. This will significantly relieve the future pressure for secondary school places.
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Further information on the subject of this report can be obtained from Gareth Cheal, Direct Dial 01793 465802, gcheal@swindon.gov.uk.

School Place Planning Update 2016**Cabinet****Date: 10th February 2016**

East

- 3.26 There are both surplus Primary and Secondary places in this part of town at present. However, additional schools will need to be built to accommodate the young people that the planned housing developments at North Eastern Villages, Commonhead, and Kingsdown will produce.
- 3.27 These will comprise of a new 1FE Primary school to be built at Commonhead. South Marston Primary School will be expanded from 0.5FE to 1.5FE, a further four to five 2FE Primary schools will be built in the New Eastern Villages, and a new 2FE Primary school in Kingsdown development area.
- 3.28 There is currently a small surplus of places in the secondary schools in this area, however, these will not be nearly enough to cope with the demand for places once the three major developments areas have been built. A new 8 to 10FE secondary school will be built in the East of Swindon development. The timing of this building and opening will depend on the build rates of the developments. Existing schools Dorcan and Kingsdown Schools will be needed to assist in managing the pressure in the short-term, either may have to be expanded if necessary.

West

- 3.29 There are currently no Primary surplus places in West Swindon, and a complex picture of secondary pupils moving towards Wiltshire schools. There are no major housing developments planned within the Borough boundaries in this area either.
- 3.30 This area has seen a slight rise in birth rate in recent years in the next few years this will have an impact on the lack of surplus places. There may be a need for some temporary solutions in the short term to further increase primary pupil numbers.
- 3.31 At present 3FE from West Swindon apply to be educated in Wiltshire each year. The long-term pressure for this area is the knock on effect of the housing developments adjacent to Swindon and Wiltshire and the potential impact if the parental choice for Bradon Forest or Wootton Bassett secondary schools changes.
- 3.32 If this does happen and those pupils return to the Swindon network there would not be enough places to accommodate them. A potential expansion would be needed to manage this pressure.

Catholic Provision

- 3.33 Swindon has five Catholic primary schools and one Catholic Secondary school. The number of parents choosing Catholic education for their children is

Further information on the subject of this report can be obtained from Gareth Cheal, Direct Dial 01793 465802, gcheal@swindon.gov.uk.

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increasing. The Local Authority has worked with the Catholic Diocese and School to increase the Primary school provision within the Borough through the expansion of Holy Cross and Holy Rood Schools.

- 3.34 There is a concern that if the provision of Catholic education continues to grow as predicted then St Joseph's Catholic College will lack capacity, and will potentially need to be extended by 2022. The Local Authority will work closely with the Diocese and school should this happen.

Basic principles for new school provision

- 3.35 Since the approval of the Swindon Local Plan setting out the strategic areas for housing development to 2026, planning applications have been submitted for large parts of the plan. In order to aid negotiation with land owners and developers it is useful to establish a basic set of principles for school provision in order to manage expectations.

Minimum and maximum school size

- 3.36 All new schools in the borough (with the exception of Commonhead, which has been previously set at 1FE) will be a minimum of 2FE with nursery provision and room to expand if necessary. This is in order to ensure a school is financially viable in the future as a stand-alone entity. It is expected that a smaller school will need to be included in a larger Multi-Academy Trust.
- 3.37 The upcoming New Eastern Villages expansion will require a Secondary School in the North Eastern part of town. It is recommended that the optimum size for this school is 8FE to 10FE with a 300 place 6th Form.
- 3.38 Early Years provision will be required at each of our new primary schools. This will help meet the increase demand as a result of the government's plans to increase 3 and 4 year old entitlement from 15 to 30 hours for working parents in September 2017.

Timing of new sites

- 3.39 In new housing developments as a starting point early access to the sites from occupation of the first new home will be requested. This will enable the Local Authority to work with education providers to deliver school provision and provide the greatest degree of flexibility to assess existing capacity with future demand.

4. Alternative Options

- 4.1 Alternative options for school provision have been considered with the School Place Planning study and the intention is to assess those options through wide consultation.

Further information on the subject of this report can be obtained from Gareth Cheal, Direct Dial 01793 465802, gcheal@swindon.gov.uk.

School Place Planning Update 2016

Cabinet**Date: 10th February 2016**

- 4.2 In some new areas the location of a new school will be determined through negotiation with the relevant land owner or developer.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 Government capital grant allocations for capital spending on schools have been significantly reduced in recent years and are highly unlikely to be sufficient to meet the needs of existing schools and the requirement to fund new ones. Any shortfall will result in the Council entering into additional borrowing to support identified needs as has been the case over recent years.
- 5.2 Levels of overall debt have increased considerably over the last few years to fund capital investment, with overall Council general fund debt currently £89m (although an underlying borrowing requirement is £261m) and net debt charges of £9.7m pa. Options for expansion of schools should, therefore, consider all possible options in order to try to minimise the effect on the revenue budget of increased debt.
- 5.3 All capital proposals will affect the Dedicated Schools Grant (DSG) although DfE are recognising pupil growth in annual grant settlements albeit on a lagged basis for mainstream pupils. This means that the LA has to top slice the DSG each year in relation to “pre-opening start-up costs”, “trigger” funding (the increased revenue funding provided to schools that have an in-year increase in pupil numbers over a certain threshold) and “set-up” costs (the provision of furniture and equipment for additional classrooms). As the number of new and growing schools increase, the amount of growth funding required increases and reduces the amount of funding that is available to be distributed to established schools.
- 5.4 As a consequence of the DfE’s school funding reform programme, the Local Authority need to consult formally with each sector of the Schools Forum to seek agreement to the policies by which funding is allocated and the levels of funding proposed in advance of each financial year.

Legal and Human Rights Implications

- 5.5 The Council has a responsibility to ensure that there are sufficient school places available. The Education and Inspections Act 2006 requires Local Authorities to promote choice and diversity when carrying out their strategic duties in relation to the provision of new school places.
- 5.6 Human rights considerations have been taken into account fully in compiling this report. It is considered that the recommendations of this report are compatible with Convention rights.

Further information on the subject of this report can be obtained from Gareth Cheal, Direct Dial 01793 465802, gcheal@swindon.gov.uk.

School Place Planning Update 2016

Cabinet

Date: 10th February 2016

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.7 Implications relating to sustainability and health are included within the school site selection criteria.

Diversity Impact Assessment

- 5.8 A DIA for the School Place Planning Strategy was attached to the July 2011 Cabinet report, and this is applicable to the proposals in this report. A copy of the report is available on request from the report author. No implications have been identified, but the proposal is for a consultation on the school place planning study and any implications will be assessed via an updated DIA following the process.

6. Consultees

- 6.1 The Board Director, Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 Cambridge Education Associates School Place Planning Study 2009
7.2 Swindon School Place Planning Study Update 2011

8. Appendices

- 8.1 Appendix 1 - School Place Planning Study update September 2015

9. Key Decision/Decision in Cabinet Work Programme and Forward Plan

- 9.1 This is / is not a Key Decision and is included in the Cabinet Work Programme and Forward Plan for Month Year.

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Post 16 High Needs Funding Update

Schools Forum

Date: 12th July 2016

Author:	Strategic Commissioner – SEN, Head of Finance - Education
Wards:	All
Locality Affected:	All
Parishes Affected:	All

1. Purpose and Reasons

- 1.1 The purpose of this report is to update Schools Forum on the level of funding available and proposes indicative funding allocations to providers for the 2016/17 financial year.
- 1.2 Utilisation of the DSG has a direct link to two of the Council's five priorities – “Right skills, right jobs in the right place” and “Make the best use of Swindon's resources inside and outside the Council”.

2. Recommendations

The Schools Forum is recommended to:

- 2.1 Note the LA's latest estimate is that a total of 367 FTE post 16 (excluding sixth form) high needs students will need to be financed during the 2016/17 academic year, as detailed in Para. 3.1 – 3.6.
- 2.2 Agree the 2016/17 indicative banding values shown in table 2 and note that these will be reviewed if there is significant variance due to actual take up of places as detailed in Para. 3.7 – 3.13.
- 2.3 Note that the estimated annual net costs of 40 places at ISPs is £0.460m and will be charged to the 2016/17 financial year budget as detailed in Para. 3.7 – 3.13.
- 2.4 Note the annual allocations for FE College and Training Providers totalling £1.345m will be charged to the 2016/17 financial year as detailed in Para. 3.7 – 3.13.
- 2.5 Note a contingency budget of £0.193m for 65 identified high needs students with no confirmed destination in the financial year as detailed in Para. 3.7 – 3.13.
- 2.6 Note the overall financial year and academic year budget position shown in Table 2 as detailed in Para. 3.7 – 3.13.

Further information on the subject of this report can be obtained from Lyn Frith, Education Commissioner, 01793 463217, lfrith@swindon.gov.uk.

Post 16 High Needs Funding Update

Schools Forum

Date: 12th July 2016

3. Detail

Background

- 3.1 Forum members will recall that this area of the DSG has been particularly difficult to manage since the transfer of commissioning responsibilities from the EFA to the LA in September 2013. The transfer of responsibility coincided with the capping of learner numbers and the introduction of a national funding formula. This resulted in Swindon being funded at a lower rate than it was historically.
- 3.2 The funding arrangement for the provision of education for high need students in FE colleges and ISPs is different to schools. Whereas all funding for maintained schools and academies (Mainstream, Special Schools and Special Resource Provision) is provided from Swindon's DSG (via the local formula) for FE colleges and ISPs the position is as follows;
- Element 1 - SBC has no involvement in what DfE refer to as element 1 funding which is paid direct to accredited providers on a lagged basis using previous year's learner numbers. This operates outside all DSG calculations and averages £4,977 per pupil. This is essentially the same as pupil based funding in a mainstream school although FE rates per student are set by the EFA for individual providers and will not be exactly £4,977.
 - Element 2 – This is paid on a lagged basis directly to providers by the EFA at £6,000 per place and is essentially the same as the notional SEN funding for pre 16 students. The EFA states that Element 2 does not align exactly to student numbers and the allocation is not LA specific.
 - Element 3 – This is the only funding that SBC receives DSG funding for to pay over to FE colleges and other high needs providers and should be paid based on meeting individual pupil needs' top up costs in a similar way to mainstream and specialist settings.

Update on 2016/17 Financial Year Allocation

- 3.3 Although the Post 16 financial year runs from August – July, the DSG is allocated and reported on a financial year basis. Therefore this report is aligned to the financial year.

Funding Available 2016/17

- 3.4 The total funding available for 2016/17 financial year for post 16 providers (excluding school sixth forms) is £2.000m.

Planned Placements 2016/17

Further information on the subject of this report can be obtained from Lyn Frith, Education Commissioner, 01793 463217, lfrith@swindon.gov.uk.

Post 16 High Needs Funding Update

Schools Forum

Date: 12th July 2016

3.5 The table below shows how the LAs latest 2016/17 commissioning plan compares to the EFA approved places;

Table 1 – Indicative 2016/17 Academic Year FTE Placements					
	EFA	Jun-16	Projected	Variance	Notes
	Approved Places2016	Actual Placements	Sep-16 Placements	To EFA Approved	
Cirencester College	14	6	3	-11	1
New College	45	67	83	+38	
Swindon College	148	129	139	-9	
Wiltshire College	3	19	7	+4	
Colleges Total	210	221	232	+22	
Training Providers Total	10	36	30	+20	
ISPs	19	15	3	-16	2
UET	24	28.6	37	+13	3
ISP's Total	43	43.6	40	-3	
Unknown destinations			65	+65	4
Overall Total	263	300.6	367	+104	

3.6 The LA expects to fund element 3 top ups for a total of 367 students during the 2016/17 academic year which is an increase of 104 over the EFA approved placements collated through the High Needs Return in October 2013.

- Note 1 – This year we are projecting that numbers will exceed the commissioned places. Element 2 funding for approved providers is allocated on a lagged learner basis by the EFA in line with the October census data.
- Note 2 – A total of 3 ISP placements are now expected which is 16 below the number commissioned. Element 1 and 2 is funded on a lagged basis in the same way as FE Colleges and training providers.
- Note 3 – The EFA currently fund 24 placements at UET. Element 1 and 2 is funded on a lagged basis in the same way as FE Colleges, training providers and other EFA approved ISPs.

Further information on the subject of this report can be obtained from Lyn Frith, Education Commissioner, 01793 463217, lfrith@swindon.gov.uk.

Post 16 High Needs Funding Update

Schools Forum

Date: 12th July 2016

- Note 4 – There are 65 students identified as meeting the high needs criteria where a post 16 destination is not yet known.

Members of the Schools Forum are now asked to:

- **Note the LA's latest estimate is that a total of 367 FTE post 16 (excluding sixth form) high needs students will need to be financed during the 2016/17 academic year.**

Proposed 2016/17 ISP costs

- 3.7 For placements at Independent Specialist Provider Colleges (ISPs) including the UET, annual costs are at individually negotiated rates. Pupils attend ISPs when their needs cannot be met within the mainstream or special school 6th form, or mainstream FE College provision with additional support or a bespoke package. Where appropriate placements are jointly commissioned with social care and health agreeing contributions. ISP placements from September 2016 are estimated at 40 places with 2016/17 financial year costs of £0.460m.

Proposed 2016/17 FE College and Training Provider costs

- 3.8 In September 2014 the Universal Banding approach was implemented in all FE Colleges and Training Providers for High Needs students. The banding scheme was based on the model already used in special schools and SRPs. All students are funded at the same level and a range of supplements were agreed. Students have been allocated against the same 6 prime need bandings used for special school and SRPs and indicative post 16 banding values were calculated based on the funding envelope provided by the EFA for the new responsibilities as calculated below:
- Total funding envelope financial year **£2.000m**
 - Less term 5 and 6 costs from the 15/16 academic year **£0.684m**
 - Balance available for terms 1-4 of the 15/16 academic year **£1.315m** (September-March)
 - Less ISP costs September – March (see table 2 below) **£0.272m**
 - Balance available for FE Colleges and Training Providers September – March **£1.043m**

Further information on the subject of this report can be obtained from Lyn Frith, Education Commissioner, 01793 463217, lfrith@swindon.gov.uk.

Post 16 High Needs Funding Update

Schools Forum

Date: 12th July 2016

Indicative Funding Allocations 2016/17

- 3.9 At this stage in the year the LA is unable to confirm precise funding allocations for individual providers because some students have not confirmed their placements for the 2016/17 academic year yet. The table below provides the LA's best estimates which are as follows;

Table 2 – Indicative 2016/17 Academic Year Allocations					
	Actual Places June 2016	Latest Estimated places Sept 2016	2016/17 Financial Year payment April – August	2016-17 Financial Year payment Sept - March	Financial Year Total April 2016 – March 2017
Cirencester College	6	3	£6,312	£5,933	£12,245
New College	67	83	£133,050	£331,922	£464,972
Swindon College	129	139	£173,117	£379,129	£552,247
Wiltshire College	19	7	£58,295	£17,173	£75,468
FE College Total	221	232	£370,774	£734,157	£1,104,932

Training Providers Total	36	30	£125,501	£115,290	£240,791
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ISPs	15	3	£72,594	£52,516	£125,110
UET	28.6	37	£115,262	£220,141	£335,403
ISP Total	43.6	40	£187,856	£272,657	£460,513

Contingency	0	65	0	£193,679	£193,679
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Overall Total	300.6	367	£684,131	£1,315,783	£1,999,915
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- 3.10 The projection based on the current known student numbers and the bandings allocated through the moderation process will mean a total financial year spend of £1.999m and will be on budget.
- 3.11 A contingency budget of £0.193m has been developed for the period September-March for the identified pupils who are high needs where a destination has yet to be confirmed.
- 3.12 A new local funding formula was devised and implemented in September 2014 to distribute the available funding to FE Colleges and Training Providers.

Further information on the subject of this report can be obtained from Lyn Frith, Education Commissioner, 01793 463217, lfrith@swindon.gov.uk.

Post 16 High Needs Funding Update

Schools Forum

Date: 12th July 2016

Based on current projections of student numbers it is not possible to maintain the 15/16 banding values within the financial envelope. However this will be revised following enrolment in the new academic year. The resulting funding values for September 2016 are proposed as follows;

Table 3 – Proposed 2016/17 post 16 post school High Need Band Values & Supplements			
<u>Universal Banding Descriptor</u>	<u>Values 2015/16 AYR</u>	<u>Indicative Values 2016/17 AYR</u>	<u>Difference in Value</u>
Band 1 – 100%	£8,155	£7,910	-£245
Band 2 - 90%	£7,340	£7,119	-£221
Band 3 - 60%	£4,893	£4,746	-£147
Band 4 – 37.5%	£3,058	£2,966	-£92
Band 5 - 30%	£2,447	£2,373	-£74
Band 6 – 15%	£1,223	£1,187	-£36
<u>Supplements</u>			
Medical Needs	£750	£750	£0
Manual Handling	£500	£500	£0
Transition	£250	£250	£0
Workshop / High Risk Environment	£400	£400	£0
Open campus	£250	£250	£0

3.13 It is not possible to fund post 16 providers (excluding school sixth forms) at the same level as schools due to the funding levels available.

- Medical Needs: for students with a significant medical need that would require a high level of medical assistance/supervision.
- Manual Handling: for students with a disability that would require a significant level of manual handling
- Transition: for students who are transferring from a Special School or Special Resource Provision on band 1 or 2, any pupil from the EOTAS/Tuition Service or a pupil that was formerly home educated. This supplement would only apply during the first year at College.
- Workshop / high risk environment: for students working in a higher risk learning environment that would require additional support/supervision
- Open campus: for students who are socially or emotionally highly vulnerable, as a result of their SEN needs, and require closer supervision when attending an open campus environment.

Further information on the subject of this report can be obtained from Lyn Frith, Education Commissioner, 01793 463217, lfrith@swindon.gov.uk.

Post 16 High Needs Funding Update

Schools Forum

Date: 12th July 2016

Members of the Schools Forum are now asked to:

- **Agree the 2016/17 indicative banding values shown in table 2 and note that these will be reviewed if there is significant variance due to actual take up of places.**
- **Note that the estimated annual net costs of 40 places at ISPs is £0.460m and will be charged to the 2016/17 financial year budget**
- **Note the annual allocations for FE College and Training Providers totalling £1.345m will be charged to the 2016/17 financial year.**
- **Note a contingency budget of £0.193m for 65 identified high needs students with no confirmed destination in the financial year**
- **Note the overall financial year and academic year budget position shown in Table 2.**

4. Alternative Options

- 4.1 The LA has a statutory duty to manage and distribute the Dedicated Schools Grant (DSG) in accordance with prevailing grant conditions and School Finance Regulations. DfE have prescribed the options available to Local Authorities, some of which are mandatory whilst some are discretionary, but in most cases funding values are to be locally determined. The proposals in this report are aimed at containing costs within the level of funding provided by EFA to meet the LAs new responsibilities. As no elements of the DSG are ring fenced it is for individual LAs to decide how best to manage this funding via consultation with Schools Forum's.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 As this is essentially a financial report the implications are explained throughout the document. At this stage the impact of any funding changes on individual colleges and other providers cannot be precisely determined although the establishment of banding and supplement values should reduce financial uncertainty.
- 5.2 It is important to recognise that under the school finance regulations no setting is financially protected against reduced pupils or students although from 2014/15 the LA had an option to protect good and outstanding mainstream schools and academies from temporary falling rolls.

Further information on the subject of this report can be obtained from Lyn Frith, Education Commissioner, 01793 463217, lfrith@swindon.gov.uk.

Post 16 High Needs Funding Update

Schools Forum

Date: 12th July 2016

Legal and Human Rights Implications

- 5.3 There are no legal and human rights implications arising from this report.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.4 Although the impact on individual settings cannot be determined at this stage the school funding reform programme is causing a degree of volatility which may have implications for schools and other providers which are detrimentally affected by the redistribution of funding. In determining funding levels the LA is required to comply with the school finance regulations and providers are expected to manage their operations and spending within their available funding including brought forward balances.

Diversity Impact Assessment

- 5.5 The DfE's funding reform programme is aimed at simplifying fair funding although funding changes at individual settings is inevitable. The reform programme is clearly aimed at ensuring funding is targeted at disadvantaged pupils and at pupils with low prior attainment and/or special education needs in order to narrow the attainment gap between these and other pupils.

Risk Management

- 5.6 The key risks arising from this report are that local decisions relating to Post 16 funding could lead to an overspend on the 2016/17 DSG and/or that the EFA could deem that our funding arrangements do not comply with the school finance regulations requiring budgets to be recalculated.

6. Consultees

- 6.1 The Board Director, Resources (Section 151 Officer), Board Director, Commissioning (Director of Children Services) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None.

8. Appendices

- 8.1 None.